



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2465

Office of FOIA Services

September 4, 2024

Ms. Eva Laverty-Wilson
History Associates Incorporated (HAI)
7361 Calhoun Place
Rockville, MD 20855

Re: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. **23-03118-FOIA**

Dear Ms. Laverty-Wilson:

This letter is our final response to your request, dated and received in this office on August 8, 2023 for records concerning any investigations of Block.one.

By email dated March 8, 2024, you agreed to narrow the scope of your request to electronic records only. You proposed the following search terms:

- For PST files, "bl.com" AND security
- For other electronic records, including PDF's and Word documents, please use the search term "security".

The enclosed 70 pages are released to you in part, with redactions pursuant to FOIA Exemptions 4, 6, and 7(C), 5 U.S.C. § 552(b)(4), (6), and (7)(C). Additionally, 216 pages are withheld in full pursuant to FOIA Exemption 4 and 3 pages are withheld in full pursuant to FOIA Exemptions 6 and 7(C).

After engaging in the confidential treatment substantiation process, we have withheld certain information under FOIA Exemption 4 that is (a) commercial or financial, (b) obtained from a person, and (c) privileged or confidential.

We have withheld SEC staff names, telephone numbers, and email addresses, third-party email addresses and third-party phone numbers. Under Exemption 6, the release of these records would constitute a clearly unwarranted invasion of personal privacy. Under Exemption 7(C), the release of the information could reasonably be expected to constitute an unwarranted

invasion of personal privacy. Further, public identification of Commission staff could conceivably subject them to harassment in the conduct of their official duties and in their private lives.

Please be advised that we have considered the foreseeable harm standard in preparing this response.

I am the deciding official with regard to this adverse determination. You have the right to appeal my decision to the SEC's General Counsel under 5 U.S.C. § 552(a)(6), 17 CFR § 200.80(f)(1). The appeal must be received within ninety (90) calendar days of the date of this adverse decision. Your appeal must be in writing, clearly marked "Freedom of Information Act Appeal," and should identify the requested records. The appeal may include facts and authorities you consider appropriate.

You may file your appeal by completing the online Appeal form located at https://www.sec.gov/forms/request_appeal, or mail your appeal to the Office of FOIA Services of the Securities and Exchange Commission located at Station Place, 100 F Street NE, Mail Stop 2465, Washington, D.C. 20549, or deliver it to Room 1120 at that address.

If you have any questions, please contact me at hyde-michaelsc@sec.gov or 202-551-5816. You may also contact me at foiapa@sec.gov or (202) 551-7900. You may also contact the SEC's FOIA Public Service Center at foiapa@sec.gov or (202) 551-7900. For more information about the FOIA Public Service Center and other options available to you please see the attached addendum.

Sincerely,

A handwritten signature in cursive script that reads "Carrie Hyde-Michaels".

Carrie Hyde-Michaels
FOIA Branch Chief

Enclosure

ADDENDUM

For further assistance you can contact a SEC FOIA Public Liaison by calling (202) 551-7900 or visiting <https://www.sec.gov/oso/help/foia-contact.html>.

SEC FOIA Public Liaisons are supervisory staff within the Office of FOIA Services. They can assist FOIA requesters with general questions or concerns about the SEC's FOIA process or about the processing of their specific request.

In addition, you may also contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA dispute resolution services it offers. OGIS can be reached at 1-877-684-6448 or via e-mail at ogis@nara.gov. Information concerning services offered by OGIS can be found at their website at [Archives.gov](https://www.archives.gov). Note that contacting the FOIA Public Liaison or OGIS does not stop the 90-day appeal clock and is not a substitute for filing an administrative appeal.

From: Brian Klein
Sent: Tue, 23 Jul 2019 17:27:18 +0000
To: (b)(6); (b)(7)(C)
Cc: Ashley Martabano; Robert Rice (robert.rice@cliffordchance.com)
Subject: Block.one
Attachments: SEC Offer of Settlement (Signed and Notarized) - 7--23-19
(00139580xB0A52).pdf, SEC FINAL OIP - 7-19-19 (00139435xB0A52).pdf

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

(b)(6);
(b)(7)(C)

Attached is a signed and notarized copy of the settlement offer, as well as the final OIP you sent us last week. As we have discussed previously and pursuant to (b)(6); (b)(7)(C) July 19, 2019 e-mail, Block.one's offer of settlement is contingent upon it receiving the Waiver of Disqualification pursuant to Rule 262(b) of Regulation A and Rule 506(d)(2)(ii) of Regulation D a draft of which has submitted by Cooley on behalf of the company. Further, pursuant to our discussions relating to Chairman Clayton's July 3, 2019 statement, we understand that if the Waiver is not granted, the company will have sufficient opportunity to withdraw the settlement offer.

-Brian

Brian E. Klein | Baker Marquart LLP

PLEASE NOTE OUR ADDRESS HAS CHANGED

777 S. Figueroa Street, Suite 2850 | Los Angeles, CA 90017


Tel: (424) 652-7814 | Fax: (424) 652-7850

Email: bklein@bakermarquart.com

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This e-mail (including any attachments) may contain information that is private, confidential, or protected by attorney-client or other privilege. If you received this e-mail in error, please delete it from your system without copying it and notify sender by reply e-mail, so that our records can be corrected.

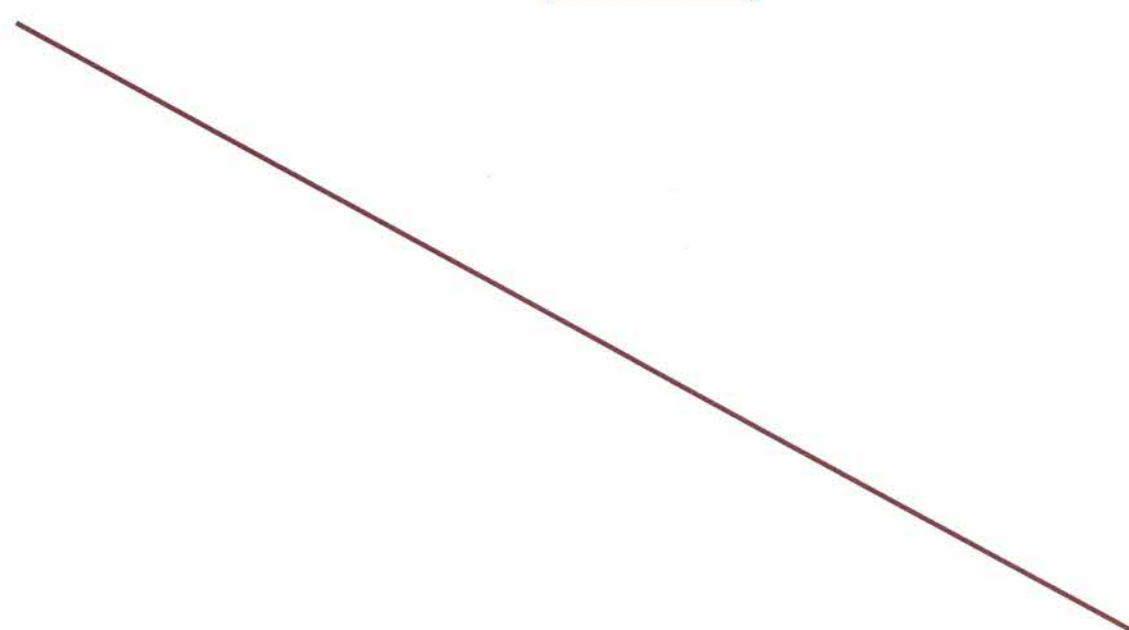
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To all to whom these presents shall come, I, (b)(6); (b)(7)(C)
 Notary Public, duly authorised and qualified to practise in
Victoria, Hong Kong do hereby Certify that

there are attached to this Notarial Certificate a Certificate of Corporate Resolutions and an Offer of Settlement, both dated 23rd July 2019, which have been signed in my presence by (b)(6); (b)(7)(C) of block.one who is personally known to me; and

I do further Certify that and that the signature (b)(6); (b)(7)(C) appearing
in the said Certificate of Corporate Resolutions and the Offer of Settlement is
of the true and correct handwriting of (b)(6); (b)(7)(C)



In Testimony whereof I have hereunto
subscribed my name and affixed my Seal of Office
this 23rd day of JULY in the year of our Lord Two
Thousand and Nineteen



(b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)
Notary Public
Hong Kong

BLOCK.ONE
CERTIFICATE OF
CORPORATE RESOLUTION

I, (b)(6); (b)(7)(C) do hereby certify that I am the duly elected, qualified and acting (b)(6); (b)(7)(C) of Block.one (the “**Company**”), a Cayman Islands incorporated company, and that the following is a complete and accurate extract of a resolution duly adopted by the sole (b)(6); of the Company which resolved as follows:

RESOLVED: That (b)(6); (b)(7)(C) of this Company, be and hereby is authorized to act on behalf of the Company, and in his sole discretion, to execute the attached Offer of Settlement of Block.one, and to undertake such actions as he may deem necessary and advisable including the execution of such further documentation as may be required by the Commission or its staff, in connection with the matter of *Block.one NY-9808*.

I further certify that the aforesaid resolution has not been amended or revoked in any respect and remains in full force and effect.

IN WITNESS WHEREOF, I have executed this Certificate this 23rd day of July, 2019.

By:

(b)(6); (b)(7)(C)

Block.one

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING

File No.

In the Matter of

Block.one,

Respondent.

**OFFER OF SETTLEMENT
OF BLOCK.ONE**

I.

Block.one ("Respondent"), pursuant to Rule 240(a) of the Rules of Practice of the Securities and Exchange Commission ("Commission") [17 C.F.R. § 201.240(a)] submits this Offer of Settlement ("Offer") in anticipation of cease-and-desist proceedings to be instituted against it by the Commission, pursuant to Section 8A of the Securities Act of 1933 ("Securities Act").

II.

This Offer is submitted solely for the purpose of settling these proceedings, with the express understanding that it will not be used in any way in these or any other proceedings, unless the Offer is accepted by the Commission. If the Offer is not accepted by the Commission, the Offer is withdrawn without prejudice to Respondent and shall not become a part of the record in these or any other proceedings, except that rejection of the Offer does not affect the continued validity of the waivers pursuant to Rule 240(c)(5) of the Commission's Rules of Practice [17 C.F.R. § 201.240(c)(5)] with respect to any discussions concerning the rejection of the Offer.

III.

Consistent with the provisions of 17 C.F.R. § 202.5(f), Respondent waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

IV.

Respondent hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses,

or costs expended by Respondent to defend against this action. For these purposes, Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.

V.

By submitting this Offer, Respondent hereby waives, subject to the acceptance of the offer, the rights specified in Rule 240(c)(4) [17 C.F.R. § 201.240(c)(4)] of the Commission's Rules of Practice. Specifically, Respondent waives:

- (1) All hearings pursuant to the statutory provisions under which the proceeding is to be or has been instituted;
- (2) The filing of proposed findings of fact and conclusions of law;
- (3) Proceedings before, and an initial decision by, a hearing officer;
- (4) All post-hearing procedures; and
- (5) Judicial Review by any court.

In addition, by submitting this offer, Respondent waives the rights specified in Rule 240(c)(5) [17 C.F.R. § 201.240(c)(5)] of the Commission's Rules of Practice. Specifically, Respondent waives:

- (1) Any and all provisions of the Commission's Rules of Practice or other requirements of law that may be construed to prevent or disqualify any member of the Commission's staff from participating in the preparation of, or advising the Commission as to, any order, opinion, finding of fact, or conclusion of law that may be entered pursuant to this Offer; and
- (2) Any right to claim bias or prejudice by the Commission based on the consideration of or discussions concerning settlement of all or any part of this proceeding.

Respondent also hereby waives service of the Order Instituting Cease-and-Desist Proceedings Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing a Cease-and-Desist Order ("Order").

VI.

Respondent hereby:

A. Admits the jurisdiction of the Commission over it and over the matters set forth in the Order, which is attached;

B. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission or in which the Commission is a party, and without admitting or denying

the findings contained in the Order, except as to the Commission's jurisdiction over it and the subject matter of these proceedings, consents to the entry of the Order, in which the Commission:

1. finds that Block.one violated Sections 5(a) and 5(c) of the Securities Act; and
2. orders that Block.one cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act.
3. Block.one shall, within ten (10) days of entry of this Order, pay a civil money penalty in the amount of \$24,000,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Block.one as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to (b)(6); (b)(7)(C)

(b)(6);
(b)(7)(C) Securities and Exchange Commission, 100 F Street, N.E., Washington, DC 20549.

4. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be

deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

VII.

Respondent understands and agrees to comply with the terms of 17 C.F.R. § 202.5(c), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings," and "a refusal to admit the allegations is equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies the allegations." As part of Respondent's agreement to comply with the terms of Section 202.5(c), Respondent: (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any finding in the Order or creating the impression that the Order is without factual basis; (ii) will not make or permit to be made any public statement to the effect that Respondent does not admit the findings of the Order, or that the Offer contains no admission of the findings, without also stating that the Respondent does not deny the findings; and (iii) upon the filing of this Offer of Settlement, Respondent hereby withdraws any papers previously filed in this proceeding to the extent that they deny, directly or indirectly, any finding in the Order. If Respondent breaches this agreement, the Division of Enforcement may petition the Commission to vacate the Order and restore this proceeding to its active docket. Nothing in this provision affects Respondent's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

VIII.


Respondent agrees that it shall not seek or accept, directly or indirectly, reimbursement or indemnification from any source including, but not limited to, payment made pursuant to any insurance policy, with regard to any penalty amounts that Respondent shall pay pursuant to this Order, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors. Respondent further agrees that it shall not claim, assert, or apply for a tax deduction or tax credit with regard to any federal, state or local tax for any penalty amounts that Respondent shall pay pursuant to this Order, regardless of whether such penalty amounts or any part thereof are added to a distribution fund or otherwise used for the benefit of investors.

IX.

Respondent states that it has read and understands the foregoing Offer, that this Offer is made voluntarily, and that no promises, offers, threats, or inducements of any kind or nature whatsoever have been made by the Commission or any member, officer, employee, agent, or representative of the Commission in consideration of this Offer or otherwise to induce it to submit to this Offer.

23rd Day of July, 2019

(b)(6); (b)(7)(C)



Block.one

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933

Release No.

ADMINISTRATIVE PROCEEDING

File No.

In the Matter of

Block.one,

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 8A OF THE SECURITIES ACT
OF 1933, MAKING FINDINGS, AND
IMPOSING A CEASE-AND-DESIST
ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) against Block.one (“Block.one” or the “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (“Offer”) that the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant To Section 8A of the Securities Act of 1933, Making Findings, And Imposing a Cease-And-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

Summary

Block.one is a Cayman Islands-registered technology company that was established in 2016, and developed the EOSIO software, an operating system that would underlie one or more anticipated EOSIO-based blockchains. From June 26, 2017 through June 1, 2018 (the “Relevant Period”), Block.one conducted a “token distribution,” or “initial coin offering” (“ICO”), in which it publicly offered and sold 900 million digital assets (“ERC-20 Tokens”) in exchange for Ether, a

digital asset, to raise capital to develop the EOSIO software and promote the launch of EOSIO-based blockchains.

Block.one raised Ether worth several billion dollars from the general public, including a portion from U.S. residents. Block.one did not register its offers and sales of the ERC-20 Tokens pursuant to the federal securities laws, nor did it qualify for an exemption to the registration requirements under the federal securities laws.

Based on the facts and circumstances set forth below, the ERC-20 Tokens were securities under the federal securities laws pursuant to *SEC v. W. J. Howey Co.*, 328 U.S. 293 (1946), and its progeny, including the cases discussed by the Commission in its *Report of Investigation Pursuant To Section 21(a) Of The Securities Exchange Act of 1934: The DAO* (Exchange Act Rel. No. 81207) (July 25, 2017) (“DAO Report”). A purchaser in the offering of ERC-20 Tokens would have had a reasonable expectation of obtaining a future profit based upon Block.one’s efforts, including its development of the EOSIO software and its promotion of the adoption and success of EOSIO and the launch of the anticipated EOSIO blockchains. Block.one violated Sections 5(a) and 5(c) of the Securities Act by offering and selling these securities without having a registration statement filed or in effect with the Commission or qualifying for an exemption from registration.

IV.

Respondent

1. Block.one is a Cayman Islands-registered company and it currently has offices in Hong Kong and Blacksburg, Virginia. Neither Block.one nor its securities are registered with the Commission in any capacity.

Background

2. Block.one is a technology company that was established in 2016 to, among other things, develop the EOSIO software, an operating system designed to support public or private blockchains. The goal of the EOSIO software is to increase blockchain transaction speeds, reduce transaction costs, and improve scalability.

3. Block.one launched a website (“EOS.IO Website”) and published a Technical White Paper (“White Paper”) to market the EOSIO software and proposed EOSIO-based blockchains, and announced that it would be conducting an approximately year-long “initial coin offering,” or “ICO” of tokens distributed on the Ethereum blockchain using the ERC-20 protocol.

4. Over the approximate one-year period from June 26, 2017 through June 1, 2018, Block.one offered and sold ERC-20 Tokens to the general public, selling and distributing 900 million ERC-20 Tokens in total. This was done through an automated and committed process, *i.e.*, a “smart contract.” When purchasing tokens, investors also entered into an electronic token purchase agreement (“Token Purchase Agreement”). Block.one also reserved 100 million tokens, referred to as “founders’ tokens,” for its own account. Block.one sold and distributed the ERC-20 Tokens in Dutch-style auctions on the following schedule: 200 million tokens were sold and distributed during the first five days of the ICO, and thereafter, 700 million tokens were split evenly into 350 consecutive 23-hour “distribution periods” of 2 million tokens each. On average,

the ERC-20 Tokens sold for the equivalent of approximately \$4.40 per token. In addition, the ERC-20 Tokens contained no restrictions on transfer following their initial sale and distribution, and the tokens began trading through online trading platforms as early as July 1, 2017.

5. Block.one ultimately raised several billion dollars' worth of Ether in the ICO, a portion of which was raised from U.S. persons notwithstanding certain measures, described below, undertaken by Block.one to prohibit U.S. persons from participating. At the close of the ICO, approximately 330,690 individual wallet addresses held the ERC-20 Tokens, with approximately 75% of all tokens held by 100 wallets.

6. The EOS.IO Website stated that the proceeds of the ICO would be "revenue" of Block.one, and it "intends to use certain of the proceeds for general administration and operating expenses, as well as to build a blockchain consulting business focusing on helping businesses re-imagine or build their businesses on the blockchain, developing more open source software that may be helpful to the community and building decentralized applications using EOS.IO Software."

7. As set forth in the Token Purchase Agreement, which was posted on the EOS.IO Website, and in other public statements, the ERC-20 Token was not the same token that eventually would be used on any anticipated EOSIO-based blockchains. Rather, the ERC-20 Token was designed to become fixed and nontransferable on the Ethereum blockchain (a different blockchain platform) at the close of the ERC-20 Token sale, meaning that while a record of past transactions could be confirmed on the Ethereum blockchain, new transfers of the ERC-20 Token could not occur on the Ethereum blockchain and the smart contract would have no further functionality at that point. Beginning in December 2017, Block.one began to release beta versions of the EOSIO software and explained that once the official version was published under an open source software license, anyone could view the software's code and use it to configure and launch blockchains (such as the EOS Blockchain, which would be a different blockchain than an Ethereum blockchain).

8. As anticipated, on June 1, 2018, Block.one's ICO closed, and the ERC-20 Token – which prior to this time had been transferrable in secondary market transactions – became fixed and nontransferable. In addition to the EOSIO software, Block.one developed a "snapshot tool" that when used in conjunction with EOSIO, would allow any developer to launch a blockchain that, upon their election, could also contain the final ERC-20 Token register of accounts. Block.one advised that ERC-20 Token holders would need to register their token ownership through a smart contract on the Ethereum blockchain in order to be eligible to receive any native EOSIO-based blockchain tokens utilizing the snapshot tool, if and when those blockchains launched.

9. On June 14, 2018, the EOS Blockchain, the first EOSIO-based blockchain, was launched. The ERC-20 Tokens sold in the ICO remain fixed on the Ethereum blockchain, and the ERC-20 Tokens cannot be transferred.

**Block.one Offered and Sold Securities
Without Registration or an Applicable Exemption**

10. Block.one launched the EOS.IO Website on May 11, 2017. Block.one subsequently sold and distributed the ERC-20 Tokens directly through the EOS.IO Website in exchange for Ether. The EOS.IO Website included certain measures intended to block U.S.-based purchasers from buying ERC-20 Tokens, including by blocking U.S.-based IP addresses from accessing the EOS.IO Website token sale page. In addition, Block.one required all ERC-20 Token purchasers to agree to the Token Purchase Agreement, which included provisions that U.S. persons were prohibited from purchasing ERC-20 Tokens, and that any purchase by a U.S. person was unlawful and rendered the purchase agreement null and void. Block.one did not, however, ascertain from purchasers whether they were in fact U.S.-based persons, and a number of U.S.-based persons purchased ERC-20 Tokens directly through the EOS.IO Website.

11. Block.one also undertook efforts for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the U.S. for the ERC-20 Tokens, including by engaging in directed selling efforts. Among other things, Block.one participated in blockchain conferences in the U.S., including a prominent conference held in New York City in May 2017, to promote Block.one and which at times also promoted its ICO. In connection with the May 2017 Conference, Block.one advertised EOSIO on a large billboard in Times Square on May 22, 2017, promoted EOSIO in informal informational sessions, and hosted a post-conference reception. Block.one also promoted its proposed business and ICO to U.S.-based persons on the EOS.IO Website and through various social media and forum posts. The EOS.IO Website, White Paper, and other promotional statements were accessible to purchasers and potential purchasers, and viewable by U.S. persons.

12. In addition, ERC-20 Tokens were traded and widely available for purchase on numerous online trading platforms open to U.S.-based purchasers throughout the duration of the ICO. Block.one did not take any steps to prevent the ERC-20 Tokens from being immediately resellable to U.S.-based purchasers in secondary market trades.

13. No registration statement concerning the offers and sales of ERC-20 Tokens was in effect at any time prior to or during the offering. The offers and sales did not qualify for any exemption from registration under the federal securities laws.

**ERC-20 Token Purchasers Would Reasonably Have Expected
That They Would Profit From the Efforts of Block.one**

14. Block.one offered ERC-20 Tokens in order to raise capital and build a profitable enterprise, and ERC-20 Token purchasers would reasonably have understood that if Block.one was successful in doing so, their token purchase would be profitable.

15. At the time the ICO launched in June 2017, Block.one did not have any product in place, and its proposed software was largely conceptual. Purchasers would have understood that Block.one was a for-profit entity. Block.one stated that the ICO proceeds were “revenue” of the Company, and that it would use the proceeds to build a profitable enterprise by, among other things, developing the EOSIO software and promoting the widespread adoption of EOSIO and

launch of anticipated EOSIO-based blockchains. Purchasers thus would have understood that Block.one's success in building and promoting the EOSIO software and promoting the launch of one or more EOSIO-based blockchains would make their token purchase profitable.

16. In January 2018, seven months into the 12-month ERC-20 Token offering, Block.one announced that it would invest \$1 billion from the offering proceeds to "offer[] developers and entrepreneurs the funding they need to create community driven businesses leveraging EOSIO software."

17. In describing Block.one's plans to invest the proceeds of the ERC-20 Token sale to fund businesses that would use, directly or indirectly, an EOSIO-based blockchain, Block.one stated that "the money we spent on those initiatives will be returned value for the network" and that the money raised in the ICO would be spent wisely to fund development of EOSIO-based blockchains.

18. Over the approximately year-long ICO, ERC-20 Token purchasers' expectations were primed by Block.one's marketing of the ERC-20 Token and anticipated EOSIO blockchains. To market the ERC-20 Token, Block.one created the EOS.IO Website and published an EOS White Paper and an "Introduction to EOS" technical paper. During the ICO, Block.one also was developing EOSIO software and released beta versions of the software to the public. Its founders also published articles and blog posts to promote the EOSIO software, and actively engaged U.S. purchasers and potential U.S. purchasers on social media, online message boards, and other outlets. In the course of marketing the EOSIO software, Block.one encouraged U.S. purchasers to rely on the founders' expertise and vision to secure the widespread adoption of the EOSIO software and anticipated launch of one or more EOSIO blockchains.

V.

Violations

19. As a result of the conduct described above regarding the offers and sales of ERC-20 Tokens in the ICO, Block.one violated Section 5(a) of the Securities Act, which states that unless a registration statement is in effect as to a security, it shall be unlawful for any person, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise; or to carry or cause to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale.

