libertyOS
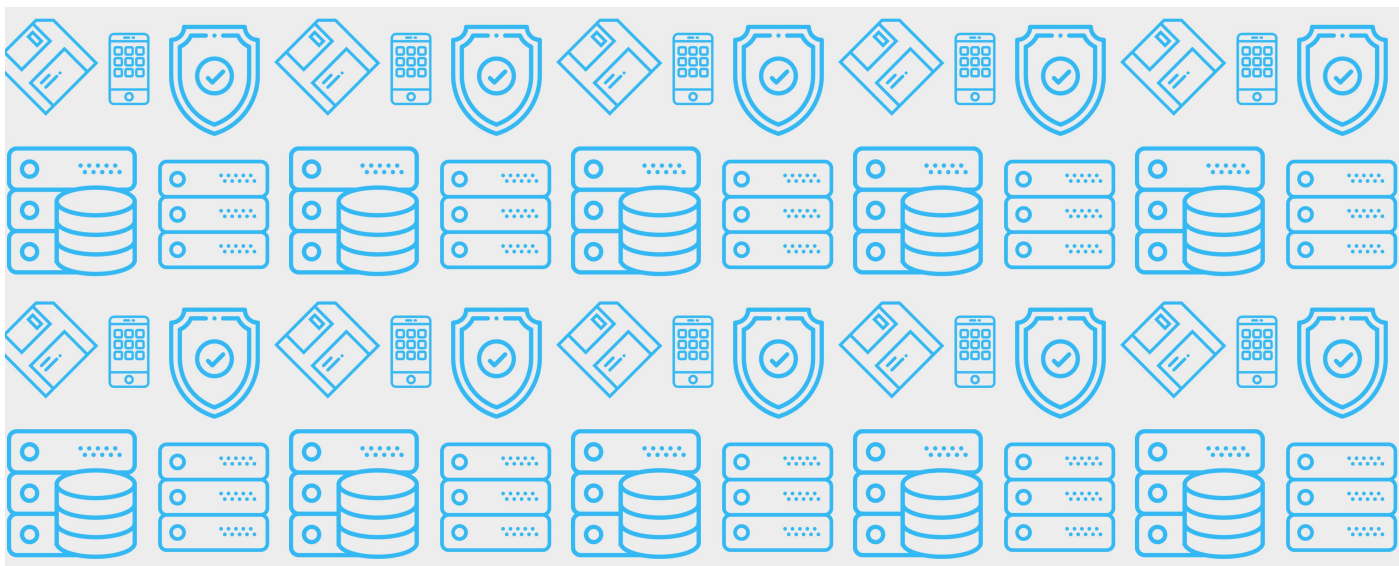
Liberty OS
Tokenoffer Agreement

libertyOS

Liberty Blockchain Technologies UG

(haftungsbeschränkt)

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ABSTRACT

Liberty OS is a lightweight, decentralized, crypto/security-oriented Operating System focused on accessibility, user privacy and ease of use. It features an easily usable installer which takes care of nearly everything during the installation; therefore, even people who lack the know-how are able to successfully install it.

Liberty OS comes with most common crypto-wallets pre-installed and/or selectable to be installed during the installation process. Now that core development of Liberty OS is completed, Liberty Blockchain Technologies UG (haftungsbeschränkt) aims to receive further funding to add additional developers and other team members, especially consultants and marketing experts, and continuously expand Liberty OS's capabilities and prevalence.

Liberty Token is a Cryptocurrency Token that is used on the Liberty OS as a means to provide cash income to users who choose to view advertisements on Liberty OS. In addition to incentivizing users to view advertisements, the Liberty Token allows advertisers to place ads and also facilitates a stable income for application and open-source developers. Liberty Blockchain Technologies UG (haftungsbeschränkt) facilitates the sale of space and utility for non-intrusive, screened and safe advertisements.

1. DEFINITIONS

The following defined terms are used in this Token Offer Document:

- *Liberty OS*: is the technical platform operated by the Operator. Development of Liberty OS is now complete. Liberty OS facilitates the sale of space and utility to non-intrusive, screened and safe advertisements.

- *Liberty Token (LIB):* LIB is the native currency of Liberty OS. LIB can be used to buy ads and donate. LIB can be earned by viewing ads in Liberty OS.

- *Binance chain*: Binance chain is a Blockchain developed and maintained by Binance.

- *Ethereum chain*: Ethereum chain is a Blockchain developed an maintained by Ethereum.

- *Initial Token Offering*: is the offering of LIB Tokens.

- *Offer Period*: is the limited period of time in which Participants can buy LIB Tokens.

- *Operator*: is Liberty Blockchain Technologies UG (haftungsbeschränkt), a limited liability company.

- *Participant*: is any potential and/or actual participant in the Initial Token Offering.

- *Token Offer Document*: refers to this document effective as of the beginning of the Offer Period.

2. THE OPERATOR

Liberty OS as described in further detail below is operated by Liberty Blockchain Technologies UG (haftungsbeschränkt) (in the following the "Operator"), a limited liability company under German law with its seat in Munich, Germany and its business address at Karwendelstrasse 172, 85560 Ebersberg, registered in the commercial register of the Provincial Court of Munich under HRB 251579. The Operator will obtain all necessary trade permits to operate Liberty OS as described below under German law. The Operator may be contacted under the following addresses:

Postal address: Karwendelstrasse 172, 85560 Ebersberg

Mail: hello@libertyos.net

3. THE INITIAL TOKEN OFFERING

This Offer Document refers to the proposed initial offering of up to 0,88 billion LIB Tokens as described below: The Operator intends to offer up to 0,88 billion LIB Tokens during the period starting in Q4/2019 and ending in Q4/2021.

Procedure of buying LIB Tokens:

- The Participant has to create an Account with the Operator. For creating an Account, the Participant has to provide his/her email address and has to set a strong and complicated password.

- The Participant confirms that he/she read the Token Offer Document and Privacy Policy. Moreover, the Participant confirms that he/she is neither a citizen nor a resident of the excluded countries listed in the Token Offer Document. The Participant confirms that he/she is aware of the risks inherent to Initial Token Offerings.

- The Participant provides the Operator with his/her email address and the payment method of choice for buying LIB Tokens.

- The email address of the Participant is saved in the database of the Operator.

- The Participant selects the payment method of choice (Ether, Bitcoin, Litecoin, etc. or Bank transfer).

- The Participant enters the amount of LIB Tokens he/she wants to buy from the Operator. The Operator calculates the exchange rate for Bitcoin/Ether/Litecoin/Other. The maximum amount of LIB Tokens each Participant can purchase is set to 10,000 USD.

- If the Participant wants to pay with Bitcoin/Litecoin/Ether/Other, a cryptocurrency wallet will be presented to him/her. The Participant then sends the calculated amount of Bitcoin/Ether/Litecoin/Other to these cryptocurrency wallets.

- If the Participant wants to pay with USD, the Operator presents to him/her the required banking data (IBAN, BIC). The Participant then sends the calculated amount to the bank account of the Operator. Moreover, the Participant is required to fill in a payment reference that is presented to him/her. This way the payment can be easily matched by the Operator.

- After the payment is verified by the Operator, the amount of Tokens bought by the Participant will be shown in the Participant's account. The amount shown in the profile page is a placeholder (**"Placeholder"**). The Participant can request to receive transferable Tokens (BEP-2) after the ICO will be finished in Q4/2021. Alternatively, after the ICO will be finished in Q4/2021, he can choose to get access to the CryptoTracker application for a period of one day instead of receiving 50 transferrable LIB Tokens

(= 30 days instead of receiving 1.500 transferrable LIB Tokens). The claim represented by the Placeholder (to receive either LIB Tokens or access to the CryptoTracker application) is not transferrable.

The exchange rate is 1 LIB = 0.01 USD. The exchange rate remains unchanged during the ICO.

4. PURCHASE AGREEMENT

With the Purchase Agreement (**"Purchase Agreement"**) the Operator intends to sell LIB Tokens to the Participant, and the Participant intends to purchase LIB Tokens from the Operator.

- The payment of the LIB Tokens in the ICO can be made in Ether (ETH), Bitcoin (BTC) and Litecoin (LTC), or other payment methods listed on the Operator's website only and subject to the provisions made in this Token Offer Document. All transfer costs shall be borne by the Participant.

- In order to submit an offer to the Operator, the Participant has to use the form as provided by the Operator on his website. By clicking on the button "Buy Tokens". The Participant has to insert an individual amount of ETH, BTC, LTC or other payment methods

listed on the Operator's website that should be contributed to the Participant to request an individual amount of LIB Tokens and confirm this amount by clicking on the button "Next". Further, the Participant has to accept or confirm the further conditions as set out in the form by activating the respective checkboxes. Only after activating the aforementioned checkboxes the Participant has to submit the form to the Operator by clicking on the button "Next". After submitting the form, the Participant will be offered an individual destination address to send the chosen amount of BTC, ETH, LTC or other payment methods listed on the Operator's website („Transaction"). For Purchases with some payment methods specifying a destination tag in addition to the destination address might be required. The corresponding instructions will be displayed on the Operator's website. The filing of the form and carrying out of the Transaction by the Purchaser is considered as a binding offer towards the Operator. The Participant shall bear any transfer fees.

- In case the payment of the purchase price of the LIB Tokens will be made in Bitcoin/Ether/Litecoin, the number of LIB Tokens will be determined by the Operator. The transaction timestamp will be used to determine the exact price per LIB Token. The decisive factor for the exchange rate is the transaction receipt. The confirmation of receipt does not serve as an acceptance of the Participants's offer. For the exchange rate the ticker of Coingecko is used.

- By acceptance of the Participant's offer, the Participant and the Operator enter into the Purchase Agreement. The Purchaser waives the receipt of the acceptance declaration. The Operator will separately inform the Participant regarding the acceptance of the Participant's offer with undue delay. This notice has only informational character.

- The Operator reserves the right to reject the Participant's offer if there is any cause in his sole discretion. § 19 of the German General Equal Treatment Act (AGG) remains unaffected.

- Notwithstanding the statutory right of withdrawal and the consequences of the withdrawal, in case the Operator does not accept the Participant's offer the Operator is obliged to reimburse the price paid by the Participant without undue delay. For the purpose of reimbursement the Operator will use the same payment method the Participant used for the initial transaction to be carried out, unless otherwise expressly agreed by the parties. The Operator may reimburse the number of ETH, BTC, LTC or other selected payment method that was contributed by the Participant.

