



RESCISSION AND RESTORATION OFFER

On October 8, 2017, PayPie Blockchain, Inc. (“**PayPie**”) sold PPP Tokens as part of an initial coin offering pre-sale to various purchasers raising gross proceeds of ETH 61,082 (the “**ICO Pre-Sale**”).

PayPie’s management team and legal counsel have had extensive discussions with the British Columbia Securities Commission (the “**BCSC**”) with respect to PayPie’s regulatory compliance under securities laws in connection with the ICO Pre-Sale.

In connection with those discussions, PayPie has prepared a revised White Paper (the “**Updated White Paper**”) that contains updated disclosure from that which was previously provided by PayPie in the white paper prepared in connection with the ICO Pre-Sale. The Updated White Paper sets out PayPie’s continuing business plans and contains its audited financial statements.

PayPie will make the following offers to Eligible Purchasers, in accordance with and subject to the Terms:

1. **Rescission Offer:** Eligible Purchasers who no longer wish to hold ICO Tokens may return their Original ICO Tokens to PayPie in exchange for such number of Ethereum tokens (ETH) equal to the ICO Purchase Price paid by the Eligible Purchaser in the ICO Pre-Sale.
2. **Restoration Offer:** Eligible Purchasers who disposed of ICO Tokens for an amount less than their ICO Purchase Price prior to the Offer Announcement Time may apply to have PayPie compensate them in the form of ETH equal to the difference.

Only persons who purchased ICO Tokens are Eligible Purchasers, and only tokens that were purchased directly from the ICO Pre-Sale are Eligible Tokens. To determine whether you are an Eligible Purchaser, please see the “Defined Terms” in Appendix A (all capitalized terms in this letter have the meaning set out under the heading “Defined Terms”, in Appendix A).

The Rescission Offer and Restoration Offer will expire at 11:59 p.m. EST on July 7, 2019 (the “Expiration Time”), which is 30 days from the Offer Announcement Time.

Eligible Purchasers who wish to take up the Rescission Offer and/or Restoration Offer must satisfy the conditions, and complete the instructions, set out under the Terms prior to the Expiration Time.

Eligible Purchasers who are residents of Canada, the United States or Barbados are required to accept the Rescission Offer, unless an exemption (such as the “accredited investor” exemption) from the applicable Canadian prospectus and/or United States registration requirements is available. Eligible Purchasers outside of Canada, the United States and Barbados may elect to accept or reject the Rescission Offer. All Eligible Purchasers must follow the instructions set out under the Terms prior to the Expiration Time.

If you have any questions regarding the Rescission Offer, please do not hesitate to contact PayPie using the contact information set out at www.paypie.bb.

Eligible Purchasers who do not respond to this Rescission Offer and/or the Restoration Offer by the Expiration Time will be deemed to have rejected the Rescission Offer and/or the Restoration Offer, as the case may be.

Terms of Rescission Offer

Eligible Purchasers who no longer wish to hold ICO Tokens may return their Original ICO Tokens to PayPie in exchange for Ethereum tokens (ETH) equal to the ICO Purchase Price paid by the Eligible Purchaser in the ICO Pre-Sale.

Step 1

Eligible Purchasers who wish to take up the Rescission Offer must undertake the following steps by no later than 11:59 p.m. EST on July 7, 2019 (The “**Expiration Time**”):