20. As a result of the conduct described above, Block.one violated Section 5(c) of the Securities Act, which states that it shall be unlawful for any person, directly or indirectly, to make use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed as to such security.

VI.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 8A of the Securities Act, Respondent Block.one cease and desist from committing or causing any violations and any future violations of Sections 5(a) and 5(c) of the Securities Act.

B. Respondents shall, within 10 days of the entry of this Order, pay a civil money penalty in the amount of \$24,000,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Block.one as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to (b)(6); (b)(7)(C) Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a

Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman

Secretary



Karen E. Ubell
+1 650 843 5246
kubell@cooley.com

FOIA CONFIDENTIAL TREATMENT REQUEST
CONFIDENTIAL TREATMENT REQUESTED BY BLOCK.ONE, LTD.
SUBJECT TO FEDERAL RULE OF EVIDENCE 408
CONFIDENTIAL SETTLEMENT DISCUSSION PURPOSES ONLY

July 18, 2018

(b)(6); (b)(7)(C)

Chief, Office of Capital Markets Trends
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Block.one, Ltd.

Dear (b)(6); (b)(7)(C):

We are providing the enclosed marked materials on behalf of Block.one, Ltd. (the "**Company**") for discussion purposes only in advance of our meeting with you and members of the Staff to be held on July 19, 2018.

Confidential Treatment Request

We hereby request, pursuant to 17 C.F.R. § 200.83 that (i) the supplemental materials transmitted with this letter, (ii) any memoranda, notes, correspondence, or other writings made by any member or employee of the Commission relating to any of the foregoing documents or any conference or telephone call with respect thereto, and (iii) any copies or extracts of any of the foregoing be maintained in confidence, not be made part of any public record and not be disclosed to any person as they contain confidential information. In accordance with 17 C.F.R. § 200.83(d)(1), if any person (including any governmental employee who is not an employee of the U.S. Securities and Exchange Commission) should request access to or an opportunity to inspect this letter or any supplemental materials transmitted herewith, we request that we be immediately notified of any such request, be furnished with a copy of all written materials pertaining to such request (including, but not limited to, the request itself) and be given at least ten business days advance notice of any intended release so that the Company may, if deemed necessary or appropriate, pursue any remedies available to it. In such an event, we request that you contact me, the responsible representative, by telephone at (650) 843-5246 or by fax at (650) 849-7400 rather than rely upon the U.S. mail for such notice. My address is 3175 Hanover Street, Palo Alto, California 94304.

We look forward to speaking with you tomorrow. Please contact me if you have any questions or would like additional information regarding the enclosed materials.

Sincerely,

Karen E. Ubell
181036750 v1

BLOCK.ONE
SUMMARY OF TERMS:
EOS TOKENS AND EOS TOKEN DISTRIBUTION
JULY 19, 2018

The below summary is being presented to the Division of Corporate Finance to aid in discussions regarding proposed undertakings sent to Block.one on May 31, 2018 by the Division of Enforcement. This information is being presented without prejudice to any statements or arguments that Block.one may subsequently make in connection with any subsequent proceedings with the SEC or others.

Company: Block.one, Ltd., a Cayman Islands exempted company

EOS Tokens: EOS ERC-20 Tokens (“EOS Tokens”) are ERC-20 compatible tokens distributed on the Ethereum blockchain pursuant to a related ERC-20 smart contract. Pursuant to the smart contract, the EOS Tokens were distributed and sold during the First Period and the Daily Sale Periods (each as defined below) and became fixed (non-transferable) on the Ethereum blockchain on June 2, 2018 at 22:00:00 UTC.

Although some exchanges may allow holders to continue trading EOS Tokens after June 2, 2018 on the exchange’s platform outside of the Ethereum blockchain via transfers reflected only on the internal ledgers of the exchange, it is not possible for such exchanges to accept EOS Token deposits/withdrawals because the EOS Tokens are no longer transferable on the Ethereum blockchain itself.

The EOS Tokens do not have any rights, uses, purpose, attributes, functionalities or features on the EOS Platform. The EOS Tokens were sold on an “as is” and “as available” basis without representations, warranties, promises or guarantees whatsoever of any kind by Block.one.

EOS Tokens do not represent an interest in Block.one, either equity or debt, or any right with respect to Block.one. EOS Token holders do not have rights of any form with respect to Block.one or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary or other financial or legal rights with respect to Block.one or its assets. Voting rights associated with the EOS Tokens are limited to the vote to permit transferability of Blockchain Tokens (defined below) as described below. Holders of EOS Tokens have no voting rights with respect to Block.one and are not entitled to elect the directors of Block.one or any of its affiliates. Holders of EOS Tokens have no rights with respect to any of the proceeds received by Block.one from the sale of the EOS Tokens. Rights of holders of EOS Tokens are limited exclusively to those rights set forth in the Purchase Agreement governing the sale of the EOS Tokens.

*Distribution and Allocation of
EOS Tokens:*

The EOS Token distribution took place over 341 days starting on June 26, 2017 at 13:00 UTC and ending on June 2, 2018 at 22:00:00 UTC. One billion EOS Tokens were distributed according to the schedule below:

1. 200,000,000 EOS Tokens were distributed during a 5 day period beginning on June 26, 2017 at 13:00 UTC and ending on July 1, 2017 at 12:59:59 UTC (the “First Period”). EOS Tokens acquired during the First Period became freely tradeable upon delivery at the conclusion of the First Period.
2. 700,000,000 EOS Tokens were split evenly into 350 consecutive 23 hour periods of 2,000,000 EOS Tokens each beginning on July 1, 2017 at 13:00: UTC (each, a “Daily Sale Period” and, together with the “First Period” the “Distribution Period”). EOS Tokens acquired during each Daily Sale Period became freely tradeable upon delivery at the conclusion of the Daily Sale Period.
3. 100,000,000 EOS Tokens were reserved for Block.one (the “Founders Tokens”) and were never traded or transferred on the Ethereum network.

At the end of the First Period and at the end of each Daily Sale Period, the respective set number of EOS Tokens were distributed pro rata amongst all authorized purchasers, based on the total ETH contributed during those periods, respectively.¹

As a result of this model, approximately 70% of all EOS Tokens (all EOS Tokens sold other than during the First Period) were sold at approximately market prices (since if the total funds contributed to a Daily Sale Period would result in tokens at above market pricing, participants would have purchased EOS Tokens in open market exchanges rather than via the distribution process and vice versa). This is in contrast to many other ICO models in which all of the tokens are minted at below market value.

*Reasons For Token and Token
Utility:*

The EOS Token was sold over the Distribution Period via the First Period and the Daily Sale Periods in order to achieve a fully distributed base of holders of the EOS Token which served to ensure that the Delegated Proof of Stake consensus mechanism that would govern any

¹ For example: 200,000,000 EOS are available during the Daily Sale Period.

Bob contributes 1,000 ETH; Alice contributes 200 ETH; John contributes 1 ETH

Bob contributed 83.2639% of all ETH and receives 166,527,893.422148 EOS Tokens distributed in the respective Daily Sale Period

Alice contributed 16.6528% of all ETH and receives 33,305,578.684430 EOS Tokens distributed in the respective Daily Sale Period

John contributes 0.0833% of all ETH and receives 166,527.893422 EOS Tokens distributed in the respective Daily Sale Period

EOSIO Platform launched with the EOSIO Software was widely and fairly distributed, secure and fully functional and that potential participants had an equal opportunity to participate in the Distribution.

The EOS Tokens do not have any other utility, consumptive use, opportunity for redemption or other rights and are not contemplated for use for any other purpose.

EOSIO Platforms:

Block.one developed the EOSIO Software, and it released the EOSIO Software under an open-source MIT software license on June 1, 2018, at the end of the Distribution Period. The EOSIO Software is a blockchain architecture and protocol structure that will utilize a Delegated Proof of Stake consensus mechanism. The EOSIO Software was designed to enable vertical and horizontal scaling of decentralized applications. This is achieved by creating an operating system-like construct upon which applications can be built. The EOSIO Software was designed to provide accounts, authentication, databases, asynchronous communication and the scheduling of applications across many CPU cores or clusters.

Immediately following publication, anyone could view the EOSIO Software's code, use it and/or amend it to configure and/or launch a public blockchain platform (an "EOSIO Platform") potentially utilizing and issuing a native token on such a blockchain (a "Blockchain Token"). Any person who desired to launch an EOSIO Platform adopting the EOSIO Software could do so based on a JSON file mapping EOS public keys to the fixed balances of EOS Tokens from the state of the Ethereum blockchain at the end of the Distribution Period. Any such launch of an EOSIO Platform would occur by developers or third parties unrelated to Block.one, and Block.one does not have any control over the launch of an EOS Platform nor any amendments to the EOSIO Software that a developer of an EOSIO Platform may make in adopting and launching an EOSIO Platform.

The EOSIO Software is built such that any EOSIO Platform that adopts the EOSIO Software will require the approval of holders of not less than 15% of the total issued and outstanding EOS Tokens before Blockchain Tokens native to the new EOS Platform blockchain can be issued and transferred. In other words, if the EOSIO Software is adopted, it is the responsibility of holders holding at least 15% of the native EOS Tokens to adopt one or more blockchains in order for Blockchain Tokens received on such blockchains to be transferable. In order to incentivize holders of EOS Tokens to approve the transferability of Blockchain Tokens, the blockchain sponsors may choose to distribute Blockchain Tokens to the EOS Token holders. EOS Token holders do not have a right to receive any such tokens, and an EOSIO Platform may be launched without any such distribution. Block.one did not promise EOS Token purchasers any such distribution, and has no role

in the launch or vote with respect to any EOSIO Platform.

As mentioned above, the EOSIO Software was structured so that the configuration of the EOSIO Platform would ultimately be determined by the community when someone other than Block.one initializes a genesis block of native tokens and starts a blockchain.

On June 14, 2018 an EOSIO Platform blockchain received the requisite votes, and the new blockchain based on the EOSIO Software went live. This initiation of a genesis block, issuance of Blockchain Tokens and launch of a functional blockchain network was carried out by a group of developers unrelated to Block.one and independent of any actions taken by Block.one. The Blockchain Tokens and thus the live blockchain network went live following a vote of at least 15% of the EOS Token holders, as described herein, and coded into the EOSIO Software. Block.one did not vote the Founders Tokens (EOS Tokens as defined above) with respect to the currently live platform. Blockchain Tokens associated with the new blockchain, which were issued by the sponsors of the blockchain, are now live and transferable and the validation process has begun. EOS Token holders received allocations of the Blockchain Token upon issuance and initiation of the genesis block.

Additional Background:

Holders of EOS Tokens are not entitled to vote for the election of directors of Block.one or its affiliates, and accordingly the EOS Tokens are not voting securities as defined in Rule 12b-2 under the Exchange Act.

Block.one's equity holders are entitled to vote for the election of the directors of Block.one and thus are the measuring security for an analysis of foreign private issuer status. Currently, approximately only 24 percent of Block.one's voting securities are held by U.S. residents.

Documentation and Disclosures:

Purchases of EOS Tokens were made pursuant to a Purchase Agreement, a copy of which is attached hereto as Exhibit A.²

² The Purchase Agreement was previously provided to the Staff of the Division of Enforcement.

Exhibit A

Purchase Agreement

EOS TOKEN PURCHASE AGREEMENT

Last Updated: September 4, 2017

This EOS Token Purchase Agreement (this "Agreement") contains the terms and conditions that govern your use of the EOS distribution smart contract (the "EOS Distribution Contract"); use of the related ERC-20 EOS token smart contract (the "EOS Token Contract"); and purchase of the related ERC-20 compatible tokens distributed on the Ethereum blockchain (the "EOS Tokens") and is an agreement between you or the entity that you represent ("Buyer" or "you") and block.one ("block.one," together with its parent company, subsidiaries and affiliates, "Company"). Buyer, block.one and Company are herein referred to individually as a "Party" and collectively, as the "Parties".

NOW, THEREFORE, in consideration of the mutual representations, warranties and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Company and Buyer hereby agree as follows:

IMPORTANT INFORMATION: PLEASE READ THIS AGREEMENT CAREFULLY AND IN ITS ENTIRETY.