4.1. REPRESENTATIONS AND WARRANTIES OF THE OPERATOR

- The Operator hereby represents and warrants that the following is true and accurate as of the time of the conclusion of this Agreement:

  o The Operator is a limited liability company (Unternehmergesellschaft (haftungsbeschränkt)) under German law and is currently in good standing;

  o the Operator is authorized to validly conclude this Agreement and fulfill its obligations thereunder;

  o the Operator will undertake all reasonable measures to transfer legal property and factual access to the Tokens to be transferred under this Agreement to the Participant.

- The Operator does not make any further representations or warranties and – to the extent legally permissible – waives all other (statutory and/or contractual) representations and warranties not explicitly listed in this Section.

4.2. REPRESENTATIONS AND WARRANTIES OF THE PARTICIPANT

- The Participant hereby represents and warrants that the following is true and accurate as of the time of the conclusion of this Agreement:

  o The Participant is not acting for a third party and any transaction considered in this Agreement shall be effected by the Participant for his/her own account;

  o the Participant is able and authorized to validly conclude this Agreement and fulfill his/her obligations thereunder;

  o the Participant is not a resident or otherwise subject to the jurisdiction of any of the countries which have been expressly listed as excluded countries in the Offer Document;

  o the conclusion and/or execution of this Agreement shall not constitute a breach of any laws, regulations or other statutory and/or contractual obligations of the Participant;

  o the Participant will undertake all reasonable measures to transfer legal property and factual access to the Bitcoin/Ether/Litecoin/USD to be transferred under this Agreement to the Operator.

- The Participant confirms that he/she read the Token Offer Document and Privacy Policy. Moreover, the Participant confirms that he/she is not a citizen of the excluded countries listed in the Token Offer Document. The Participant confirms that he/she is aware of the risks inherent to Initial Token Offerings.

4.3. MISCELLANEOUS

- This Agreement shall be exclusively governed by, and interpreted in accordance with, German law, excluding any conflict of laws rules and excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

- All disputes arising out of or in connection with this Agreement or its validity shall be finally settled in accordance with the Arbitration Rules of the German Arbitration Institute (DIS) without recourse to the ordinary courts of law. The arbitral tribunal shall be comprised of three arbitrators. The seat of the arbitration shall be Munich, Germany. The language of the arbitration shall be German. The law applicable to the merits shall be German law.

- Given the case that a German court declares the Arbitration clause set up above invalid, each of the Parties irrevocably submits to the exclusive jurisdiction of the provincial court of Munich with regard to all disputes arising out of or in connection with this Agreement.

- This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof. All prior

agreements or understandings, if any, between the Parties with respect to the subject matter hereof shall, upon the execution of this Agreement, be null and void.

- In case any one or more of the provisions contained in this Agreement shall be invalid, illegal, or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. Instead of the invalid or inoperable provision, this Agreement shall be applied in a reasonable manner, which, so far as legally permissible, comes as close as possible to the application of what the Parties intended, according to the spirit and purpose of this Agreement. This also applies to any gaps in this Agreement.

- This Agreement and any rights and obligations hereunder cannot be transferred or assigned in whole or in part to any third party.

5. LIB TOKEN DISTRIBUTION

The Participant agrees that the Operator will distribute the Tokens upon request at latest 4 weeks after the complete ICO will be finished. Alternatively, the Participant can request access to the CryptoTracker application for a period of one day instead of receiving 50 transferrable

LIB Tokens (= 30 days instead of receiving 1.500 transferrable LIB Tokens). Before the distribution of Tokens, the Participant can see the amount of Tokens he/she will hold in his/her profile page. The amount shown in the profile page is a placeholder. The claim represented by the Placeholder (to receive either LIB Tokens or access to the CryptoTracker application) is not transferrable. That means that actually no BEP-2 Tokens have been generated on the Binance Blockchain or the Ethereum Blockhain.

6. RIGHT TO MODIFY THE WHITEPAPER

The Liberty OS project is described in detail in the Whitepaper. The Whitepaper can be found on the homepage of the Operator.

The Operator reserves the right, in its sole discretion, to modify any of the content described in the Whitepaper especially to account technical challenges. The Operator will host the new Whitepaper on the Operator's website. By modifying the Whitepaper the Participant does not obtain any legal entitlements or claims against the Operator.

7. SUSPENSION RIGHT

The Operator is entitled to suspend the Token Sale – at any time before the acceptance of the Participant's offer and regardless of the status of

the Participant's offer for a certain time period or end the Token Sale finally if there is any good cause to the Operator's sole discretion. As good cause shall be deemed, inter alia, a significant (material) decrease/increase in the volatility of ETH, BTC, LTC or other payment methods, the presumption of fraud in connection with purchase processes of LIB Token or the increase of strain regarding the use of IT resources and systems or any material changes in regulatory requirements with German or EU supervisory law, and/or any kind of intervention of the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin") and/or any other regulatory authority.

8. GENERAL LEGAL NOTICE / DISCLAIMER

8.1. APPLICABLE LAW

The Initial Token Offering described in this Token Offer Document is solely governed by German material law explicitly excluding any and all conflict of law provisions that may lead to the application of the law of any other jurisdiction. Furthermore, the Initial Token Offering is subject to the terms and conditions as described in this Token Offer Document.

8.2. APPLICATION OF CAPITAL MARKET LAWS AND REGULATIONS

The LIB Tokens to be issued in the course of the Initial Token Offering are not securities (especially within the meaning of Art. 4 par. 1 Nr. 44 of the Directive 2014/65/EU of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU) and do not confer any rights usually associated with securities or other investments on the holders of LIB Tokens. In particular, the LIB Tokens do not convey any ownership, participation or control rights and/or claims on the future revenues, profits or assets of the Operator, the Operator itself or any third party. Furthermore, the holders of LIB Tokens are not entitled to any interest payments or similar claims and may not demand the repayment of the assets transferred in exchange for the acquisition of LIB Tokens at any time. Therefore, this document is not and must not be considered as a prospectus subject to German and/or European capital market laws and regulations and such laws and regulations do not apply to the Initial Token Offering described in this Token Offer Document. Consequently, this Token Offer Document has not been filed with and has not been approved by any government or public authority and/or any other third party.

8.3. GENERAL DISCLAIMER

The information in this document has been prepared by the Operator based on the information available to the operator at the time of the

drafting of this Token Offer Document and is intended to provide the Participants with the necessary information concerning a potential participation in the Initial Token Offering. Nothing in this Token Offer Document constitutes specific advice with regard to legal, tax, commercial or technical issues and, therefore, no user may rely on such information without further consultation with advisers qualified with regard to these issues. This Token Offer Document may only be used for the purpose for which it has been drafted. In particular, it may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. The Operator does not make and expressly disclaims any representation, warranty or undertaking in any form whatsoever to any Participant or other third party regarding the correctness, the accuracy and the completeness of any of the information contained in this Token Offer Document.

8.4. FORWARD-LOOKING STATEMENTS

Certain information contained in this Token Offer Document may qualify as "forward-looking statements". Except for statements of historical fact, information contained herein constitutes forward-looking statements including but not limited to, the (i) intended operation and performance of Liberty OS, (ii) use of the assets acquired in the course of the Initial Token Offering (iii) the expected development of the Operator's business (iv) the development of the Operator's vision and future strategy regarding Liberty OS, (vi) the development of the markets in which the Liberty OS Platform will

operate, (vi) the future legal and regulatory framework applicable to the Operator, Liberty OS and the LIB Token. Forward-looking statements are provided to allow Participants the opportunity to understand the Operator's beliefs and assumptions in respect of the future so that they may use such beliefs and assumptions as one factor in evaluating a potential participation in the Initial Token Offering.

The Operator is of the opinion that the operation of the Liberty platform does not require any permission / license of supervisory authorities under the current legal framework. This legal framework, however, may be subject to change. Therefore, it cannot be excluded that the operation of the Liberty platform will require the permission of any supervisory authority in the future, and it cannot be guaranteed that such permission / licence – if required – will be granted or that the operation of the Liberty platform will not be forbidden by any supervisory authority in the future in its entirety.

9. RESTRICTIONS ON THE INITIAL TOKEN OFFERING

In the past, legal regulations pertaining to cryptocurrencies and/or tokens have been implemented and/or proposed in a variety of countries. Such regulation may render the use of this Token Offer

Document in any or all forms and/or the participation in this Initial Token Offering illegal. The Operator has only assessed the lawfulness of this Token Offer Document and the Initial Token Offering described therein with respect to German and European capital markets law and expressly waives any liability with regard to the laws and regulations of jurisdictions other than Germany or the European Union.

Therefore, the Initial Token Offering described in this Token Offer Document is only open to persons and/or entities whose participation in the Initial Token Offering is in full compliance with all applicable laws, regulations and other legal provisions. Furthermore, this Token Offer Document and the Initial Token Offering described therein may not be used or published if such use or publication would constitute a breach of any applicable legal provisions. Any and all Participants in this Initial Token Offering are obligated to obtain any necessary information to assess the lawfulness of their use of this Token Offer Document and/or their participation in the Initial Token Offering on their own. Because of the regulatory frameworks that apply in certain jurisdictions which may impact the lawfulness of the Initial Token Offering considered in this Token Offer Document, the Initial Token Offering expressly does not apply to residents and other persons and/or entities subject to the jurisdiction of the following countries:

- United States of America

- Canada

- Hong Kong

- People's Republic of China

- Singapore

- South Korea

- Afghanistan

- Crimea Peninsula

- Cuba

- Eritrea

- Gaza Strip

- India

- Iran

- Iraq

- Kosovo

- Lebanon

- Libya

- Myanmar

- Palestine

- Somalia

- South Sudan

- Sudan

- Syria

- Venezuela

- Yemen

- North Korea

Residents and other persons and/or entities subject to the jurisdictions of such countries, therefore, may not participate in this Initial Token Offering and the Operator will decline any offer to acquire LIB Tokens in the course of the Initial Token Offering and will actively prevent the participation of such residents and other persons and/or entities in the Initial Token Offering to the extent possible.

10. PRIVACY NOTICE

Any personal data submitted by Participants to the Operator will be processed by the Operator in accordance with current and future applicable data protection provisions.