- (1) Create an Eligible Purchaser login using their Original Wallet(s) in accordance with the instructions at www.paypie.bb.
- (2) Verify their Owner Wallets containing their Original ICO Tokens in accordance with the instructions at www.paypie.bb.
- (3) Complete and submit the following information in the form set out at www.paypie.bb:
 - a. A fully completed Rescission Form, including:
 - i. Legal name of Eligible Purchaser;
 - ii. Email address of Eligible Purchaser;
 - iii. Phone number of Eligible Purchaser;
 - iv. Physical address of Eligible Purchaser;
 - v. The number of Original ICO Tokens purchased by the Eligible Purchaser;
 - vi. A complete list of all Original Wallet(s) used to purchase Original ICO Tokens showing the public address of each wallet;
 - vii. If applicable, a complete list of all transfers of their Original ICO Tokens from their Original Wallet(s) to their Owner Wallet(s), and (if applicable) from any Owner Wallet(s) to another Owner Wallet, showing the public address of each wallet and the transaction identification number of each transfer (the “**Wallet Transfer Summary**”);
 - viii. The number of Original ICO Tokens remaining in the Eligible Purchaser’s Original Wallet(s) and Owner Wallet(s) (the “**Eligible Tokens**”);
 - b. A high-resolution photo of a government issued photo identification such as a driver’s licence or passport, bearing their legal name, physical address and date of birth (and, if the Eligible Purchaser is a legal entity such as a corporation, a clear and legible photo or scan of the Eligible Purchaser’s legal registration documents showing the above individual as the entity’s principal, such as a director or officer of a corporation); and
- (4) Verify their identification by submitting a high-resolution video of the Eligible Purchaser, in focus, not less than 20 seconds (a) holding their government identification submitted above, (b) speaking their full legal name as stated on their government photo identification, and (c) stating the last four digits of the public address of each Original Wallet and Owner Wallet listed in their submitted Wallet Transfer Summary.

PayPie will review all information received prior to the Expiration Time to verify that persons intending to accept the Rescission Offer are Eligible Purchasers and that the claimed Eligible Tokens are Original ICO Tokens. Persons who submit incomplete information, photos or videos, or who submit false or fraudulent information, photos or videos will not be verified as Eligible Purchasers.

Purchasers of ICO Tokens who are unable to provide PayPie with the foregoing information may contact PayPie to provide PayPie with other evidence that will demonstrate that they are Eligible Purchasers and owners of Original Wallets or Owner Wallets with equivalent certainty as would be demonstrated by the above requested information. PayPie will evaluate such claims in good faith, but reserves the right to reject such claims if the evidence submitted does not reasonably establish the foregoing.

PayPie will email each person who is verified as an Eligible Purchaser a public wallet address to send their Original ICO Tokens to (“**Rescission Wallet Address**”), promptly following completion of the above-noted review process, which PayPie expects to occur on or before August 11, 2019 (“**Step 1 Completion Date**”).

Step 2

Verified Eligible Purchasers who wish to take up the Rescission Offer must then undertake the following steps by no later than 11:59 UTC on the date that is one week following the Step 1 Completion Date (the “**Step 2 Deadline**”):

- (1) Transfer all of their Original ICO Tokens held in their Original Wallet(s) and Owner Wallet(s) to the Rescission Wallet Address.
- (2) Email PayPie the transaction ID for each transfer of Original ICO Tokens to the Rescission Wallet Address.

PayPie will deliver the specified amount of ETH to the Original Wallet(s) and Owner Wallets of each verified Eligible Purchaser from which PayPie received Original ICO Tokens promptly following the verification of all claims made hereunder.

PPP Tokens received by PayPie that (1) are not Eligible Tokens, including PPP Tokens received from a wallet that is not an Original Wallet or Owner Wallet set out in the submitted Wallet Transfer Summary, (2) are received by PayPie from a person who is not an Eligible Purchaser, or (3) are received by PayPie after the Step 2 Deadline will be returned by PayPie to the wallet address from which they were received.

PayPie is required to provide the BCSC with a record of the names of all persons who seek to accept the Rescission Offer, and a record of all payments made to such persons.

Terms of Restoration Offer

Eligible Purchasers who disposed of ICO Tokens for an amount less than their ICO Purchase Price prior to the Offer Announcement Time may apply to have PayPie compensate them in the form of ETH for the difference.

Eligible Purchasers will only be eligible to accept the Restoration Offer if they can demonstrate that their PPP token sales were Original ICO Tokens and that their proceeds from such sales were less than the Purchase Price. The below Restoration Form sets out how Eligible Purchasers are required to demonstrate such losses. Losses incurred due to theft or other loss of tokens are not eligible for restoration under this offer.