Buyer acknowledges, understands and agrees to the following:

- **MATTERS RELATING TO EOS.IO SOFTWARE AND EOS PLATFORM:**
 1. block.one is developing the EOS.IO software (the "EOS.IO Software") as further described in the EOS.IO Technical White Paper (as it may be amended from time to time) (the "White Paper");
 2. at the end of its development stage, block.one will be releasing the EOS.IO Software it has developed under an open source software license;
 3. Company will not configure and/or launch any public blockchain platform adopting the open source EOS.IO Software (the "EOS Platform") for any purpose;
 4. any launch and implementation of the EOS Platform may occur by third parties unrelated to Company;
 5. third parties launching the EOS Platform may delete, modify or supplement the EOS.IO Software prior to, during or after launching the EOS Platform; and
 6. Company will have no control over when, how or whether the EOS.IO Software is adopted or implemented, or how, when or whether the EOS Platform is launched.
- **BINDING AGREEMENT:** Buyer understands and agrees that Buyer is subject to and bound by this Agreement by virtue of Buyer's purchase of EOS Tokens.
- **NO U.S. OR CHINESE BUYERS:** EOS Tokens are not being offered or distributed to U.S. persons (as defined below) or Chinese persons (as defined below). If you are citizen, resident of, or a person located or domiciled in, the United States of America including its states, territories or the District of Columbia or any entity, including,

without limitation, any corporation or partnership created or organized in or under the laws of the United States of America, any state or territory thereof or the District of Columbia (a “U.S. person”), or, if you are citizen, resident of, or a person located or domiciled in, or any entity, including, without limitation, any corporation or partnership created or organized in or under the laws of the People’s Republic of China (a “Chinese person”), do not purchase or attempt to purchase EOS Tokens.

- **EOS TOKENS HAVE NO RIGHTS, USES OR ATTRIBUTES.** The EOS Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the EOS Platform. Company does not guarantee and is not representing in any way to Buyer that the EOS Tokens have any rights, uses, purpose, attributes, functionalities or features.
- **NOT A PURCHASE OF EOS PLATFORM TOKENS.** EOS Tokens purchased under this Agreement are **not** tokens on the EOS Platform. Buyer acknowledges, understands and agrees that Buyer should not expect and there is no guarantee or representation made by Company that Buyer will receive any other product, service, rights, attributes, functionalities, features or assets of any kind whatsoever, including, without limitation, any cryptographic tokens or digital assets now or in the future whether through receipt, exchange, conversion, redemption or otherwise.
- **PURCHASE OF EOS TOKENS ARE NON-REFUNDABLE AND PURCHASES CANNOT BE CANCELLED. BUYER MAY LOSE ALL AMOUNTS PAID.**
- **EOS TOKENS MAY HAVE NO VALUE.**
- **COMPANY RESERVES THE RIGHT TO REFUSE OR CANCEL EOS TOKEN PURCHASE REQUESTS AT ANY TIME IN ITS SOLE DISCRETION.**
- **PLEASE READ THE RISKS SET FORTH IN SECTION 7 CAREFULLY AND IN THEIR ENTIRETY.**
- **THIS AGREEMENT INCLUDES PRE-DISPUTE RESOLUTION IN SECTION 9.1 AND REQUIRES ARBITRATION IN SECTION 9.2.**

ARTICLE ONE: ACCEPTANCE OF AGREEMENT AND PURCHASE OF EOS TOKENS

- 1.1. This Agreement shall be effective and binding on the Parties when Buyer: (a) clicks the check box on the official <https://eos.io/> website (the “Website”) to indicate that Buyer has read, understands and agrees to the terms of this Agreement; or, if earlier (b) upon Company’s receipt of payment from Buyer. Buyer agrees to be bound on this basis, and confirms that Buyer has read in full and understands this Agreement and the terms on which Buyer is bound.
- 1.2. Website Terms of Use. Company has established Terms of Use, as may be amended from time to time, for the Website located at <https://eos.io/terms-of-use.html>, which are hereby incorporated by reference. Buyer has read, understands and agrees to those terms.

- 1.3. White Paper. Company has prepared the White Paper, which is available at <https://github.com/EOSIO/Documentation/blob/master/TechnicalWhitePaper.md>, describing matters relating to the EOS.IO Software. The White Paper, as it may be amended from time to time, is hereby incorporated by reference. Buyer has read and understands the White Paper and its contents.
- 1.4. EOS Tokens.
 - a. No Purpose. As mentioned above, the EOS Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied. Although EOS Tokens may be tradable, they are not an investment, currency, security, commodity, a swap on a currency, security or commodity or any other kind of financial instrument.
 - b. Company's Use of Proceeds. Buyer acknowledges and understands that the proceeds from the sale of the EOS Tokens will be utilized by Company in its sole discretion.

ARTICLE TWO: EOS TOKEN DISTRIBUTION

- 2.1. Allocation and Distribution of EOS Tokens. block.one intends to allocate and distribute EOS Tokens (the "EOS Token Distribution") in accordance with the material specifications as set forth in Exhibit A to this Agreement which includes details regarding the timing (the "EOS Distribution Period") and pricing of the EOS Token Distribution and the amount of EOS Tokens that will be distributed. During the EOS Distribution Period, block.one will provide specific procedures on how Buyer should purchase EOS Tokens through the official Website. By purchasing EOS Tokens, Buyer acknowledges and understands and has no objection to such procedures and material specifications. Failure to use the official Website and follow such procedures may result in Buyer not receiving any EOS Tokens. Any buyer of EOS Tokens may lose some or all of the amounts paid in exchange for EOS Tokens, regardless of the purchase date. The access or use of the EOS Distribution Contract, access or use of the EOS Token Contract and/or the receipt or purchase of EOS through any other means other than the official Website are not sanctioned or agreed to in any way by the block.one Parties. Buyer should take great care that the website used to purchase EOS Tokens has the following universal resource locator (URL): <https://eos.io/>.
- 2.2. No U.S. or Chinese Buyers. The EOS Tokens are not being offered to U.S. persons or Chinese persons. U.S. persons and Chinese persons are strictly prohibited and restricted from using the EOS Distribution Contract, using the EOS Token Contract and/or purchasing EOS Tokens and Company is not soliciting purchases by U.S. persons or Chinese persons in any way. If a U.S. person or a Chinese person uses the EOS Distribution Contract, uses the EOS Token Contract and/or purchases EOS Tokens, such person has done so and entered into this Agreement on an unlawful, unauthorized and fraudulent basis and this Agreement is null and void. Company is not bound by this Agreement if this Agreement has been entered into by a U.S. person or a Chinese person as Buyer or Buyer has entered into this Agreement or has purchased EOS Tokens on behalf of a U.S. person or a Chinese person, and Company may take all necessary and appropriate actions, in its sole discretion, to invalidate this Agreement, including referral of information to the appropriate authorities. Any U.S. person or Chinese person who uses the EOS Distribution Contract, uses the EOS Token

Contract and/or purchases EOS Tokens or enters this Agreement on an unlawful, unauthorized or fraudulent basis shall be solely liable for, and shall indemnify, defend and hold harmless block.one and block.one's respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (collectively, the "block.one Parties") from any damages, losses, liabilities, costs or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special and including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses (collectively, the "Damages") incurred by a block.one Party that arises from or is a result of such U.S. person's or Chinese person's unlawful, unauthorized or fraudulent use of the EOS Distribution Contract, unauthorized use of the EOS Token Contract and/or the receipt or purchase of EOS Tokens.

- 2.3. Allocation and Sale of EOS Tokens to block.one Parties. Buyer understands and consents to the participation of the Company's past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors and service providers in the purchase of EOS Tokens, including people who may work on the development and implementation of the EOS.IO Software or who may work for block.one's future businesses which block.one may establish with a portion of the proceeds from the EOS Token Distribution. All such block.one Parties will participate on the same terms as every other buyer of EOS Tokens and will be bound by this Agreement.
- 2.4. No Representations and Warranties. The EOS Tokens will be distributed to buyers thereof pursuant to the EOS Distribution Contract and the EOS Token Contract. None of the block.one Parties makes any representations or warranties, express or implied, including, without limitation, any warranties of title or implied warranties of merchantability or fitness for a particular purpose with respect to the EOS Distribution Contract, the EOS Token Contract or the EOS Tokens or their utility, or the ability of anyone to purchase or use the EOS Tokens. Without limiting the foregoing, none of the block.one Parties represent or warrant that the process of purchasing the EOS Tokens or receiving the EOS Tokens will be uninterrupted or error-free or that the EOS Tokens are reliable and error-free. As a result, Buyer acknowledges and understands that Buyer may never receive EOS Tokens and may lose the entire amount Buyer paid to Company. Buyer shall provide an accurate digital wallet address to Company for receipt of any EOS Tokens distributed to Buyer pursuant to the EOS Distribution Contract and the EOS Token Contract.
- 2.5. Not an Offering of Securities, Commodities, or Swaps. The sale of EOS Tokens and the EOS Tokens themselves are not securities, commodities, swaps on either securities or commodities or a financial instrument of any kind. Purchases and sales of EOS Tokens are not subject to the protections of any laws governing those types of financial instruments. This Agreement and all other documents referred to in this Agreement including the White Paper do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.
- 2.6. Not an Investment. Buyer should not participate in the EOS Token Distribution or purchase EOS Tokens for investment purposes. EOS Tokens are not designed for

investment purposes and should not be considered as a type of investment. Within twenty-three (23) hours from the end of the EOS Distribution Period, all EOS Tokens will no longer be transferable and the EOS Token Contract will prevent all further transfers and public key mappings. At this point, the distribution of EOS Tokens will be complete. Buyer acknowledges, understands and agrees that Buyer should not expect and there is no guarantee or representation or warranty by Company that: (a) the EOS.IO Software will ever be adopted; (b) the EOS.IO Software will be adopted as developed by block.one and not in a different or modified form; (c) a blockchain utilizing or adopting the EOS.IO Software will ever be launched; and (d) a blockchain will ever be launched with or without changes to the EOS.IO Software and with or without a distribution matching the fixed, non-transferable EOS Token balances. Furthermore, EOS Tokens will not have any functionality or rights on the EOS Platform and holding EOS Tokens is not a guarantee, representation or warranty that the holder will be able to use the EOS Platform, or receive any tokens utilized on the EOS Platform, even if the EOS Platform is launched and the EOS.IO Software is adopted, of which there is no guarantee, representation or warranty made by Company.

- 2.7. Not for Speculation. Buyer acknowledges and agrees that Buyer is not purchasing EOS Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes.

ARTICLE THREE: NO OTHER RIGHTS CREATED

- 3.1. No Claim, Loan or Ownership Interest. The purchase of EOS Tokens: (a) does not provide Buyer with rights of any form with respect to the Company or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights; (b) is not a loan to Company; and (c) does not provide Buyer with any ownership or other interest in Company.
- 3.2. Intellectual Property. Company retains all right, title and interest in all of Company's intellectual property, including, without limitation, inventions, ideas, concepts, code, discoveries, processes, marks, methods, software, compositions, formulae, techniques, information and data, whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyright or patents based thereon. Buyer may not use any of Company's intellectual property for any reason without Company's prior written consent.

ARTICLE FOUR: SECURITY AND DATA; TAXES

- 4.1. Security and Data Privacy.
- a. Buyer's Security. Buyer will implement reasonable and appropriate measures designed to secure access to: (i) any device associated with Buyer and utilized in connection with Buyer's purchase of EOS Tokens; (ii) private keys to Buyer's wallet or account; and (iii) any other username, passwords or other login or identifying credentials. In the event that Buyer is no longer in possession of Buyer's private keys or any device associated with Buyer's account or is not able to provide Buyer's login or identifying credentials, Buyer may lose all of Buyer's EOS Tokens and/or access to Buyer's account. Company is under no obligation to recover any EOS Tokens and Buyer acknowledges, understands and agrees that all purchases of

EOS Tokens are non-refundable and Buyer will not receive money or other compensation for any EOS Tokens purchased.

- b. Additional Information. Upon Company's request, Buyer will immediately provide to Company information and documents that Company, in its sole discretion, deems necessary or appropriate to comply with any laws, regulations, rules or agreements, including without limitation judicial process. Such documents include, but are not limited to, passport, driver's license, utility bills, photographs of associated individuals, government identification cards, or sworn statements. Buyer consents to Company disclosing such information and documents in order to comply with applicable laws, regulations, rules or agreements. Buyer acknowledges that Company may refuse to distribute EOS Tokens to Buyer until such requested information is provided.
- 4.2. Taxes. Buyer acknowledges, understands and agrees that: (a) the purchase and receipt of EOS Tokens may have tax consequences for Buyer; (b) Buyer is solely responsible for Buyer's compliance with Buyer's tax obligations; and (c) Company bears no liability or responsibility with respect to any tax consequences to Buyer.