The Operator will only use such data in connection with the conclusion and fulfilment of the Token Sale Agreement to be concluded with Participants, the fulfillment of agreements concerning the Liberty OS Platform or based on mandatory legal provision applicable to such processing of personal data (e.g., mandatory retention periods). The Operator will never disclose and/or transmit personal data to any other third party unless obligated by mandatory provisions or instructed by the respective Participant. Any personal data no longer necessary for the above-mentioned purposes will be deleted by the Operator. Any participant has the right to access, the right to rectification, the right to erasure and the right to restrict processing with regard to their personal data pursuant to the respective legal requirements in connection with such rights.

11. FUNDRAISE

Liberty OS is conducting a Tokensale for fundraising. A Tokensale can also be called ICO, which means Initial Coin Offering. During the sale, contributors will be able to buy LIB Tokens. The Tokensale is organized in different phases with different goals and prices.

11.1. WHY IS A FUNDRAISE NEEDED?

Developing and maintaining a new cryptocurrency and blockchain system is very labour intensive. A professional team of highly skilled developers is needed to create a new blockchain system. We are only satisfied with the optimal solution, therefore a fundraise is needed to

fund the further development and maintenance of Liberty OS. Fundraising is mandatory for us to further expand our development team in order to improve and add to Liberty OS's capabilities and functionalities and to improve the prevalence of Liberty OS. Fundraising proceeds go toward team expansion, product, platform engineering and validation as well as marketing and legal and tax advice.

11.2. DISTRIBUTION OF LIB TOKENS AFTER FUNDRAISE

Our goal is to evenly distribute the LIB Tokens amongst as many users as possible. Because of this, most LIB Tokens will be sold during the LIB Tokensale.

- **Tokensale (70%):** 70% of all LIB Tokens will be sold during the Tokensale. This guarantees that there are no big entities that control most of the LIB in circulation.

- **Founders (12%):** 12% of the LIB Tokens will be held by the Founders.

- **Developer Bounties (5%):** 5% of the LIB Tokens are reserved for Developer Bounties. Developer Bounties are helpful during the development, because these bounties help incentivizing the developers while debugging the platform.

- **Marketing Bounties (13%):** 13% of the LIB Tokens are reserved for Marketing Bounties.

11.3. HOW IS THE FUNDRAISE STRUCTURED?

The fundraise uses a new model of fundraising – the so-called Power Stake Tokensale (PST). This means that the earlier you join, the longer you will be able to stake your LIB Tokens. In total, 0,88 billion LIB Token will be sold during the Tokensale. Staking is only enabled during the Tokensale. The staking reward during the ICO is set at 50%. The price is 0.01 USD per 1 LIB. The earlier you join the Tokensale, the longer you will be able to stake. After the ICO there will be no further staking rewards.

11.4. HOW TO STAKE?

You just have to keep your LIB Tokens in your wallet without transferring them.

12. TERMINATION AND STATUTORY RIGHT OF WITHDRAWAL (WIDERRUFSRECHT)

Notwithstanding the statutory right of withdrawal of the Participant, a right of termination for convenience of the Participant is excluded. There are no refunds or cancellations except as set forth herein or as may be required by applicable law or regulation.

If the Participant is a consumer within the European Union, the Participant is entitled to withdraw from the Purchase Agreement within 14 days without giving any reason. The withdrawal period will expire after 14 days from the day on which the Participant can see the amount of Tokens he/she holds in his/her profile page. To exercise the right of withdrawal, the Participant must inform the Operator of his decision to withdraw from this Purchase Agreement by an unequivocal statement (e.g. a letter sent by post, fax or e-mail). To meet the withdrawal deadline, it is sufficient for the Participant to send his/her communication concerning his/her exercise of the right of withdrawal before the withdrawal period has expired.

If the Participant withdraws from this contract, the Operator shall reimburse to him/her all payments received from him/her, including the costs of delivery, without undue delay and in any event not later than 14 days from the day on which the Operator is informed about the Participant's decision to withdraw from this contract. The Operator will carry out such reimbursement using the same means of payment as the Participant used for the initial transaction, unless the parties have expressly agreed otherwise; in any event, the Participant will not incur any fees as a result of such reimbursement.

13. LIBERTY TOKEN

The Liberty Token will be a Cryptocurrency Token on the Binance or the Ethereum Blockchain.

Liberty OS uses the decentralized Liberty Token (LIB) on many occasions throughout the Liberty Operating System (detailed further below). The whole token was built with ease-of-use in mind and therefore, most factors regarding its usage were made very simple via the incorporation of the Liberty Wallet into the OS.
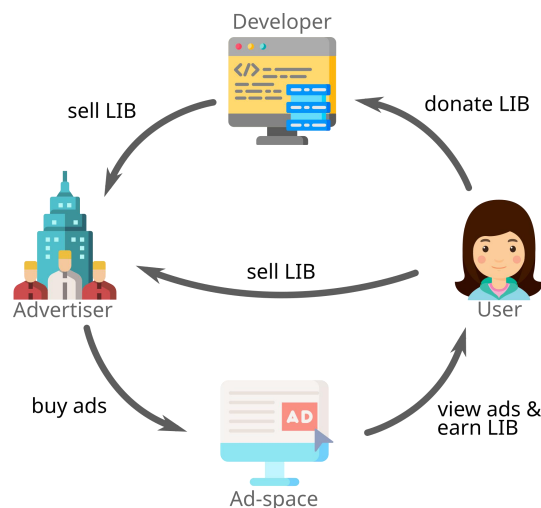
Image 1: Liberty (LIB) Token Economics

1) Advertising

Advertisers are able to buy ads in the start menu, other locations on the Operating System (similar to Windows 10) or in the specially developed web browser "Liberator". Thereafter, users receive Liberty Tokens for every ad they view. The users of Liberty OS receive Liberty Tokens for viewing and interacting with ads as they choose. This means that Liberty OS cuts out the middlemen of advertising, because the revenue generated by ads is directly distributed to the users of Liberty OS.

With this concept, ads become something more than just the annoying flashy hinderance they used to be – they become a source of income for users of Liberty OS. Liberty Blockchain Technologies UG

(haftungsbeschränkt) sells ad space and utility to safe, screened and ideal ad providers to generate revenue.

2) App Store

Liberty OS also features an app store on which its users are able to easily buy and install applications to further enhance their experiences. In addition, users of Liberty OS are also able to easily donate to freeware and/or open source application developers using Liberty Tokens.

The submission and processing of apps to the Liberty App Store is very simple and straightforward compared to other app stores such as the Google Play Store, the Apple App Store and the Windows Store. Everyone is able to submit secure apps without the need for a registration or any kind of developer membership payment (as is common with most current app stores).

After the submission of the app, only a small wait time is required before the app gets approved and becomes visible to other users – this short acceptance and propagation timeframe is required in order to ensure the quality and security of the submitted app.

This app system incentivizes the creation of high-quality freeware and open-source projects. At the moment, many open-source projects struggle to receive enough donations to keep their projects alive. With Liberty OS, it becomes very easy for developers to get paid in LIB and

Liberty OS users will constantly receive new LIB, which they can donate to their favorite projects.

14. LIBERTY CRYPTOTRACKER

The Liberty CryptoTracker application is an application available for LibertyOS, Linux, Windows, and MacOS. With the CryptoTracker application, you can track the prices of different cryptocurrencies including Bitcoin (BTC), Ethereum (ETH), Tron (TRX), Litecoin (LTC) and many more.

The CryptoTracker application shows you the current prices of different cryptocurrencies. Moreover, the CryptoTracker application shows you the available exchanges and traded volume. To have access to the application, you have to be a subscriber to the CryptoTracker application. The monthly fee for the CryptoTracker application is 50 LIB per day. If you decide, after the ICO will be finished, that after the ICO you do not want to claim your LIB and instead you want to get access to the CryptoTracker application, you can instead claim a subscription to the CryptoTracker application. This means that if you have a claim for 8000 LIB you can – instead of claiming the LIB – get access to the CryptoTracker application for 40 day.

15. INSTALLATION

Liberty OS includes a graphical installer, which boots right into a live, optimized desktop environment. During the installation process, the user is able to choose from a wide variety of programs to be installed with the Operating System (including: Electrum, Electrum LTC, Mist Ethereum Wallet, Neon Wallet, Firefox, Chrome, Office, …).

A network connection is recommended for the installation and is used to automatically update the Liberty OS system and installer before installing the Operating System. This is performed in order to ensure a perfectly up to date, optimized and secure installation.

Liberty OS can be installed on nearly any modern hardware. Liberty OS does not need many hardware resources compared to other operating systems such as Windows and Mac OS.

16. OPERATING SYSTEM

The Liberty operating system consists of many parts, which are explained in further detail below.

Image 2: Liberty OS Desktop

16.1. TASK BAR

The Task Bar is located on the upper border of the Desktop. The bar hosts many features including, but not limited to, the Start Menu on the left side and system properties and features, including WLAN, Power Management (Laptops only), the current time and other features, on the right side.

16.2. PLANK

Along the bottom side of the Desktop is an additional bar called the Plank. It's mainly used to quickly access commonly used applications and offers a general overview of the Desktop.

It automatically hides itself when an application comes too close or is used in full screen mode. However, the Plank will reappear as soon as
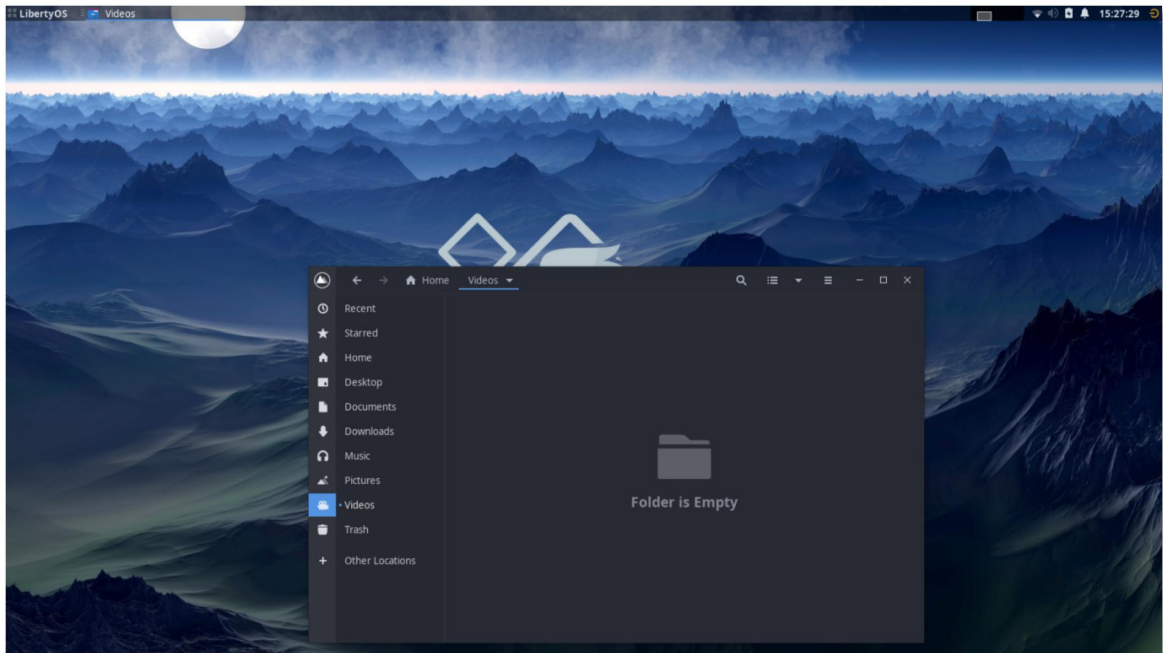
Image 3: File Explorer and Plank (Auto-Hidden)

the mouse cursor moves into its area.