Step 1

Eligible Purchasers who wish to take up the Restoration Offer must undertake the following steps by no later than 11:59 p.m. EST on July 7, 2019 (The “**Expiration Time**”):

- (1) Create an Eligible Purchaser login using their Original Wallet(s) in accordance with the instructions at www.paypie.bb.
- (2) Verify their Owner Wallets containing their Original ICO Tokens in accordance with the instructions at www.paypie.bb.
- (3) Complete and submit the following information in the form set out at www.paypie.bb:
 - a. A fully completed Restoration Form, including:
 - i. Legal name of Eligible Purchaser;
 - ii. Email address of Eligible Purchaser;
 - iii. Phone number of Eligible Purchaser;
 - iv. Physical address of Eligible Purchaser;
 - v. The number of Original ICO Tokens purchased by the Eligible Purchaser;
 - vi. A complete list of all Original Wallet(s) used to purchase Original ICO Tokens showing the public address of each wallet;
 - vii. A complete list of all transfers of their Original ICO Tokens from their Original Wallet(s) to their Owner Wallet(s), and from any Owner Wallet(s) to another Owner Wallet (the “**Wallet Transfer Summary**”), and showing the transaction ID of each transfer;
 - viii. A complete list of all transfers of their Original ICO Tokens from their Original Wallet(s) and any Owner Wallet(s) to their Exchange Account(s), listing the transaction ID of each transfer (the “**Exchange Account Summary**”);
 - ix. A complete list of all transfers of their Original ICO Tokens from their Exchange Account(s) to third parties (the “**Token Sale Transactions**”), listing the transaction ID and sale price of each transfer (the “**Token Sale Summary**”); and
 - x. A calculation of the total losses incurred from the Token Sale Transactions (“**Total Losses**”);
 - b. A screenshot of each Token Sale Transaction;

- c. A high-resolution photo of a government issued photo identification such as a driver's licence or passport, bearing their legal name, physical address and date of birth (and, if the Eligible Purchaser is a legal entity such as a corporation, a clear and legible photo or scan of the Eligible Purchaser's legal registration documents showing the above individual as the entity's principal, such as a director or officer of a corporation); and
- (4) Verify their identification by submitting a high-resolution video of the Eligible Purchaser, in focus, not less than 20 seconds (a) holding their government identification submitted above, (b) speaking their full legal name as stated on their government photo identification, and (c) stating the last four digits of the public address of each Original Wallet and Owner Wallet listed in their submitted Wallet Transfer Summary.

PayPie will review all information received in Step 1 prior to the Expiration Time to verify that persons intending to accept the restoration offer are Eligible Purchasers and that they realized a loss on the sale of their Original ICO Tokens to third parties. Persons who submit incomplete information, photos or videos, or who submit false or fraudulent information, photos or videos will not be verified as Eligible Purchasers.

PayPie will review all information received prior to the Expiration Time to verify that persons intending to accept the rescission offer are Eligible Purchasers and that the Token Sale Transactions were sales of Original ICO Tokens, and to verify the claimed Total Losses. Persons who submit incomplete information, photos or videos, or who submit false or fraudulent information, photos or videos will not be verified as Eligible Purchasers.

Purchasers of ICO Tokens who are unable to provide PayPie with the foregoing information may contact PayPie to provide PayPie with other evidence that will demonstrate that they are Eligible Purchasers and owners of Original Wallets and any Owner Wallets with equivalent certainty as would be demonstrated by the above requested information, and that they realized a loss on the sale of their Original ICO Tokens to third parties. PayPie will evaluate such claims in good faith, but reserves the right to reject such claims if the evidence submitted does not reasonably establish the foregoing.

In verifying the Total Losses incurred by Eligible Purchasers (the "**Restoration ETH**"), PayPie will use the actual verified sale price obtained by Eligible Purchasers, except in circumstances where Eligible Purchasers sold their Original ICO Tokens on an exchange other than Etherdelta.com for an amount less than the lowest trading price on Etherdelta.com on that day (the "**Daily Low Price**"), in which case such Eligible Purchaser will be deemed to have received the Daily Low Price for such tokens.