ARTICLE FIVE: REPRESENTATIONS AND WARRANTIES OF BUYER

By buying EOS Tokens, Buyer represents and warrants to each of the block.one Parties that:

- 5.1. Not a U.S. Person or Chinese Person: Buyer is not a U.S. person or a Chinese person.
- 5.2. Authority. Buyer has all requisite power and authority to execute and deliver this Agreement, to use the EOS Distribution Contract and the EOS Smart Contract, purchase EOS Tokens, and to carry out and perform its obligations under this Agreement.
 - a. If an individual, Buyer is at least 18 years old and of sufficient legal age and capacity to purchase EOS Tokens.
 - b. If a legal person, Buyer is duly organized, validly existing and in good standing under the laws of its domiciliary jurisdiction and each jurisdiction where it conducts business.
- 5.3. No Conflict. The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice: (a) any provision of Buyer's organizational documents, if applicable; (b) any provision of any judgment, decree or order to which Buyer is a party, by which it is bound, or to which any of its material assets are subject; (c) any material agreement, obligation, duty or commitment to which Buyer is a party or by which it is bound; or (d) any laws, regulations or rules applicable to Buyer.
- 5.4. No Consents or Approvals. The execution and delivery of, and performance under, this Agreement require no approval or other action from any governmental authority or person other than Buyer.
- 5.5. Buyer Status. Buyer is not subject to any of the disqualifying events listed in Rule 506(d)(1) of Regulation D under the Securities Act of 1933 (a "Buyer Event"), and

there is no proceeding or investigation pending or, to the knowledge of Buyer, threatened by any governmental authority, that would reasonably be expected to become the basis for a Buyer Event.

5.6. Buyer Knowledge and Risks of Project. Buyer has sufficient knowledge and experience in business and financial matters, including a sufficient understanding of blockchain or cryptographic tokens and other digital assets, smart contracts, storage mechanisms (such as digital or token wallets), blockchain-based software systems and blockchain technology, to be able to evaluate the risks and merits of Buyer's purchase of EOS Tokens, including but not limited, to the matters set forth in this Agreement, and is able to bear the risks thereof, including loss of all amounts paid, loss of EOS Tokens, and liability to the block.one Parties and others for its acts and omissions, including with limitation those constituting breach of this Agreement, negligence, fraud or willful misconduct. Buyer has obtained sufficient information in order to make an informed decision to purchase EOS Tokens.

5.7. Funds; Payments.

- a. Funds. The funds, including any fiat, virtual currency or cryptocurrency, Buyer uses to purchase EOS Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and Buyer will not use the EOS Tokens to finance, engage in, or otherwise support any unlawful activities.
- b. Payments. All payments by Buyer under this Agreement will be made only in Buyer's name, from a digital wallet or bank account not located in a country or territory that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force, and is not a "foreign shell bank" within the meaning of the U.S. Bank Secrecy Act (31 U.S.C. § 5311 *et seq.*), as amended, and the regulations promulgated thereunder by the Financial Crimes Enforcement Network, as such regulations may be amended from time to time.

5.8. Miscellaneous Regulatory Compliance.

- a. Anti-Money Laundering; Counter-Terrorism Financing. To the extent required by applicable law, Buyer complies with all anti-money laundering and counter-terrorism financing requirements.
- b. Sanctions Compliance. Neither Buyer, nor any person having a direct or indirect beneficial interest in Buyer or EOS Tokens being acquired by Buyer, or any person for whom Buyer is acting as agent or nominee in connection with EOS Tokens, is the subject of sanctions administered or enforced by any country or government (collectively, "Sanctions") or is organized or resident in a country or territory that is the subject of country-wide or territory-wide Sanctions.

ARTICLE SIX: DISCLAIMERS

6.1. Buyer expressly acknowledges, understands and agrees that Buyer is using the EOS Distribution Contract, the EOS Token Contract and purchasing EOS Tokens at the Buyer's sole risk and that the EOS Distribution Contract, the EOS Token Contract and EOS Tokens are each provided, used and acquired on an "AS IS" and on an "AS

AVAILABLE” basis without representations, warranties, promises or guarantees whatsoever of any kind by Company and Buyer shall rely on its own examination and investigation thereof.

- 6.2. No Representation or Warranty. (A) COMPANY DOES NOT MAKE AND EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED OR STATUTORY; AND (B) WITH RESPECT TO THE EOS DISTRIBUTION CONTRACT, THE EOS TOKEN CONTRACT AND THE EOS TOKENS, COMPANY SPECIFICALLY DOES NOT REPRESENT AND WARRANT AND EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT.

ARTICLE SEVEN: RISKS

EOS TOKENS MAY HAVE NO VALUE. BUYER MAY LOSE ALL AMOUNTS PAID. Buyer has carefully reviewed, acknowledges, understands and assumes the following risks, as well as all other risks associated with the EOS Tokens (including those not discussed herein), all of which could render the EOS Tokens worthless or of little value:

- 7.1. No Rights, Functionality or Features. EOS Tokens have no rights, uses, purpose, attributes, functionalities or features, express or implied. EOS Tokens do not entitle holders to participate on the EOS Platform, even if the EOS Platform is launched and the EOS.IO Software’s development is finished and the EOS.IO Software is adopted and implemented.
- 7.2. EOS Platform. Buyer should not purchase EOS Tokens in reliance on the EOS Platform because EOS Tokens are not usable on the EOS Platform and do not entitle Buyer to anything with respect to the EOS Platform.
- 7.3. Purchase Price Risk. The distribution of EOS Tokens will occur at the end of each set period during the EOS Distribution Period. The purchase price a buyer receives for EOS Tokens depends upon the actions of all other users sending ether (“ETH”) to the EOS Token Contract during the same period. Everyone sending ETH during the same period receives the same price. It is possible for other people to send in a large amount of ETH after Buyer and dramatically increase the price Buyer and everyone else pays per EOS Token received. There are no guarantees as to the price of EOS Tokens purchased by Buyer and no guarantees that the price per EOS Token determined each period by the market will be equal to or higher in the subsequent periods of the EOS Distribution Period. There is the possibility that the price per EOS Token in subsequent periods of the EOS Distribution Period falls below the price paid by initial buyers of EOS Tokens during the EOS Distribution Period. block.one reserves the right to change the duration of the EOS Distribution Period for any reason, including, without limitation, bugs in the EOS Distribution Contract or the EOS Token Contract or the unavailability of the Website or other unforeseen procedural or security issues.

- 7.4. Blockchain Delay Risk. On the Ethereum blockchain, timing of block production is determined by proof of work so block production can occur at random times. For example, ETH contributed to the EOS Smart Contract in the final seconds of a distribution period may not get included for that period. Buyer acknowledges and understands that the Ethereum blockchain may not include the Buyer's transaction at the time Buyer expects and Buyer may not receive EOS Tokens the same day Buyer sends ETH.
- 7.5. Ethereum Blockchain. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Buyer acknowledges and understands that Ethereum block producers may not include Buyer's transaction when Buyer wants or Buyer's transaction may not be included at all.
- 7.6. Ability to Transact or Resell. Buyer may be unable to sell or otherwise transact in EOS Tokens at any time, or for the price Buyer paid. By using the EOS Distribution Contract or the EOS Token Contract or by purchasing EOS Tokens, Buyer acknowledges, understands and agrees that: (a) EOS Tokens may have no value; (b) there is no guarantee or representation of liquidity for the EOS Tokens; and (c) the block.one Parties are not and shall not be responsible for or liable for the market value of EOS Tokens, the transferability and/or liquidity of EOS Tokens and/or the availability of any market for EOS Tokens through third parties or otherwise.
- 7.7. Token Security. EOS Tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the EOS Distribution Contract, the EOS Token Contract or the EOS Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform rests on open source software and EOS Tokens are based on open source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the EOS Tokens or result in the loss of Buyer's EOS Tokens, the loss of Buyer's ability to access or control Buyer's EOS Tokens or the loss of ETH in Buyer's account. In the event of such a software bug or weakness, there may be no remedy and holders of EOS Tokens are not guaranteed any remedy, refund or compensation.
- 7.8. Access to Private Keys. EOS Tokens purchased by Buyer may be held by Buyer in Buyer's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Buyer's digital wallet or vault storing EOS Tokens will result in loss of such EOS Tokens, access to Buyer's EOS Token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Buyer uses, may be able to misappropriate Buyer's EOS Tokens. Company is not responsible for any such losses.
- 7.9. EOS Tokens Will Become Non-Transferable. Buyer acknowledges and understands that EOS Tokens will become non-transferrable within twenty-three (23) hours after the end of the EOS Distribution Period. At this time, Buyer will no longer be able to map a public key to Buyer's account and Buyer will not be able to transfer EOS Tokens

on the Ethereum blockchain. Some cryptocurrency exchanges may on their own accord enable EOS Tokens to continue trading, but the exchanges will be unable to accept new deposits or authorize withdrawals of EOS Tokens.

- 7.10. New Technology. The EOS.IO Software and the EOS Platform and all of the matters set forth in the White Paper are new and untested. The EOS.IO Software might not be capable of completion, implementation or adoption. It is possible that no blockchain utilizing the EOS.IO Software will be ever be launched and there may never be an operational EOS Platform. Buyer should not rely on the EOS.IO Software or the ability to receive tokens associated with the EOS Platform in the future. Even if the EOS.IO Software is completed, implemented and adopted, it might not function as intended, and any tokens associated with a blockchain adopting the EOS.IO Software may not have functionality that is desirable or valuable. Also, technology is changing rapidly, so the EOS Tokens and any tokens transferable on the EOS Platform may become outdated.
- 7.11. Reliance on Third-Parties. Even if completed, the EOS.IO Software will rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, all of might have a material adverse effect on the EOS.IO Software and EOS Platform.
- 7.12. Failure to Map a Public Key to Buyer's Account. Failure of Buyer to map a public key to Buyer's account may result in third parties being unable to recognize Buyer's EOS Token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the EOS.IO Software of which Company makes no representation or guarantee.
- 7.13. Exchange & Counterparty Risks. If Buyer sends ETH to the EOS Token Contract from an exchange or an account that Buyer does not control, pursuant to the EOS Token Contract, EOS Tokens will be allocated to the account that has sent ETH; therefore, Buyer may never receive or be able to recover Buyer's EOS Tokens. Furthermore, if Buyer chooses to maintain or hold EOS Tokens through a cryptocurrency exchange or other third party, Buyer's EOS Tokens may be stolen or lost. In addition, third parties may not recognize Buyer's claim to any derivative tokens if and when launched by third parties according to the distribution rules set in the EOS.IO Software. By using the EOS Distribution Contract, using the EOS Token Contract and/or by purchasing EOS Tokens, Buyer acknowledges and agrees that Buyer sends ETH to the EOS Token Contract through an exchange account and/or holds EOS Tokens on a cryptocurrency exchange or with another third party at Buyer's own and sole risk.
- 7.14. Changes to the EOS.IO Software. The EOS.IO Software is still under development and may undergo significant changes over time. Although Company intends for the EOS.IO Software to have the features and specifications set forth in the White Paper, Company may make changes to such features and specifications for any number of reasons, and any party that adopts the EOS.IO Software and launches the EOS Platform also may make changes, any of which may mean that the EOS Platform does not meet Buyer's expectations.

- 7.15. Risk of Alternative Blockchains based on EOS.IO Software. The EOS.IO Software will not likely be licensed under an open source license until after the end of the EOS Distribution Period; however, it is possible somebody will not respect the EOS.IO Software copyright or will modify the EOS.IO Software after it has been released under an open source license. Therefore, it is possible for someone to utilize the EOS.IO Software to build and launch blockchain protocols using a token distribution other than the one intended for the EOS Tokens pursuant to the EOS.IO Software both prior to or after the EOS.IO Software has become licensed as open source.
- 7.16. Risk of Lack of Transferability in Blockchain Cryptographic Token. The EOS.IO Software is built such that any blockchain that adopts the EOS.IO Software will require approval of holders of not less than 15% of the total issued and outstanding EOS Tokens before tokens on such blockchain (the “Blockchain Tokens”) can be transferred. In other words, if the EOS.IO Software is adopted, it will be the responsibility of holders holding at least 15% of the issued and outstanding EOS Tokens to adopt one or more blockchains in order for Blockchain Tokens received on such blockchains to be transferrable. Buyer acknowledges, understands and agrees that if the EOS.IO Software is adopted and the requisite vote described above is not obtained, Buyer may not be able to transfer any Blockchain Tokens Buyer receives.
- 7.17. Project Completion. The development of the EOS.IO Software may be abandoned for a number of reasons, including, but not limited to, lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.
- 7.18. Lack of Interest. Even if the EOS.IO Software is finished and adopted and the EOS Platform is launched, the ongoing success of the EOS Platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the EOS Platform.
- 7.19. Uncertain Regulatory Framework. The regulatory status of cryptographic tokens, digital assets and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact EOS Tokens in various ways, including, for example, through a determination that EOS Tokens are regulated financial instruments that require registration. Company may cease the distribution of EOS Tokens, the development of the EOS.IO Software or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so.
- 7.20. Risk of Government Action. As noted above, the industry in which Company operates is new, and may be subject to heightened oversight and scrutiny, including investigations or enforcement actions. There can be no assurance that governmental authorities will not examine the operations of Company and/or pursue enforcement actions against Company. Such governmental activities may or may not be the result of targeting Company in particular. All of this may subject Company to judgments, settlements, fines or penalties, or cause Company to restructure its operations and activities or to cease offering certain products or services, all of which could harm Company’s reputation or lead to higher operational costs, which may in turn have a

material adverse effect on the EOS Tokens and/or the development of the EOS.IO Software.