16.3. START MENU

Embedded in the leftmost corner of the Task Bar is the Start Menu, which can be expanded and accessed by clicking on the "LibertyOS" button.

Image 4: Liberty OS Start Menu

The Start Menu displays all installed applications in an organized manner by categorizing them into groups such as Graphics, Internet, Multimedia, Crypto currency, Office and many more.

16.4. SEARCH

Furthermore, on the upper right corner of the Start Menu is a search field, which can be used to quickly search for installed applications.

16.5. CURRENT USER

On the bottom left corner of the Start Menu, the name of the currently logged in user appears.

16.6. SHUT DOWN MENU

By clicking on the Shut Down button on the far-right corner of the Task Bar, users can open the Shut Down Menu, which displays further system actions such as log out, restart, shut down, suspend and switch users.
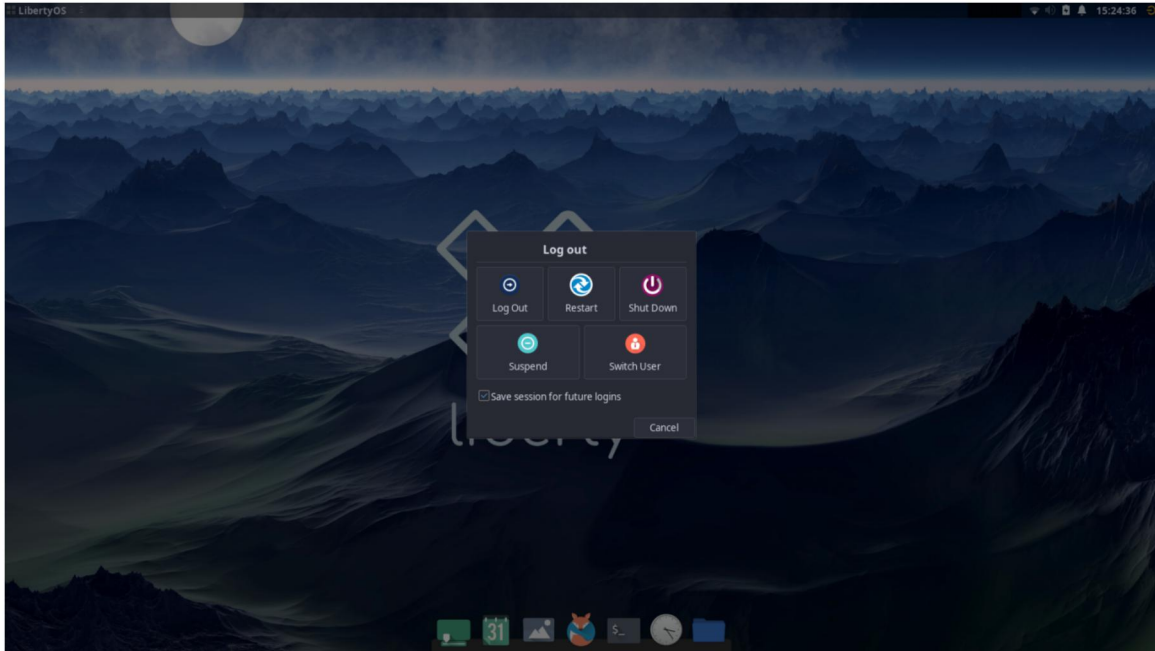
Image 5: Shut Down Menu

16.7. SETTINGS MENU

The Settings Menu can be opened by clicking on the settings icon right below the Start Menu button, on the top left of the Start Menu.

Nearly every aspect of Liberty OS can be modified from within the Settings Menu. This includes the background, all bars, colors, energy management and many more aspects (as can be seen below).

Image 6: Settings Menu

On the bottom portion of the Settings Menu, users can select to save the current state of the Operating System in order resume from where they left off after a restart of the system.

17. COMPARISONS WITH OTHER OPERATING SYSTEMS

In the area of desktop and laptop computers, Microsoft Windows dominates global markets at 78% globally. In second place, Apple's Mac OS makes up 14% of the global markets. Liberty OS is built to compete with these most commonly used Operating Systems and has many advantages over Windows and Mac OS. In this section, those advantages are explained in detail.

17.1. WINDOWS

Windows 10 is produced by Microsoft, is part of its Windows NT operating systems family, and is the successor to Windows 8.1. Released on July 15, 2015, Windows 10 is currently the most used desktop and laptop Operating System in the world, with over 800m users. Its biggest rival, Mac OS, lags far behind in terms of market share with around 100m users.

But Windows being the most popular operating system doesn't necessarily mean that it's also the best – in fact, Window's dominant market position makes it a weaker operating system in many other

aspects such as security and vulnerability to viruses and malware. We will take a closer look at what makes Liberty OS better than Windows.

17.1.1. Cost

Liberty OS can be downloaded for free and installed on any number of machines. On the other hand, Windows 10 is licensed by Microsoft, and therefore one needs to buy an expensive new license for every device. Windows 10 is offered using a number of methods, including a suite of licenses such as Retail, Enterprise and OEM licenses. Windows 10 is available to be bought as retail software directly from Microsoft online, physical stores and additional partners. Using the US market as an example, all Windows 10 retail editions are priced above $100 USD, allowing Microsoft to make solid returns on retail licenses (Windows 10 Home is $139 USD, Windows 10 Pro is $200 USD, Windows 10 Pro for Workstations is $309 USD – note that each license is only active for 1 single PC).

A majority of license revenue earned by Microsoft is made through the selling of Windows 10 bulk licenses to Enterprises – primarily to corporate networks with thousands of computers, workstations and servers. These contracts are not public and are negotiated directly with Microsoft (via Microsoft Enterprise Agreements) – these enterprise license costs also greatly increase the cost of ownership for Windows 10 devices.

From a consumer perspective, Windows 10 licenses are not only sold in retail and online stores for hundreds of dollars but are also available as

Original Equipment Manufacturer (OEM) licenses for new desktops, laptops and other devices from online and physical stores. Most new computers in the Microsoft ecosystem come with Windows 10 preinstalled at a seemingly "free" price. You might think preinstalled Windows 10 OEM licenses as free, but manufacturers, such as Dell, HP, Lenovo, actually pay considerable amounts to Microsoft in bulk for these OEM licenses, which are then preinstalled on new consumer targeted computers. These OEM Windows 10 license costs are then passed on to consumers via increased computer prices (specific prices vary by OEM company, but license prices can vary from $28 USD to over $50 USD per computer). Every time you buy a new computer with Windows 10 preinstalled, you are also buying a new Windows 10 license even if you already had licenses on previous computers.

These significant enterprise and consumer costs for Windows 10 are a sharp contrast to completely free operating systems such as Liberty OS. Liberty OS will always be free to download and install, for all computers, devices and to both consumers and enterprises. There are no strings attached for this completely free, lightweight, security and privacy-oriented Liberty OS. There will be no complex licensing model or any upscale pricing strategy – Liberty OS is simply free under all circumstances.

17.1.2. Performance

Liberty OS is much more lightweight, quicker, faster and smoother even on older, outdated hardware. Windows 10 is slower compared to Liberty OS because Windows 10 is running large amounts of processes,

services, checks and unneeded software in the background. Windows 10 therefore has a stricter minimum hardware requirement and requires more expensive, mid-end hardware to even run normally.

Liberty OS, even with all the shiny effects and features of modern desktop environments, runs significantly faster than Windows 10. As users become less reliant on powerful, all-encompassing desktop environments and more reliant on the web, users gradually will not need to use processor and memory intensive operating systems like Windows 10, and can instead get by using faster, more light-weight and secure operating systems like Liberty OS.

Using the same hardware specifications, Windows 10 is, generally speaking, significantly slower than Liberty OS. Liberty OS is much more efficient in thread scheduling and is three generations ahead of Windows 10 in thread scheduling algorithms and processes. Windows 10 is also inferior in terms of memory management and allocation and is more seriously hampered by heavy workloads caused by the numerous Microsoft system background processes and unoptimized third party processes. Sometimes, and more frequently on older hardware, Windows 10 and third-party processes can take up to 95% of CPU usage and even run hard drives at near full capacity non-stop due to continuous, heavy file I/O caused by certain system processes, causing further system hardware degradations. This performance issue is made worse if the processes auto-run on system startup, which is frequently the case.

Compounding the Windows 10 operating system performance issue is the significant amount of software that is poorly optimized, such as certain anti-virus software. Conflicts and lack of optimization for Windows 10 processes and software sometimes require manual process terminations or even system reboots before performance is restored, albeit temporarily. Windows 10 is prone to having too many programs running in the background on startup, consuming excessive amounts of resources. Scheduled processes such as antivirus scans, utility full system scans and even Microsoft's own periodic Windows Update installations can slow Windows 10 systems to a crawl.

Windows 10 systems also tend to perform gradually worse over time, as mandatory, periodic Windows updates make your computer hungrier for resources, RAM and CPU usage. Gradually, more programs are installed (accidentally or not), more processes run in the background simultaneously and more temporary, hidden files are generated by normal, daily usage. As you run programs on Windows 10, oftentimes temporary, hidden files are stored on your computer's hard drive, and through file accumulation over time, computer performance will become worse over the years.

