

THE BLOCKCHAIN BROKERAGE PRE-ICO TERM SHEET

The Blockchain Brokerage (known from here on out as “TBB”) offers to sell the SAR (Stock Appreciation Rights) to 5% of its future stock, where 20% of the raised funds will be spared for the Failure Clause, as defined below. Subject to the terms of The Blockchain Brokerage Token Sale and Purchase Agreement (“Sale and Purchase Agreement”), which is included in the explanation of the Tokens on the Bitshares platform, signed by TBB’s electronic signature at the time of the issuance of the Tokens, the details of the crowdsale is as follows.

Details of the Token

Platform: Bitshares

Token name: TBBSAR

Total supply: 5000

1st Phase: From December 9th, 2016 10:00 PM (UTC) to December 15th, 2016 10:00 PM (UTC)

1st Phase Offering Price: 0.05 BTC

2nd Phase: From December 15th, 2016 10:00 PM (UTC) to January 7th, 2017 10:00 PM (UTC)

2nd Phase Offering Price: 0.06 BTC

Use of the Funds

The funds collected through the sale of the Tokens will be utilized for the following purposes:

- 1) Forming the initial corporate structure that will establish the basis of the enterprise explained in the The Blockchain Brokerage whitepaper.
- 2) Marketing the project’s ICO, which will be the second round of funding.

ICO

There will be another round of funding to finance the licensing and other costs of TBB, planned to take place in February 2017. According to the participation in the ICO, the network token of TBB blockchain will be distributed, and no equity interest will be given.

Thus, the Stock Appreciation Rights offering is exclusive to the pre-ICO.

Escrow

The Bitshares blockchain is the escrow. With the decentralized exchange of the Bitshares platform, there is no need for a trusted third party to ensure the delivery of the promised tokens. The actual correspondence of the tokens with the SAR is warranted by the electronically signed Sale and Purchase Agreement.

Failure Clause

The first paragraph of this term sheet stipulates that a set percentage of all the funds raised in the pre-ICO will be set aside so as to fund the requirements of the Failure Clause.

In the event that the TBB's minimum ICO [please note that while the Failure Clause is concerning the pre-ICO, the minimum funding target is in reference to the ICO] funding target is not met the Failure Clause will be enacted. With the aforementioned percentage set aside pre-ICO participants will be refunded a portion of their funds proportional to the amount of funds invested versus the total amount of funds raised during the pre-ICO campaign.