ARTICLE EIGHT: LIMITATION OF LIABILITY; INDEMNIFICATION

- 8.1. Limitation of Liability. To the fullest extent permitted by applicable law, Buyer disclaims any right or cause of action against the block.one Parties of any kind in any jurisdiction that would give rise to any Damages whatsoever, on the part of any block.one Party. Each of the block.one Parties shall not be liable to Buyer for any type of Damages, even if and notwithstanding the extent a block.one Party has been advised of the possibility of such Damages. Buyer agrees not to seek any refund, compensation or reimbursement from a block.one Party, regardless of the reason, and regardless of whether the reason is identified in this Agreement.
- 8.2. Damages. In no circumstances will the aggregate joint liability of the block.one Parties, whether in contract, warrant, tort or other theory, for Damages to Buyer under this Agreement exceed the amount received by Company from Buyer.
- 8.3. Force Majeure. Buyer understands and agrees that Company shall not be liable and disclaims all liability to Buyer in connection with any force majeure event, including acts of God, labour disputes or other industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, software or smart contract bugs or weaknesses, earthquakes, storms, or other nature-related events, blockages, embargoes, riots, acts or orders of government, acts of terrorism or war, technological change, changes in interest rates or other monetary conditions, and, for the avoidance of doubt, changes to any blockchain-related protocol.
- 8.4. Release. To the fullest extent permitted by applicable law, Buyer releases the block.one Parties from responsibility, liability, claims, demands, and/or Damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between Buyer and the acts or omissions of third parties.
- 8.5. Indemnification.
 - a. To the fullest extent permitted by applicable law, Buyer will indemnify, defend and hold harmless and reimburse the block.one Parties from and against any and all actions, proceedings, claims, Damages, demands and actions (including without limitation fees and expenses of counsel), incurred by a block.one Party arising from or relating to: (i) Buyer's purchase or use of EOS Tokens; (ii) Buyer's responsibilities or obligations under this Agreement; (iii) Buyer's breach of or violation of this Agreement; (iv) any inaccuracy in any representation or warranty of Buyer; (v) Buyer's violation of any rights of any other person or entity; and/or (vi) any act or omission of Buyer that is negligent, unlawful or constitutes willful misconduct.
 - b. Company reserves the right to exercise sole control over the defense, at Buyer's expense, of any claim subject to indemnification under this Section 8.5. This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between Buyer and Company.

ARTICLE NINE: DISPUTE RESOLUTION

- 9.1. Informal Dispute Resolution. Buyer and Company shall cooperate in good faith to resolve any dispute, controversy or claim arising out of, relating to or in connection with this Agreement, including with respect to the formation, applicability, breach, termination, validity or enforceability thereof (a “Dispute”). If the Parties are unable to resolve a Dispute within ninety (90) days of notice of such Dispute being received by all Parties, such Dispute shall be finally settled by Binding Arbitration as defined in Section 9.2 below.
- 9.2. Binding Arbitration. Any Dispute not resolved within 90 days as set forth in Section 9.1 shall be referred to and finally resolved by arbitration under the London Court of International Arbitration (LCIA) rules in effect at the time of the arbitration, except as they may be modified herein or by mutual agreement of the Parties. The number of arbitrators shall be one who shall be selected by Company. The seat, or legal place, of arbitration shall be London, England. The language to be used in the arbitral proceedings shall be English. The governing law of the Agreement shall be as set forth in Section 10.1 herein. The arbitration award shall be final and binding on the Parties (“Binding Arbitration”). The Parties undertake to carry out any award without delay and waive their right to any form of recourse insofar as such waiver can validly be made. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the relevant Party or its assets. Company and Buyer will each pay their respective attorneys’ fees and expenses. Notwithstanding the foregoing, Company reserves the right, in its sole and exclusive discretion, to assume responsibility for any or all of the costs of the arbitration.
- 9.3. No Class Arbitrations, Class Actions or Representative Actions. Any dispute arising out of or related to this Agreement is personal to Buyer and Company and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a dispute as a representative of another individual or group of individuals. Further, a dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

ARTICLE TEN: MISCELLANEOUS

- 10.1. Governing Law and Venue. This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the laws of the Cayman Islands, without giving effect to its principles or rules of conflict of laws, to the extent such principles or rules are not mandatorily applicable by statute and would permit or require the application of the laws of another jurisdiction.
- 10.2. Assignment. Buyer shall not assign this Agreement without the prior written consent of block.one. Any assignment or transfer in violation of this Section 10.2 will be void. Company may assign this Agreement to an affiliate. Subject to the foregoing, this Agreement, and the rights and obligations of the Parties hereunder, will be binding upon and inure to the benefit of their respective successors, assigns, heirs, executors, administrators and legal representatives.

- 10.3. Entire Agreement. This Agreement, including the exhibits attached hereto and the materials incorporated herein by reference, constitutes the entire agreement between the Parties and supersedes all prior or contemporaneous agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof, including, without limitation, any public or other statements or presentations made by any block.one Party about the EOS Tokens, the EOS.IO Software, the EOS Platform, Blockchain Tokens or any other tokens on the EOS Platform.
- 10.4. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, the provision shall be modified to make it valid and, to the extent possible, effectuate the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.
- 10.5. Modification of Agreement. Company may modify this Agreement at any time by posting a revised version on the Website, available at https://eos.io/purchase_agreement. The modified terms will become effective upon posting. It is Buyer's responsibility to check the Website regularly for modifications to this Agreement. This Agreement was last modified on the date listed at the beginning of this Agreement.
- 10.6. Termination of Agreement; Survival. This Agreement will terminate upon the completion of all sales in the EOS Token Distribution. Company reserves the right to terminate this Agreement, in its sole discretion, in the event that Buyer breaches this Agreement. Upon termination of this Agreement: (a) all of Buyer's rights under this Agreement immediately terminate; (b) Buyer is not entitled to a refund of any amount paid; and (c) Articles 3, 4, 6, 7, 8, 9, and 10 will continue to apply in accordance with their terms.
- 10.7. No Waivers. The failure by Company to exercise or enforce any right or provision of this Agreement will not constitute a present or future waiver of such right or provision nor limit Company's right to enforce such right or provision at a later time. All waivers by Company must be unequivocal and in writing to be effective.
- 10.8. No Partnership; No Agency; No Third Party Beneficiaries. Nothing in this Agreement and no action taken by the Parties shall constitute, or be deemed to constitute, a partnership, association, joint venture or other co-operative entity between the Parties. Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute, either Party the agent of the other Party for any purpose. No Party has, pursuant to this Agreement, any authority or power to bind or to contract in the name of the other Party. This Agreement does not create any third party beneficiary rights in any person.
- 10.9. Electronic Communications. Buyer agrees and acknowledges that all agreements, notices, disclosures and other communications that Company provides Buyer pursuant to this Agreement or in connection with or related to Buyer's purchase of EOS Tokens, including this Agreement, may be provided by Company, in its sole discretion, to Buyer, in electronic form.

EXHIBIT A

EOS TOKEN DISTRIBUTION

The EOS Token Distribution will take place over 341 days starting on June 26, 2017 at 13:00 UTC. One billion (1,000,000,000) EOS Tokens will be distributed according to the schedule below:

1. 200,000,000 EOS Tokens (20% of the total amount of EOS Tokens to be distributed) will be distributed during a 5 day period beginning on June 26, 2017 at 13:00 UTC and ending on July 1, 2017 at 12:59:59 UTC.
2. 700,000,000 EOS Tokens (70% of the total amount of EOS Tokens to be distributed) will then be split evenly into 350 consecutive 23 hour periods of 2,000,000 EOS tokens each beginning on July 1, 2017 at 13:00:00 UTC.
3. 100,000,000 EOS (10% of the total amount of EOS Tokens to be distributed) will be reserved for block.one and cannot be traded or transferred on the Ethereum network.

At the end of the 5 day period and at the end of each 23 hour period referred to above, the respective set number of EOS Tokens set forth above will be distributed pro rata amongst all authorized purchasers, based on the total ETH contributed during those periods, respectively, as follows:

$$\text{Number of EOS Tokens distributed to an authorized purchaser} = a \times \left(\frac{b}{c}\right)$$

Where:

a = Total ETH contributed by an authorized purchaser during the period.

b = Total number of EOS Tokens available for distribution in the period.

c = Total ETH contributed by all authorized purchasers during the period.

As an example:

1. 20 EOS Tokens are available during a period.
2. Bob contributes 4 ETH and Alice contributes 1 ETH during the period. The period ends.
3. As a total of 5 ETH were contributed for 20 EOS Tokens during the period, 1 EOS Token will be distributed for every 0.25 ETH contributed. Therefore, Bob receives 16 EOS Tokens and Alice receives 4 EOS Tokens.

If an EOS Platform adopting the EOS.IO Software is launched, the default EOS.IO Software configuration developed by block.one will lock new founders tokens distributed pursuant to such EOS Platform in a smart contract and release 10,000,000 (10%) of such tokens to block.one at the end of each one year anniversary of the genesis block over a period of 10 years. The EOS.IO Software configuration of the EOS Platform will be ultimately determined by a third party who initializes a genesis block and starts the EOS Platform.



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET, SUITE 400
NEW YORK, NEW YORK 10281

DIVISION OF ENFORCEMENT

(b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

January 3, 2018

Via Email

block.one
c/o Lee A. Schneider
Steven S. Scholes
McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
lschneider@mwe.com
sscholes@mwe.com

Re: block.one Initial Coin Offering (NY-9808)

Dear Mr. Schneider and Mr. Scholes:

The staff of the United States Securities and Exchange Commission is conducting an investigation in the matter identified above. The enclosed subpoena has been issued to your client, block.one and any affiliated entities (collectively, "block.one") as part of this investigation. The subpoena requires block.one to produce documents by **January 19, 2018**.

Please send the materials to:

ENF-CPU
U.S. Securities and Exchange Commission
100 F St., N.E., Mailstop 5973
Washington, DC 20549-5973

For smaller electronic productions under 10MB in size, the materials may be emailed to the following email address: ENF-CPU@sec.gov.

Please carefully read the subpoena attachment, which contains, among other things, important instructions related to the manner of producing documents. In particular, if your client prefers to send us copies of original documents, the staff requests that you scan and produce hard copy documents, as well as electronic documents, in an electronic format consistent with the

SEC Data Delivery Standards attached hereto. All electronic documents responsive to the document subpoena, including all metadata, should also be produced in their native software format. If you have any questions concerning the production of documents in an electronic format, please contact me as soon as possible and in any event before producing documents.

Passwords for documents, files, compressed archives, and encrypted media should be provided separately either via email addressed to ENF-CPU@sec.gov, or in a separate cover letter mailed separately from the data. Password correspondence should reference case number, case name and requesting SEC staff member.

Please note that, in any matter in which enforcement action is ultimately deemed to be warranted, the Division of Enforcement will not recommend any settlement to the Commission unless the party wishing to settle certifies, under penalty of perjury, that all documents responsive to Commission subpoenas and formal and informal document requests in this matter have been produced.

This investigation is a non-public, fact-finding inquiry. We are trying to determine whether there have been any violations of the federal securities laws. The investigation and the subpoena do not mean that we have concluded that your client or anyone else has violated the law. Also, the investigation does not mean that we have a negative opinion of any person, entity or security. Enclosed are copies of the Commission's Form 1662 entitled "Supplemental Information for Persons Requested to Supply Information Voluntarily or Directed to Supply Information Pursuant to a Commission Subpoena." Form 1662 explains how we may use the information your client provides to the Commission and has other important information. Please provide a copy of this form to your client.