Windows operating systems are traditionally very heavy on system resource requirements and usage. When using Windows, you might eventually find that your system does not have enough RAM (one of the biggest reasons for computers running slower than expected). Over time, updates to Windows 10 and other Windows software will make your system hungrier for additional resources. Low RAM almost always guarantees poor system performance and creates stability

issues – Windows 10 is particularly heavy on RAM usage due to the hungry nature of most first-party and third-party software and processes – this raises hardware costs and worsens performance issues as well. As new features and mandatory revamps are executed for Windows 10, Internet Explorer, Google Chrome, Mozilla Firefox and other software/processes, the Windows 10 system will gradually perform worse and freeze, crash more often until an expensive hardware upgrade is required for the user.

Liberty OS is designed and engineered, using modern design principles and methodologies, from the ground up to have high performance, stability and dependency. It is not reliant on hardware resources (such as RAM and CPU) and is much more platform-independent than Windows 10. Although Liberty OS is built with a small footprint and ease-of-use in mind, it also easily supports changes and upgrades of components, modifications without causing issues or conflicts with existing components. Liberty OS also has no forced revamp cycles or feature additions – all upgrades are optional, and the customer can choose if, and when, these software and operating system updates, occur. In general, Liberty OS performs far more efficiently and smoothly than Windows 10 systems of the same hardware capability and will not degrade in performance over time. The smoother, faster performance and user experience provided by Liberty OS over Windows 10 is observable over the entire spectrum of PC hardware and is most pronounced on older hardware that Windows 10 may have rendered obsolete over time.

17.1.3. Reliability

Liberty OS is more reliable and stable than Windows 10 due to Window 10's size, complexities and numerous processes involved – even with more recent updates. As a Windows user, you have likely experienced many situations during which your active programs become unresponsive, hang, and even crash without warning. You have likely used Window's Task Manager to intervene and force exit offending software, sometimes even with no response from the operating system after multiple close attempts.

With Liberty OS, software and process failures are far rarer and far apart. In addition, each application is completely self-contained – an application's rare failure will not impact the operating system or any other application or software. Misbehaving applications can be easily and swiftly terminated via user interface or command line.
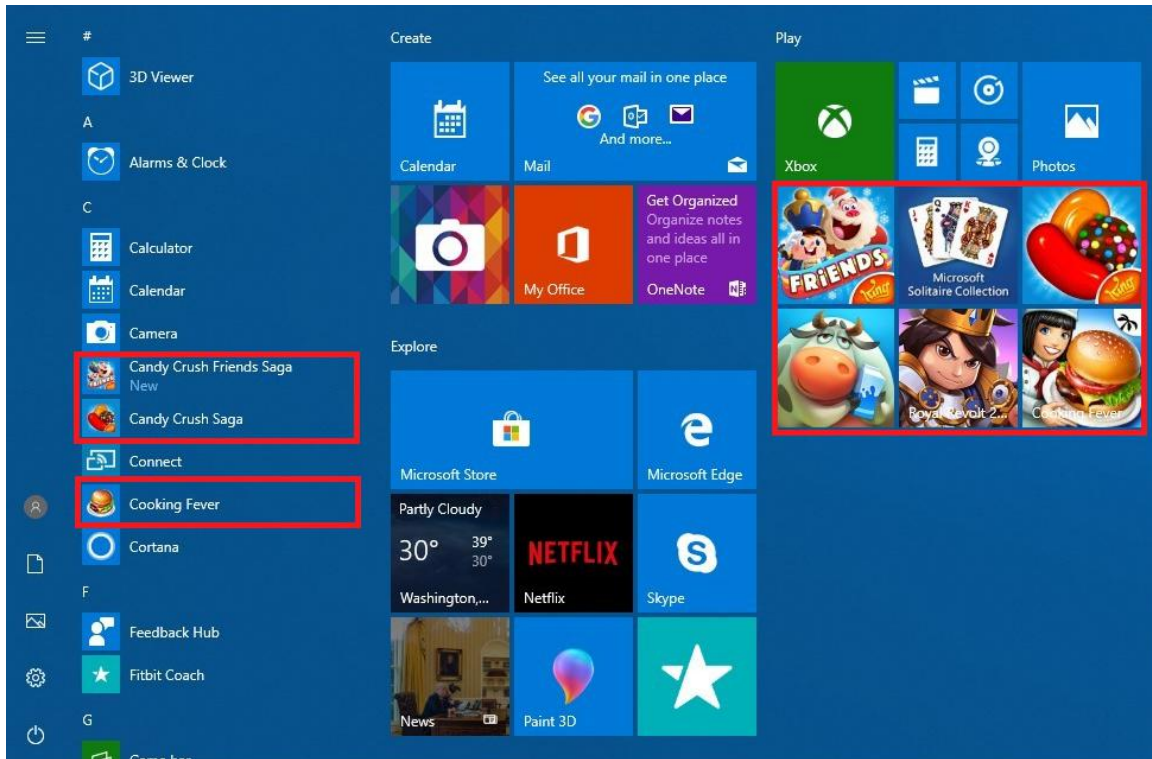
17.1.4. Bloatware

When you buy a new computer, it often comes preinstalled with a large number of bloatware, which are unnecessary, built in software, games and applications that degrade system performance and use up valuable computer resources and storage space. Bloatware essentially act as forced, installed advertisements meant to hook new customers to new products and games created by Microsoft partner companies. Forced bloatware on Windows 10 take control away from paying customers and provide a highly negative user experience in terms of

operating system performance degradation, user annoyances and loss of productivity.

A few years back, Microsoft offered their Signature Edition PCs, which were some of Microsoft Store's best products because they used clean versions of Windows 10 and omitted all bloatware on these PCs. Unfortunately, these Signature Edition PCs have since been abandoned as Microsoft doubled down on its strategy of expanding bloatware prevalence in the Windows market as an additional means of increasing corporate revenue. For example, Microsoft earns money from developers to force games, such as Candy Crush Saga, into the Windows 10 Start Menu of paying customers.

Although Microsoft improved Windows 10 in terms of removing bloatware when compared with previous Windows operating systems such as Windows 8, 7, Vista and XP, uninstalling bloatware still takes extra initiative, technological understanding and can be done only one at a time. Complete bloatware removals take a significant amount of time, require a certain level of user expertise and can be prone to user mistakes, such as having a user mistaking critical drivers as bloatware and accidentally uninstalling said drivers. If such bloatware uninstallation mistakes are made, it's very difficult to find and reinstall the correct driver versions and builds again – in this scenario, the user is better off just factory resetting the entire computer.

Image 7: Windows 10 Start Menu Bloatware

For Liberty OS, we take a strong stance against bloatware and junk applications of all forms. We feel that the best approach towards bloatware is to firmly reject and block all bloatware from our operating system and to develop all builds of Liberty OS to be completely clean from junk, pre-installed software. This approach gives control back to our users, enables the best possible user experience and system performance out of the box.
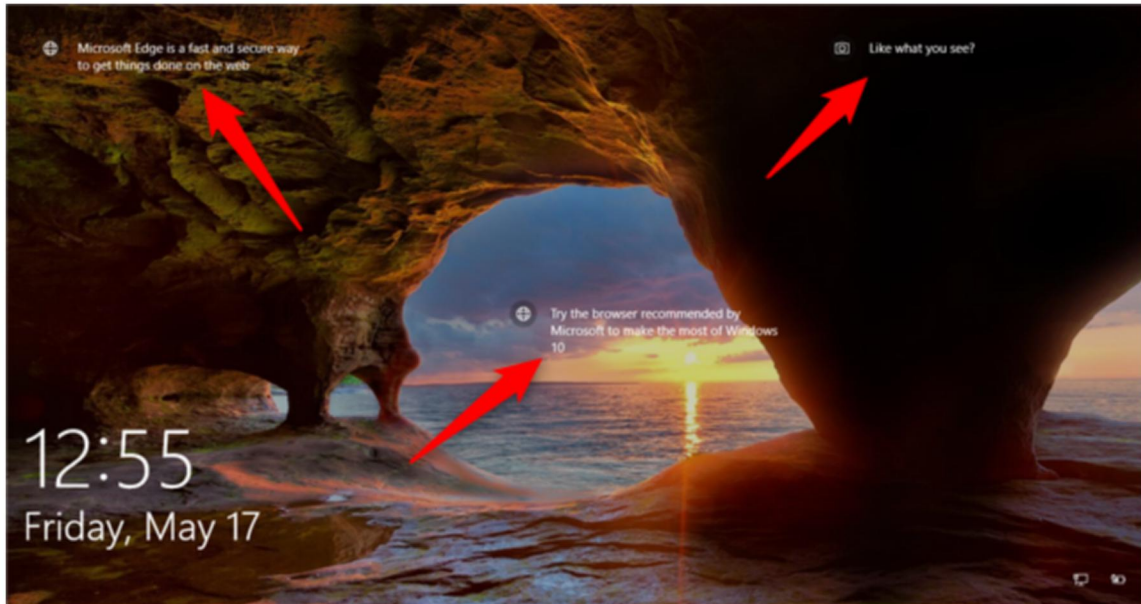
17.1.5. Advertisements

Although Windows 10 is a high cost, licensed product, Microsoft has taken control from paying customers and has riddled the entire Windows 10 operating system and ecosystem with unavoidable advertisements. All forced, targeted advertisements, such as lock screen ads, taskbar ads, file explorer ads, action center ads and Start Menu ads, are pushed by Microsoft to generate increased revenue. Users have no control over if and when they see these intrusive advertisements.

In addition to forcing Windows 10 operating system ads, Microsoft also initially ties new Windows 10 installs to using the Bing search engine. Tie-ins to Bing web searches for Windows 10 allows Microsoft to show further target advertisements and continuously gather further user data based on searches and interactions customers make.

Image 8: Windows 10 Login Screen Advertisements

Liberty OS has a completely opposite approach towards advertisements – Liberty OS focuses on customer wellbeing, data safety, security, privacy and giving customers full control. Not only does Liberty OS not collect any data for any reason such as customer targeted advertisements, the operating system gives users the ability to easily disable all ads.