PayPie will email each person who is verified as an Eligible Purchaser and realized verified losses confirming their eligibility, the amount of their verified Total Losses, and the amount of Restoration ETH they are eligible to receive on or before the Step 1 Completion Date.

Step 2

Verified Eligible Purchasers who wish to take up the Restoration Offer must then email PayPie with the public address of the Original Wallet or Owner Wallet that they wish to receive their Restoration ETH in on or before 11:59 UTC on the Step 2 Deadline.

PayPie will deliver the verified Restoration ETH to the Designated Restoration Wallet of each verified Eligible Purchaser promptly following the verification of all claims hereunder.

PayPie is required to provide the BCSC with a record of the names of all persons who seek to accept the Restoration Offer, and a record of all payments made to such persons.

Appendix A

Defined Terms

“**Expiration Time**” means 11:59 p.m. EST on July 7, 2019.

“**Distribution Date**” means October 9, 2017.

“**Eligible Purchasers**” are persons who purchased a minimum of 454.55 ICO Tokens from PayPie in the ICO Pre-Sale on October 8, 2017 and have continuously held Original ICO Tokens in their Original Wallet or Owner Wallet from the Distribution Date up until the Offer Announcement Time, or who have sold Exchanged ICO Tokens from their Exchange Account.

“**Exchange Account**” means an account hosted by a cryptocurrency exchange that has at all times been owned, controlled and registered in the name of the Eligible Purchaser, to which an Eligible Purchaser has transferred Original ICO Tokens prior to the Offer Announcement Time.

“**ICO Pre-Sale**” means the sale of PPP Tokens by PayPie on October 8, 2017.

“**ICO Purchase Price**” means the ICO Pre-Sale price adjusted for bonus tokens, of (1) 0.0011 ETH per ICO Token for Eligible Purchasers who received 13,636 or fewer ICO Tokens in their Original Wallet on the ICO Pre-Sale, (2) 0.0010731707 ETH per ICO Token for Eligible Purchasers who received between 13,977 and 47,591 ICO Tokens in their Original Wallet on the ICO Pre-Sale, or (3) 0.0010476190 ETH per ICO Token for Eligible Purchasers who received 47,727 or more ICO Tokens in their Original Wallet on the ICO Pre-Sale.

“**ICO Tokens**” means PPP Tokens purchased from by an Eligible Purchaser from PayPie in the ICO Pre-Sale on October 8, 2017 using an Original Wallet.

“**Original ICO Tokens**” means ICO Tokens that are currently held by an Eligible Purchaser in an Original Wallet or Owner Wallet and which have been continuously held by such Eligible Purchaser in an Original Wallet or Owner Wallet from the Distribution Date to the Offer Announcement Time.

“**Original Wallet**” means the wallet address that an Eligible Purchaser used to purchase ICO Tokens in the ICO Pre-Sale and which PayPie delivered such ICO Tokens to on the Distribution Date.

“**Owner Wallet**” means a wallet address continuously owned and continuously controlled by an Eligible Purchaser that such Eligible Purchaser transferred ICO tokens to from an Original Wallet or another Owner Wallet, other than an exchange account or wallet associated with an exchange account.

“**Offer Announcement Time**” means 11:59 p.m. EST on June 7, 2019.

“**PPP Tokens**” means the PayPie tokens created on the Ethereum ERC 20 public blockchain.

“**Terms**” means the conditions and instructions to the Rescission Offer and Restoration Offer, as applicable, as set out herein.

“**Rescission Wallet Address**” means the public wallet address sent by PayPie to verified Eligible Purchasers after step 1 of the Terms of Rescission Offer.

“**Updated White Paper**” means the updated PayPie white paper delivered with this letter, which supersedes the disclosure previously provided by PayPie in the white paper prepared in connection with the ICO Pre-Sale