Should you have any questions concerning this matter, please contact me a

(b)(6);
(b)(7)(C)

(b)(6);
(b)(7)(C)

Sincerely,

(b)(6); (b)(7)(C)

Enclosures: Subpoena and Attachment
SEC Data Delivery Standards
SEC Form 1662
Business Records Certification



SUBPOENA

UNITED STATES OF AMERICA SECURITIES AND EXCHANGE COMMISSION

block.one Initial Coin Offering (NY-9808)

To: block.one
c/o Lee A. Schneider
Steven S. Scholes
McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922

☒ **YOU MUST PRODUCE** everything specified in the Attachment to this subpoena to officers of the Securities and Exchange Commission, at the place, date and time specified below:

ENF-CPU, U.S. Securities and Exchange Commission, 100 F St., N.E., Mailstop 5973,
Washington, DC 20549-5973, no later than **January 19, 2018** at 5:30 p.m.

FEDERAL LAW REQUIRES YOU TO COMPLY WITH THIS SUBPOENA.

If you do not comply with this subpoena, the SEC may bring an action in Federal Court to enforce this subpoena. Failure to comply with a court order enforcing this subpoena may result in the court imposing a fine, imprisonment, or both.

By: _____

(b)(6); (b)(7)(C)

Date: _____

1/3/18

I am an officer of the U.S. Securities and Exchange Commission authorized to issue subpoenas in this matter. The Securities and Exchange Commission has issued a formal order authorizing this investigation under: Section 20(a) of the Securities Act of 1933, Section 21(a) of the Securities Exchange Act of 1934, and Section 209(a) of the Investment Advisers Act of 1940.

NOTICE TO WITNESS: If you claim a witness fee or mileage, submit this subpoena with the claim voucher.

SUBPOENA ATTACHMENT FOR BLOCK.ONE

January 3, 2018

block.one Initial Coin Offering (NY-9808)

A. Definitions

As used in this subpoena, the words and phrases listed below shall have the following meanings:

1. "block.one" means the entity doing business under the name "block.one," including parents, subsidiaries, affiliates, predecessors, successors, officers, directors, employees, agents, general partners, limited partners, partnerships and aliases, code names, or trade or business names used by any of the foregoing.
2. "Person" means a natural person, firm, association, organization, partnership, business, trust, corporation, bank or any other private or public entity.
3. A "Representative" of a Person means any present or former family members, officers, executives, partners, joint-ventures, directors, trustees, employees, consultants, accountants, attorneys, agents, or any other representative acting or purporting to act on behalf of the Person.
4. "Personnel" means any current or former block.one employee, officers, directors, agent, general partner, limited partner, contractors, or advisor, whether compensated or uncompensated.
5. (b)(6); (b)(7)(C) means (b)(6); (b)(7)(C) a block.one (b)(6); (b)(7)(C) and/or a current or former (b)(6); (b)(7)(C) of block.one.
6. (b)(6); (b)(7)(C) means (b)(6); (b)(7)(C) a block.one (b)(6); (b)(7)(C) and/or a current or former (b)(6); (b)(7)(C) of block.one.
7. (b)(6); (b)(7)(C) means (b)(6); (b)(7)(C) a block.one (b)(6); (b)(7)(C) and/or (b)(6); (b)(7)(C) of block.one.
8. (b)(6); (b)(7)(C) means, collectively, (b)(6); (b)(7)(C)
9. "Document" shall include, but is not limited to, any written, printed, or typed matter including, but not limited to all drafts and copies bearing notations or marks not found in the original, letters and correspondence, interoffice communications, slips, tickets, records, worksheets, financial records, accounting documents, bookkeeping documents, memoranda, reports, manuals, telephone logs, telegrams, facsimiles, messages of any type, telephone messages, voice mails, tape recordings, notices, instructions, minutes, summaries, notes of meetings, file folder markings, and any other organizational indicia, purchase orders, information recorded by photographic process, including microfilm and microfiche, computer printouts, spreadsheets, and other electronically stored information, including but not limited to writings, drawings, graphs, charts,

photographs, sound recordings, images, and other data or data compilations that are stored in any medium from which information can be retrieved, obtained, manipulated, or translated.

10. "Communication" means any correspondence, contact, discussion, e-mail, instant message, or any other kind of oral or written exchange or transmission of information (in the form of facts, ideas, inquiries, or otherwise) and any response thereto between two or more Persons or entities, including, without limitation, all telephone conversations, face-to-face meetings or conversations, internal or external discussions, or exchanges of a Document or Documents.
11. The terms "You" and "Your" means block.one and the Co-Founders, and all of their U.S. and non-U.S. parents, subsidiaries, divisions, affiliates, predecessors, successors, officers, directors, employees, agents, partners, and independent contractors, as well as aliases, code names, trade names, or business names used by, or formerly used by, any of the foregoing
12. "Concerning" means directly or indirectly, in whole or in part, describing, constituting, evidencing, recording, evaluating, substantiating, concerning, referring to, alluding to, in connection with, commenting on, relating to, regarding, discussing, showing, describing, analyzing or reflecting.
13. An "Agreement" means any actual or contemplated (a) written or oral Agreement; (b) term or provision of such Agreement; or (c) amendment of any nature or termination of such Agreement. A request for any Agreement among or between specified parties includes a request for all Documents Concerning (a) any actual or contemplated Agreement among or between such parties, whether or not such Agreement included any other Person; (b) the drafting or negotiation of any such Agreement; (c) any actual or contemplated demand, request or application for any such Agreement, and any response thereto; and (d) any actual or contemplated objection or refusal to enter into any such Agreement, and any response thereto.
14. To the extent necessary to bring within the scope of this subpoena any information or Documents that might otherwise be construed to be outside its scope:
 - a. the word "or" means "and/or";
 - b. the word "and" means "and/or";
 - c. the functional words "each," "every" "any" and "all" shall each be deemed to include each of the other functional words;
 - d. the masculine gender includes the female gender and the female gender includes the masculine gender; and
 - e. the singular includes the plural and the plural includes the singular.

B. Instructions

1. Unless otherwise specified, the subpoena calls for production of the original

Documents and all copies and drafts of same. Documents responsive to this subpoena may be in electronic or paper form. Electronic Documents such as email should be produced in accordance with the attached Document entitled SEC Data Delivery Standards. All electronic Documents responsive to the Document subpoena, including all metadata, should also be produced in their native software format.

2. For Documents in paper format, you may send the originals, or, if you prefer, you may send copies of the originals. The Commission cannot reimburse you for the copying costs. If you are sending copies, the staff requests that you scan (rather than photocopy) hard copy Documents and produce them in an electronic format consistent with the SEC Data Delivery Standards. Alternatively, you may send us photocopies of the Documents in paper format. If you choose to send copies, you must secure and retain the originals and store them in a safe place. The staff may later request or require that you produce the originals.
3. Whether you scan or photocopy Documents, the copies must be identical to the originals, including even faint marks or print. Also, please note that if copies of a Document differ in any way, they are considered separate Documents and you must send each one. For example, if you have two copies of the same letter, but only one of them has handwritten notes on it, you must send both the clean copy and the one with notes.
4. In producing a photocopy of an original Document that contains post-it(s), notation flag(s), or other removable markings or attachments which may conceal all or a portion of the markings contained in the original Document, photocopies of the original Document both with and without the relevant post-it(s), notation flag(s), or removable markings or attachments should be produced.
5. Documents should be produced as they are kept in the ordinary course of business or be organized and labeled to correspond with the categories in this request. In that regard, Documents should be produced in a unitized manner, *i.e.*, delineated with staples or paper clips to identify the Document boundaries.
6. Documents should be labeled with sequential numbering (bates-stamped).
7. You must produce all Documents created during, or Concerning, **the period January 1, 2015 to the present**, unless otherwise specified.
8. The scope of any given request should not be limited or narrowed based on the fact that it calls for Documents that are responsive to another request.
9. You are not required to produce exact duplicates of any Documents that have been previously produced to the Securities and Exchange Commission staff in connection with this matter. If you are not producing Documents based upon a prior production, please identify the responsive Documents that were previously produced.

10. For any Documents that qualify as records of regularly conducted activities under Federal Rule of Evidence 902(11), please complete a business records certification (a sample of which is enclosed) and return it with the Document production.
11. **If the Document production contains Bank Secrecy Act materials, please segregate and label those materials within the production.**
12. This subpoena covers all Documents in or subject to your possession, custody or control, including all Documents that are not in your immediate possession but that you have the ability to obtain, that are responsive, in whole or in part, to any of the individual requests set forth below. If, for any reason – including a claim of attorney-client privilege – you do not produce something called for by the request, you should submit a list of what it is not producing. The list should describe each item separately, noting:
 - a. its author(s);
 - b. its date;
 - c. its subject matter;
 - d. the name of the Person who has the item now, or the last Person known to have it;
 - e. the names of everyone who ever had the item or a copy of it, and the names of everyone who was told the item's contents;
 - f. the basis upon which you are not producing the responsive Document;
 - g. the specific request in the subpoena to which the Document relates;
 - h. the attorney(s) and the client(s) involved; and
 - i. in the case of the work product doctrine, the litigation for which the Document was prepared in anticipation.
13. If Documents responsive to this subpoena no longer exist because they have been lost, discarded, or otherwise destroyed, you should identify such Documents and give the date on which they were lost, discarded or destroyed.

C. Documents to be Produced

1. Documents sufficient to disclose the corporate structure of block.one, including, but not limited to, the date(s) and place(s) of establishment, organization, and, if applicable, incorporation; and the addresses of all block.one offices, operational centers, or other addresses used by block.one.
2. Documents sufficient to identify all officers, directors, principals, owners shareholders, employees, and all others acting on behalf of block.one, and Documents sufficient to disclose, for each individual identified in response to this Item:
 - (a) title;
 - (b) dates of affiliation with block.one;

- (c) current or last known home address and telephone number;
- (d) current or last known employment address and telephone number; and
- (e) salary or other compensation for the period inception to day.

3. All compensation Agreements between block.one and any of the (b)(6); (b)(7)(C)
4. Documents sufficient to disclose all domestic and foreign bank, brokerage, or other financial accounts held by or on behalf of block.one.
5. Documents sufficient to identify all digital assets, including any virtual currency, or other token or coin, whether located within or outside the U.S., over which block.one exercises any control or has any beneficial interest.
6. Documents sufficient to identify the amount of digital or fiat currency or other assets obtained by block.one by sale of any digital token or coin, any membership interest, or any asset, in connection with its initial coin offering.
7. Documents sufficient to identify all purchasers of any membership interest, token, or coin, offered by block.one, including, names, addresses, email addresses, and telephone numbers.
8. Documents sufficient to identify all United States purchasers (including, citizen, resident of, or persons located or domiciled in, the United States) of any membership interest, token, or coin, offered by block.one, including, names, addresses, email addresses and telephone numbers.
9. For each Person identified in response to Item 8 above, Documents sufficient to disclose: (i) the amount paid; (ii) the date(s) of payments, (iii) number of digital tokens or coins purchased; and (iv) whether, when, and how much of each Person's principal has been returned to them.
10. All Documents Concerning Communications between block.one and any Persons identified in response to Item 8 above.
11. For each Person identified in response to Item 8 above, Documents sufficient to identify all cryptocurrency digital wallet addresses that were used to send assets to block.one, including any virtual currency, or other token or coin, in Connection with any digital token or coin, or any membership interest or asset, sold or contemplated to be sold by block.one.
12. Documents sufficient to identify any block.one policy or procedure in place Concerning United States purchasers of any digital token or coin, or any membership interest or asset, sold or contemplated to be sold by block.one. To the extent block.one prohibits United States purchasers from purchasing any digital coin or token sold by block.one, Documents sufficient to identify any block.one policies or procedures in place, and any other actions taken by block.one, to block, prohibit or exclude United States based purchasers from buying digital coins or tokens sold by block.one.

13. All Documents and Communications relating to secondary trading of any digital token or coin, or any membership interest or asset, sold or contemplated to be sold by block.one, including but not limited to, Documents and Communications with any crypto currency exchange.
14. Documents sufficient to identify all Persons who participated in any block.one digital token or coin bounty program, including names, contact information (including email addresses and telephone numbers), work performed, and number of tokens paid or currently owed by block.one to the Person.
15. All public statements by You Concerning block.one, including, but not limited to, official statements, advertisements, press releases, and videos, issued by You, including but not limited to Documents sufficient to identify the date and medium of dissemination of any such statement.
16. All Documents Concerning any threatened, pending, and settled litigation or arbitration Concerning block.one.