Most importantly, Liberty Technologies flipped the advertisement equation around 180 degrees by giving users the ability to even earn extra cash and obtain LIB by choosing to view ads. Users are empowered and now have full control over if, when, where they want to view ads. Users can thus generate a side income via earned distributed, secure cryptocurrency by choosing to view and interact

with ads from 3rd party companies as they see fit. Even if the user does not want to generate the extra income using ads, he or she can simply turn off ads with a single setting change, and use Liberty OS as an ad-free, highly secure and private operating system.

17.1.6. Install Size

Liberty OS is a very small and lightweight operating system when compared to Windows 10. From a clean install perspective, Windows 10 and Liberty OS have roughly similar ISO install sizes (just under 4 GB). However, the downloading, updating, installation and setup processes take far longer for Windows 10 than those of Liberty OS. It takes a fresh Windows 10 machine multiple hours just to update from scratch due to the sheer amounts and sizes of the required updates.

A complete Windows 10 installation ultimately ranges from 25 GB to 40 GB depending on the version and flavor of Windows 10 installed, versus just 15 GB to 20 GB for Liberty OS, making Liberty OS the far more lightweight option. Windows 10 installs are also more susceptible to hitting download limits by Broadband providers and slow download speeds due to its more extensive, more hardware intensive and lengthy install and patching processes.

17.1.7. Virus and Malware Susceptibility

Although no operating system is truly, completely risk free, Windows 10's heavy dominance of the personal computer market makes Windows a very big target for developers of viruses, malware, worms

and scams. Numerous viruses have even caused widespread, worldwide damage for Windows users. Windows 10 users are at greater risk of having their systems be infected by worms, viruses and malicious code/attacks, and are generally recommended to install active anti-virus applications and even firewall software. However, installing these security software drain significant system resources such as system memory and CPU usage. High system resource usage is even more pronounced during system scans and the constant streams of updates required for these security software. Installing these, oftentimes pricy, software do not completely eliminate the risk of getting infected or being targeted by scams, because developers of viruses and malware constantly work to bypass existing firewalls and anti-virus software in an ongoing security arms race worldwide, negatively impacting millions of Windows users.

Liberty OS is highly secure and safe. Users generally do not need to install any third-party security software, which saves users money and removes hassles as well as security worries while improving system performance. Liberty OS provides greater security and safety from viruses, malware, worms and other widespread, malicious code/attacks – Windows 10, on the other hand, is less secure and is impacted by targeted viruses, hackers and malware more quickly and readily, even with third party security products installed.

Two additional reasons for Windows 10's security weaknesses are its lower difficulties of executing social engineering attacks, and its quantity of suboptimal software. Social engineering is the act of tricking a victim to do something they should not do or to reveal a

secret, such as opening email attachments containing worms, malware or viruses. Suboptimal software also make social engineering a more significant hazard for Windows users, and combined, these two factors can escalate singular virus concerns into widespread, global incidents.

In Windows 10, a file can be an executable (like "exe" or "scr") which means that it can be run like programs to make beneficial or malicious system changes, or not (like "txt") which means that it cannot be run. In Windows 10, and legacy Windows operating systems, it's far too easy to accidentally run an executable and fall victim to viruses. Although it's common sense for more tech savvy consumers to not run unknown executables, casual users, or non-vigilant users, are frequently social engineered to click on malicious executables which claim to be legitimate documents or photos. Once these malicious files are clicked, computers are rapidly taken over by viruses. Removing these viruses while reverting all the resulting negative consequences from a computer is incredibly difficult and sometimes even impossible, if viruses corrupt or destroy files and system drives.

Although social engineering is also possible in Liberty OS, it is incredibly more difficult to accomplish and requires far more steps and effort for attackers to target Liberty OS users. Whereas Windows 10 makes malicious executables much easier to run, Liberty OS requires, in this email attachment example, users to (i) read the email, (ii) save the attachment, (iii) give the attachment full executable permissions, (iv) elevate user to root user, and (v) actually run the attachment. In addition, Liberty OS provides a strong differentiation between normal users and root users, which means that for most of a user's time on a

Liberty OS computer, malicious programs cannot execute at all due to the lack of elevated permissions granted by root access, preventing any damage from being done. Unfortunately, Windows 10 blurs the line between root and normal users, allowing users to frequently run as privileged root users and allowing viruses to cause widespread damage. Safety and security protocols on Liberty OS safeguard all users from malicious files and makes attackers' jobs incredibly harder, which makes Liberty OS safer than Windows 10.

Windows 10 also includes numerous buggy or legacy software (and even packages, dynamic-link libraries/DLLs worsen vulnerabilities) that hackers and malicious programs can take advantage of. Even Microsoft's heavily used email clients are constantly vulnerable to attacks (observable on Microsoft Security Bulletins), which lead to heavy damages, continuous, forced system updates and reboots. Liberty OS does not have any of these weaknesses thanks to its design, security focus, architecture and software packaging system.

One final security weakness of Windows 10 is Microsoft's cultivated software "monoculture", which presents a global security threat. Microsoft's software are so extensive, dominant and widely used on Windows that a single malicious program, which exploits a single flaw in the operating system, can cause widespread damage. Examples of this monoculture threat include worldwide impact, incidents caused by Windows 10, Microsoft Word and Outlook vulnerabilities, viruses and malware. Liberty OS does not have this issue – it does not have a monoculture due to its integration and support for diverse, strong software and protocol alternatives. Even if malware or viruses do strike

a Liberty OS system, the damage is far more limited and spreading viruses is much more difficult due to the above reasons. Liberty OS by nature is far more secure than Windows 10.

17.1.8. Privacy

Liberty OS's core principles and promises include absolute, complete user privacy, security and control over personal data. Liberty OS never collects any data.

On the other hand, for Windows 10, privacy has been compromised by Microsoft – which they themselves state clearly in their Terms of Service and the Microsoft Privacy Statement: Microsoft collects huge amounts of data from their users and takes advantage of such aggregated data. For example, Microsoft uses Cortana to learn about the way you talk – the more you interact with Cortana, the better it's able to understand you and perform desired actions. However, it gets better because it sends user and usage data actively over to Microsoft. These personal user and usage data are then retained and used by Microsoft to send targeted advertisements on Windows 10, among other uses. It's worth reading Microsoft's privacy policy to understand the full scope and impact of Microsoft's data collection processes.

17.1.9. Updates

"Installing Update 1 of 8". This is a frequent system message observed by Windows 10 users upon system start up, signaling a start to possibly hours of unavoidable operating system updates. Even worse,

sometimes Windows 10 can suddenly, without warning, interrupt your work and decide to just update and shut down your computer without warning. Windows 10 performs updates of systems without their users' consent – annoyingly, Windows chooses when it wants to install updates and will suddenly throw up messages saying your computer will be updated and rebooted. Sometimes, these forced Windows updates even break, crashing entire systems and devices.

Windows 10's non-cancelable updates sometimes take multiple hours to complete and render the systems unusable in the meantime – these forced actions waste precious hours of productivity or entertainment for Windows 10 users. Another major downside to Windows updates is that, for most updates, one or more hardware reboots is required for the complete installation of said updates – these reboots interrupt user productivity and workflow.

At Liberty Blockchain Technologies, we believe that users should have absolute control over when, and if, certain updates are applied and installed – updates should not be forced upon them. Reboots should never occur without warning and with such high frequency. Of course, Liberty OS systems still need to be updated, since there are constantly security vulnerabilities and improvements being patched all the time. However, with Liberty OS, users can decide when and if they want to update their systems. If users decide to update, those updates are downloaded and installed seamlessly in the background and become active only after the next system restart (if a restart is needed, which the user performs). Importantly, in most update situations, Liberty OS

updates can be installed without the need of an operating system reboot.

17.1.10. Customization

Liberty OS is fully customizable. Users can completely change every user interface aspect of the operating system and can tweak the look and feel of their systems to their liking. Every part of the system can be adjusted to exactly how you like it.

Windows 10 is far more limited in terms of supported tweaks when compared with Liberty OS, which allows the adjustment of everything.

17.2. MAC OS

Mac OS is an operating system developed and marketed by Apple Inc. since 2001. The original classic Mac OS was released by Apple in 1984, and has been updated, revamped continuously until the current iteration, which is called Mac OS X. Since the first desktop version of Mac OS was released on March 24, 2001, multiple new versions have been released with newer features and technologies. Since 2011, new releases have been provided on an annual basis.

Within the market of personal and business computing, Mac OS is the second most widely used desktop OS, after Microsoft Windows. Currently, Apple controls 14% of the overall PC market globally.

Mac OS is offered officially with Apple's more expensive lines of computers, and provides a restrictive, walled garden approach towards

Mac applications and Apple's tightly controlled App Store. Now we take a look at what makes Liberty OS superior to Mac OS.

17.2.1. Cost

Liberty OS can be downloaded for free and installed on any number of machines, additionally offering an unrestricted market of low-cost hardware and software options. On the other hand, Mac OS is an Apple-exclusive operating system, and is only distributed as the primary operating system for Apple's expensive lines of Mac computers.

Apple does not sell Mac OS licenses separately from their computer system offerings, which is currently split into Apple's laptop line (MacBook Air, MacBook Pro) and desktop line (iMac, iMac Pro, Mac mini, Mac Pro) which vary significantly in prices depending on target demographics. However, Apple's offerings are generally priced more expensively than both Liberty OS and Windows systems, with the cheapest Mac OS system being the lower end Mac mini at $799 USD, in the US market.

Apple's tightly controlled hardware and software ecosystem, including Apple's App Store, reduce consumer choices and also contribute to elevated costs for Mac OS system owners. Such elevated costs include: pricier RAM, storage upgrades, system repair costs and expensive, complementary applications and system software.

17.2.2. Customization

Like the Windows operating system, you can't do any effective, significant customizations in the Mac OS. Most components come pre-defined, pre-installed from the company, and you hardly have any opportunities to personalize or customize the expensive system as you wish.

Liberty OS offers a huge amount of additions and customization options for whatever you wish.

17.2.3. Hardware

Mac OS is only shipped with Apple's own lines Mac computers. On the other hand, any vendor, party, reseller or user can use Liberty OS for free and are thus able to offer their Liberty OS systems for far more competitive prices.

17.2.4. Privacy

With Liberty OS, you fully control the hardware and the software on which your system executes. Such control and emphasis on absolute user privacy include the safety of personal data, secure information flow and safe, stable, trusted processes and applications.
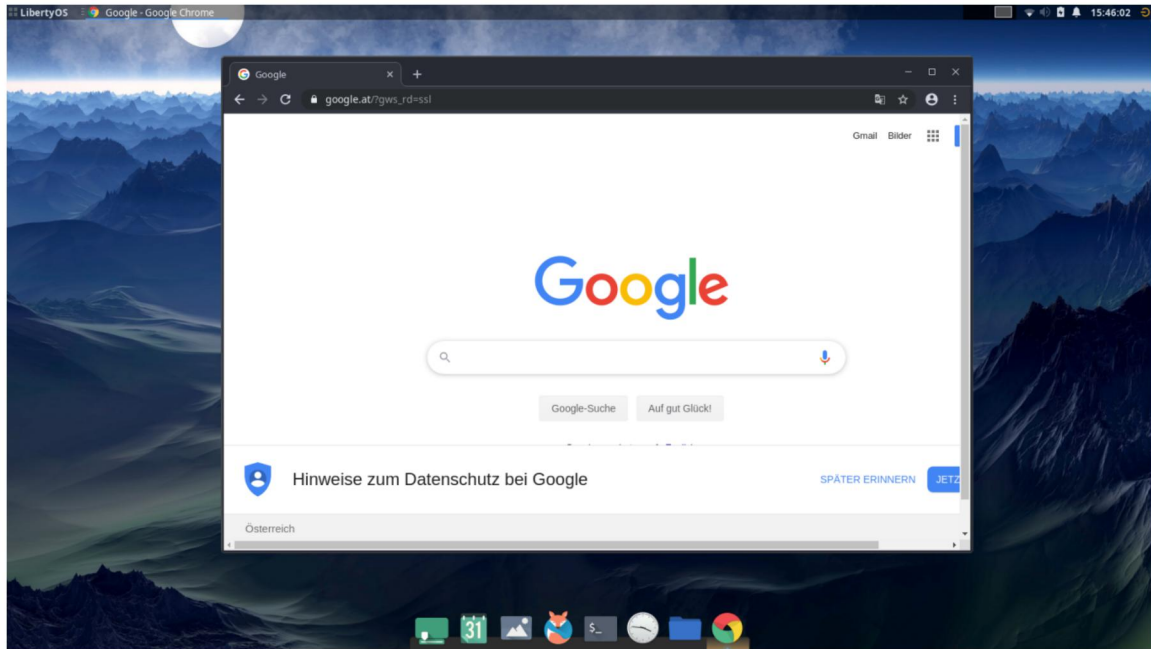
Should Apple wish to push an update for your computer, you are forced to receive it. If Apple wants to track you for any reason such as directed marketing and ads, you have very limited avenues to prevent it.

18. ADDITIONAL SCREENSHOTS
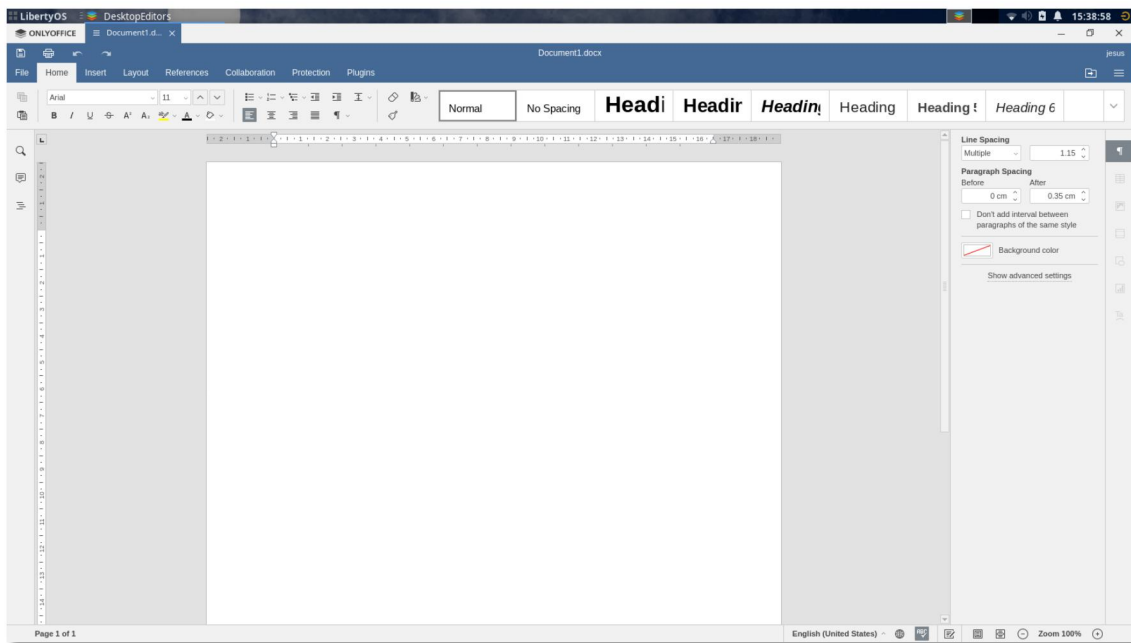
Image 9: Liberty OS Office Suite
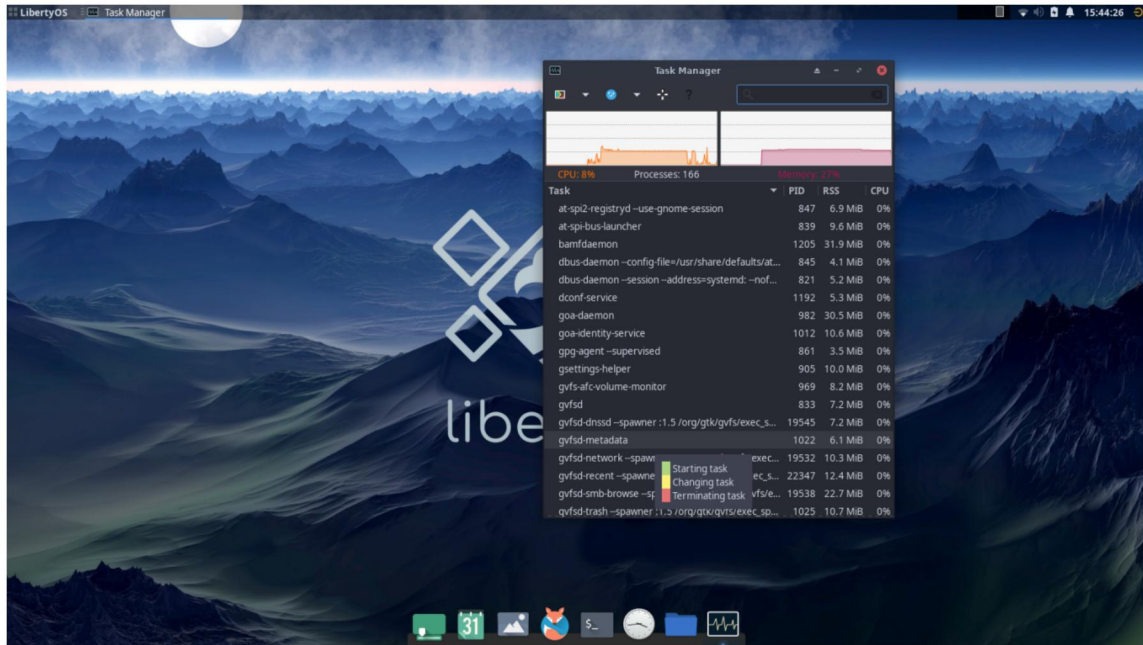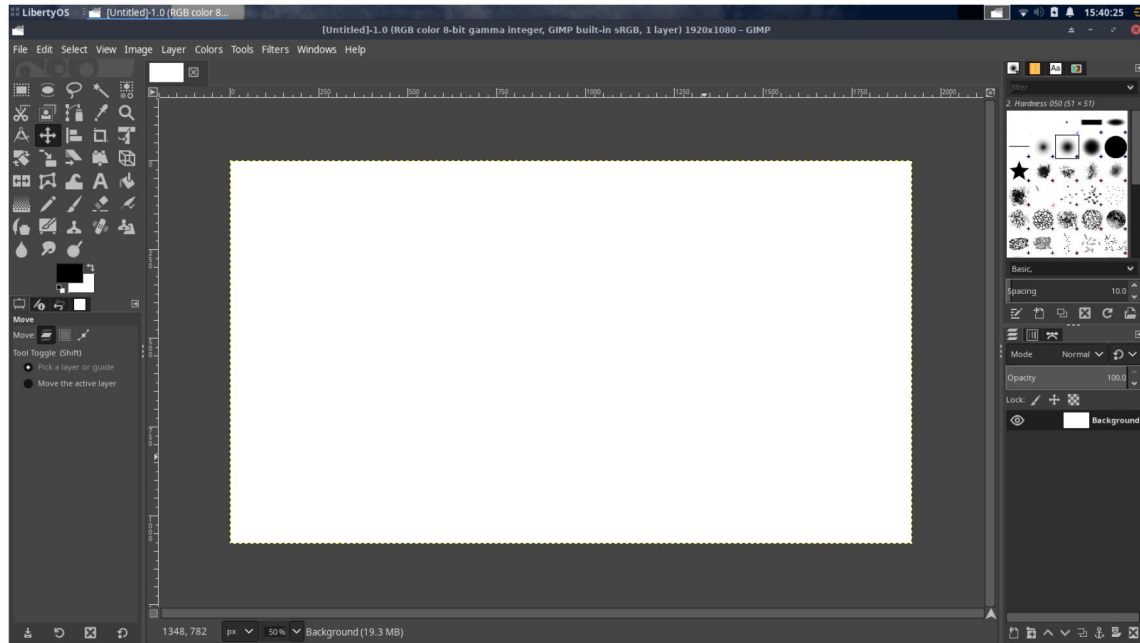
Image 10: Browse the web with Liberty OS

Image 11: System Monitor
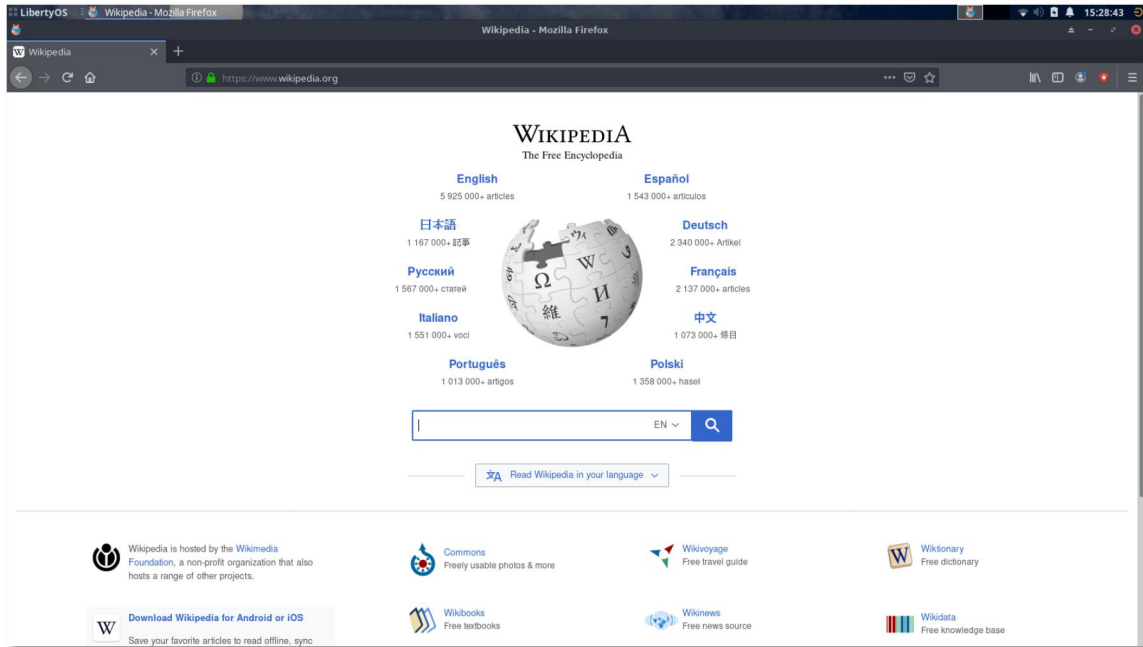
Image 12: Image Processing with Liberty OS

Image 13: Surf the Web

Image 14: Attractive File Manager

19. RISK FACTORS

19.1. GENERAL RISK FACTORS

The following risk factors apply to the business of the Liberty OS Platform and to the Operator in general:

- **The Operator is a limited liability company under German law (Unternehmergesellschaft (haftungsbeschränkt)) with a nominal capital in the amount of EUR 1.000.** Pursuant to German law, creditors of a limited liability company may only bring claims

against the company itself. If the nominal capital has been paid in full at the time of the formation of the company (as is the case for the Operator), neither the shareholders nor its directors and/or any other third persons are directly liable for any claims brought against a limited liability company. The same applies in insolvency proceedings concerning a limited liability company.

- **The LIB Tokens carry no rights of shareholders of the Operator or of third parties, such as voting or profit sharing rights or any right to payments (e.g., interest payments, dividends).** The holders of LIB Tokens have no shareholders' rights, in particular no participation and voting rights in the general assembly of the Operator or of a third party, and in particular no entitlement to participate in the distribution of earnings and/or profits of the Operator or of third parties. The LIB Tokens do not confer any rights to the holders of LIB Tokens vis-à-vis the Operator.

- **The future success of the Platform's business model depends on the economic development of the countries in which the Platform's clients are situated.** Therefore, negative economic developments in countries where clients of the Platform are active may have a negative impact on the Platform's business model and, consequently, on the future Tokenholders.

- **The potential losses in connection with the risks described in this Token Offer Document cannot be limited.** If one or more of the risks described in this Token Offer Document occur, this may result in material decreases in the value ascribed to the LIB Tokens by

the Participants or third persons or, in a worst-case scenario, in a total loss of any assets and/or efforts provided by the Participants to acquire such LIB Tokens.

- **Every potential Participant in this Offering should consult their own legal advisor for the clarification of the fiscal and legal parameters of their Participation in this Offering and the clarification of possible legal restrictions of the holding of LIB Tokens as the risk considerations in this Token Offer Document consider the general risks and cannot account for the individual circumstances of potential Participants. The Operator does not assume any form of guarantee or liability in this respect.**

19.2. GENERAL RISK FACTORS WITH REGARD TO CRYPTOCURRENCIES AND TOKENS

The following risk factors apply to cryptocurrencies and tokens in general, and the LIB Tokens in particular:

- **In the past, exchange rates between cryptocurrencies and/or fiat currencies have been very volatile and have been subject to massive upward and downward changes in very short periods of time.** The short-term volatility in the prices may have an impact on the LIB Token in several respect: (i) Changes in exchange rates may negatively influence the possibility to exchange Tokens, (ii)

fluctuations in the exchange rates of cryptocurrencies in general may have an impact on the transactions costs of LIB Tokens.

- **LIB Tokens will be based on blockchain technology and, in particular, the Binance blockchain or the Ethereum Blockchain. Technical issues not foreseeable at the time of this Offering may have a negative impact on the functioning of such blockchain technology.** In the past technical issues in connection with cryptocurrencies and/or tokens have led to unauthorized access to such assets held by individuals. Therefore, it cannot be ruled out that any future technical issues may have a negative impact on the Participants' holdings of cryptocurrencies and/or tokens, including LIB Tokens.

- **The handling of cryptocurrencies and/or tokens requires substantial technical knowledge regarding the operation of blockchain technology.** Any participant in this Offering lacking the required technical knowledge may incur the risk to lose access to any assets based on such blockchain technology or may otherwise compromise their holdings of such cryptocurrencies and/or tokens.

- **Any breach of the security of electronic devices used in connection with the administration and transfer of virtual currencies and/or tokens may also impact the holdings of such cryptocurrencies and/or tokens.** The actual access to holdings of cryptocurrencies and/or tokens is usually controlled by private keys stored on electronic devices. Any electronic device may be subject to attacks or intrusions by unauthorized parties and such

unauthorized access to any electronic device used in connection with such cryptocurrencies and/or tokens may lead to a loss of access to such cryptocurrencies and/or tokens.

- **Transactions effected and stored using blockchain technology usually cannot be revoked and/or reversed.** Except under special circumstances any transactions effected using blockchain technology are final and cannot be revoked and/or reversed without the active cooperation of the respective counterparty.

19.3. SPECIFIC RISK FACTORS OF LIB TOKENS

- **At the time of the this Offer the LIB Tokens cannot be traded on virtual exchanges and the future liquidity of the market in LIB Tokens cannot be predicted.** A secondary market for the LIB Tokens issued in the Offering does not exist at the time of issuance or may not develop. Even a developed market may not be liquid and therefore holders of LIB Tokens may not be able to sell and/or otherwise transfer their LIB Tokens. Even if LIB Tokens are traded after the Initial Token Offering, they may trade at a discount, depending on various factors that cannot be controlled by the Operator. The future development of a liquid market in LIB Tokens and/or the possibility of a trade of LIB Tokens via virtual exchanges and/or other means may have an impact on the ability of the Participants to transfer the LIB Tokens to third parties in the future

and may have an impact on the value ascribed to LIB Tokens by the Participants or third parties.

- **After the issuance of the LIB Tokens the Operator has no influence on the future trading of LIB Tokens.** The Operator is not involved in any secondary market which might form with regard to LIB Tokens and cannot influence the development of such secondary markets.

- **The LIB Tokens may be subject to foreign law other than German law.** Pursuant to this Token Offer Document the LIB Tokens are subject to German and European law. Despite such choice of law, however, the application of other mandatory foreign laws on or in relation to the LIB Tokens cannot be excluded. In particular, LIB Tokens may be exclusively subject to the laws of jurisdictions other than Germany and the European Union. Such applicable foreign laws may deviate significantly from German and/or European law and, consequently, may have a negative effect on the legal position of the holders of LIB Tokens.

- **Changes in the legal parameters may affect the rights of the holders of LIB Tokens.** This Token Offer Document is based on German and European law, including but not limited to tax laws and regulations presently in force. Future changes of the legal situation and/or the judicial or fiscal administrative practice in Germany and/or the European Union and/or other countries may have negative effects on the rights of the holders of LIB Tokens. The purchase, the holding or the sale of LIB Tokens may be made

subject to additional conditions in the future, or may otherwise be treated negatively or even be prohibited at all.

- **The technical foundation can change significantly.** The Blockchain technology is at an early stage at the moment of the Token Offering. We cannot guarantee that this technology will be further developed or scaleable at any time. It is possible that the Operator completely changes the technical foundation of Liberty OS (even completely abandoning the Liberty OS technology). Moreover, it cannot be guaranteed that it will be ever possible to create the Liberty OS platform.

- **The Operator does not assume any form of guarantee or liability for the consequences that changes in the applicable law, its interpretation or changes in judicial practice may have on the rights of holders of LIB Tokens.**

19.4. TAX ISSUES AND OTHER ISSUES CONCERNING PARTICIPANTS IN THE OFFER

- **Liberty OS offers various services to its clients and – under certain circumstances – may also transfer assets (including LIB Tokens and/or other cryptocurrencies or tokens) to Participants. The provision of such services and/or the transfer of such assets may have an impact on the Participants' tax situation.** Participants may be required to pay taxes and/or other charges and duties levied in

accordance with the laws and judicial and administrative practices of the applicable jurisdiction and should consult their own tax advisers in this regard. It cannot be ruled out that the transfer of LIB Tokens and/or other assets in connection with the operation of Liberty OS may be considered as personal income and/or revenue subject to personal and/or indirect taxes (e.g., VAT) pursuant to the tax laws applicable to the Participants. The tax consequences of any transfer of assets have to be assessed by the Participants and/or their respective tax advisers taking into account their personal tax situation.

- **A modification of the taxation or other fiscal parameters in the sphere of the Participants may have material adverse effects on their participation in Liberty OS.** No assurance can be given that the tax situation in the sphere of the Participants, as it exists at the date of this Token Offer Document, will remain unchanged in the future. Future changes of the legal situation, the judicial or fiscal administrative practice cannot be ruled out and the consequences of such changes in the legal situation, the judicial or fiscal administrative practice are exclusively the risk of the Participants and consequently have to be borne solely by the participants.

- **The participation in this Token Offering may be or become unlawful for certain Participants.** A participation in this token offering in breach of applicable laws or other legal regulations may lead to negative consequences for the respective Participants that cannot be controlled and/or mitigated by the Operator. The

Operator is not responsible for the lawfulness of a participation in this Offering by a Participant, or its compliance with any applicable laws, regulation or regulatory policy, and potential Participants must not rely on the Operator as to the legality of their participation in this Offering.