BAKER MARQUART LLP
ATTORNEYS

WRITER'S DIRECT DIAL NO.

(b)(6); (b)(7)(C)

WRITER'S INTERNET ADDRESS

(b)(6); (b)(7)(C) @bakermarquart.com

FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA HAND DELIVERY

March 20, 2018

(b)(6); (b)(7)(C)

c/o ENF-CPU
U.S. Securities and Exchange Commission
100 F. St., N.E. Mailstop 5973
Washington, D.C. 20549-5973

Re: block.one Initial Coin Offering (NY-9808)

Dear (b)(6); (b)(7)(C)

This letter responds to the subpoena for documents to our client block.one dated January 3, 2018. Thank you for your willingness to grant an extension of the return date.

Enclosed (b)(4) are documents labeled Block_ (b)(4) to Block_ (b)(4). A password will be provided under separate cover. The documents respond primarily to Items 1, 7, 12, and 15, although the production also may include information that is responsive to other Items.

In addition, with respect to Request No. 15, block.one releases public statements on a regular basis through its websites and social media channels. The table below identifies the predominant channels that block.one engages to distribute information. Much of the content requested by the staff is publicly available at the following links.

Official Channels for Disseminating Public Information

Channel	Address
EOS Website	eos.io
EOS YouTube Channel	www.youtube.com/channel/UCbc7vIgwb-sPSckU0FbWmRg
EOS Twitter	twitter.com/eos.io
Facebook	fb.com/eosblockchain
Github	github.com/EOSIO

EOS Telegram	t.me/EOS project [Main Chat] t.me/joinchat/EgOVjkPktgfUS3kt14FStw [Developers] t.me/EOSGov [Governance]
Twitter	twitter.com/(b)(6); (b)(7)(C) twitter.com/
Steemit	steemit.com/@eosio [EOS Blog] steemit.com/(b)(6); (b)(7)(C) steemit.com/

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one



BAKER MARQUART LLP
ATTORNEYS

WRITER'S DIRECT DIAL NO.

(b)(6); (b)(7)(C)

WRITER'S INTERNET ADDRESS

(b)(6); (b)(7)(C) **bakermarquart.com**

FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA FEDERAL EXPRESS

January 31, 2018

(b)(6); (b)(7)(C)

c/o ENF-CPU
U.S. Securities and Exchange Commission
100 F. St., N.E. Mailstop 5973
Washington, D.C. 20549-5973

Re: block.one Initial Coin Offering (NY-9808)

Dear (b)(6); (b)(7)(C)

This letter responds to the subpoena for documents to our client block.one dated January 3, 2018. Thank you for your willingness to grant an extension of the return date.

Enclosed (b)(4) are documents labeled Block (b)(4) to Block (b)(4). The documents respond primarily to Items 1, 2, 3, 12, 15, and 16, although the production also may include information that is responsive to other Items.

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one

(b)(4)





BAKER MARQUART^{LLP}
ATTORNEYS

WRITER'S DIRECT DIAL NO.

(b)(6); (b)(7)(C)

WRITER'S INTERNET ADDRESS

(b)(6); (b)(7)(C)

@bakermarquart.com

FOIA CONFIDENTIAL TREATMENT REQUESTED

VIA FEDEX

April 23, 2018

(b)(6); (b)(7)(C)

c/o ENF-CPU
U.S. Securities and Exchange Commission
100 F. St., N.E. Mailstop 5973
Washington, D.C. 20549-5973

Re: block.one Initial Coin Offering (NY-9808)

Dear

(b)(6); (b)(7)(C)

This letter responds to the subpoena for documents to our client block.one.

Enclosed (b)(4); (b)(6); (b)(7)(C) are documents labeled Block (b)(4) to Block (b)(4). A password will be provided under separate cover. The documents respond primarily to Items 7 and 13, although the production also may include information that is responsive to other Items.

In addition, with respect to Item 6 – documents sufficient to identify the amount of digital or fiat currency or other assets obtained by block.one by sale of any digital token or coin, any membership interest, or any asset, in connection with its initial coin offering – the table appended to this letter summarizes the number of tokens sold and ETH received for the time period June 26, 2017 to December 31, 2017.

* * *

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of /

Confidential treatment under the Freedom of Information Act requested
any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one

Token Sale Summary (June 26, 2017 to December 31, 2017)

Date and Time (UTC)	Tokens Sold	ETH Received
7/1/2017 (12:59)	200,000,000	651,902.18
7/2/2017 (11:59)	2,000,000	12,493.19
7/3/2017 (10:59)	2,000,000	44,274.09
7/4/2017 (9:59)	2,000,000	26,051.07
7/5/2017 (8:59)	2,000,000	21,675.53
7/6/2017 (7:59)	2,000,000	25,264.05
7/7/2017 (6:59)	2,000,000	22,290.62
7/8/2017 (5:59)	2,000,000	19,948.92
7/9/2017 (4:59)	2,000,000	16,015.17
7/10/2017 (3:59)	2,000,000	18,169.30
7/11/2017 (2:59)	2,000,000	16,283.28
7/12/2017 (1:59)	2,000,000	15,239.86
7/13/2017 (0:59)	2,000,000	17,203.50
7/13/2017 (23:59)	2,000,000	14,792.12
7/14/2017 (22:59)	2,000,000	15,422.84
7/15/2017 (21:59)	2,000,000	13,944.43
7/16/2017 (20:59)	2,000,000	15,839.92
7/17/2017 (19:59)	2,000,000	16,445.27
7/18/2017 (18:59)	2,000,000	14,982.02
7/19/2017 (17:59)	2,000,000	13,235.21
7/20/2017 (16:59)	2,000,000	14,786.86
7/21/2017 (15:59)	2,000,000	15,100.56
7/22/2017 (14:59)	2,000,000	17,527.03
7/23/2017 (13:59)	2,000,000	17,046.52
7/24/2017 (12:59)	2,000,000	13,920.77
7/25/2017 (11:59)	2,000,000	17,008.41
7/26/2017 (10:59)	2,000,000	15,282.71
7/27/2017 (9:59)	2,000,000	19,102.59
7/28/2017 (8:59)	2,000,000	18,859.12

Confidential treatment under the Freedom of Information Act requested

7/29/2017 (7:59)	2,000,000	13,015.94
7/30/2017 (6:59)	2,000,000	17,307.15
7/31/2017 (5:59)	2,000,000	18,284.02
8/1/2017 (4:59)	2,000,000	16,603.12
8/2/2017 (3:59)	2,000,000	17,615.63
8/3/2017 (2:59)	2,000,000	16,272.42
8/4/2017 (1:59)	2,000,000	12,119.22
8/5/2017 (0:59)	2,000,000	16,486.12
8/5/2017 (23:59)	2,000,000	12,293.65
8/6/2017 (22:59)	2,000,000	11,973.22
8/7/2017 (21:59)	2,000,000	13,642.70
8/8/2017 (20:59)	2,000,000	13,033.17
8/9/2017 (19:59)	2,000,000	12,722.06
8/10/2017 (18:59)	2,000,000	12,035.53
8/11/2017 (17:59)	2,000,000	11,688.31
8/12/2017 (16:59)	2,000,000	10,882.95
8/13/2017 (15:59)	2,000,000	9,148.58
8/14/2017 (14:59)	2,000,000	7,452.73
8/15/2017 (13:59)	2,000,000	11,749.52
8/16/2017 (12:59)	2,000,000	11,098.39
8/17/2017 (11:59)	2,000,000	9,773.13
8/18/2017 (10:59)	2,000,000	9,646.49
8/19/2017 (9:59)	2,000,000	7,535.28
8/20/2017 (8:59)	2,000,000	9,680.17
8/21/2017 (7:59)	2,000,000	8,378.65
8/22/2017 (6:59)	2,000,000	7,278.79
8/23/2017 (5:59)	2,000,000	8,496.01
8/24/2017 (4:59)	2,000,000	8,363.27
8/25/2017 (3:59)	2,000,000	8,230.66
8/26/2017 (2:59)	2,000,000	8,150.32
8/27/2017 (1:59)	2,000,000	7,940.03
8/28/2017 (0:59)	2,000,000	7,611.63

Confidential treatment under the Freedom of Information Act requested

8/28/2017 (23:59)	2,000,000	7,787.76
8/29/2017 (22:59)	2,000,000	6,975.27
8/30/2017 (21:59)	2,000,000	6,498.72
8/31/2017 (20:59)	2,000,000	6,576.04
9/1/2017 (19:59)	2,000,000	6,537.59
9/2/2017 (18:59)	2,000,000	7,199.76
9/3/2017 (17:59)	2,000,000	7,275.39
9/4/2017 (16:59)	2,000,000	6,007.84
9/5/2017 (15:59)	2,000,000	5,573.55
9/6/2017 (14:59)	2,000,000	5,258.98
9/7/2017 (13:59)	2,000,000	6,189.62
9/8/2017 (12:59)	2,000,000	5,308.85
9/9/2017 (11:59)	2,000,000	3,868.63
9/10/2017 (10:59)	2,000,000	4,964.88
9/11/2017 (9:59)	2,000,000	4,952.08
9/12/2017 (8:59)	2,000,000	5,073.99
9/13/2017 (7:59)	2,000,000	5,131.14
9/14/2017 (6:59)	2,000,000	4,837.00
9/15/2017 (5:59)	2,000,000	5,205.24
9/16/2017 (4:59)	2,000,000	4,950.79
9/17/2017 (3:59)	2,000,000	4,693.52
9/18/2017 (2:59)	2,000,000	4,718.70
9/19/2017 (1:59)	2,000,000	4,787.56
9/20/2017 (0:59)	2,000,000	4,362.30
9/20/2017 (23:59)	2,000,000	4,089.37
9/21/2017 (22:59)	2,000,000	4,208.24
9/22/2017 (21:59)	2,000,000	4,344.87
9/23/2017 (20:59)	2,000,000	3,940.44
9/24/2017 (19:59)	2,000,000	3,832.57
9/25/2017 (18:59)	2,000,000	3,736.51
9/26/2017 (17:59)	2,000,000	3,771.24

Confidential treatment under the Freedom of Information Act requested

9/27/2017 (16:59)	2,000,000	4,084.02
9/28/2017 (15:59)	2,000,000	4,682.34
9/29/2017 (14:59)	2,000,000	4,900.82
9/30/2017 (13:59)	2,000,000	4,533.49
10/1/2017 (12:59)	2,000,000	4,707.98
10/2/2017 (11:59)	2,000,000	4,340.25
10/3/2017 (10:59)	2,000,000	4,376.54
10/4/2017 (9:59)	2,000,000	3,844.35
10/5/2017 (8:59)	2,000,000	3,921.71
10/6/2017 (7:59)	2,000,000	4,012.42
10/7/2017 (6:59)	2,000,000	3,753.15
10/8/2017 (5:59)	2,000,000	3,669.77
10/9/2017 (4:59)	2,000,000	3,799.24
10/10/2017 (3:59)	2,000,000	3,852.97
10/11/2017 (2:59)	2,000,000	3,676.43
10/12/2017 (1:59)	2,000,000	3,899.40
10/13/2017 (0:59)	2,000,000	3,816.52
10/13/2017 (23:59)	2,000,000	3,520.76
10/14/2017 (22:59)	2,000,000	3,319.85
10/15/2017 (21:59)	2,000,000	3,358.63
10/16/2017 (20:59)	2,000,000	3,355.08
10/17/2017 (19:59)	2,000,000	3,465.65
10/18/2017 (18:59)	2,000,000	3,696.84
10/19/2017 (17:59)	2,000,000	3,751.60
10/20/2017 (16:59)	2,000,000	3,578.71
10/21/2017 (15:59)	2,000,000	3,606.46
10/22/2017 (14:59)	2,000,000	3,341.90
10/23/2017 (13:59)	2,000,000	3,501.71
10/24/2017 (12:59)	2,000,000	3,335.35
10/25/2017 (11:59)	2,000,000	3,354.27
10/26/2017 (10:59)	2,000,000	3,503.17
10/27/2017 (9:59)	2,000,000	3,255.97

Confidential treatment under the Freedom of Information Act requested

10/28/2017 (8:59)	2,000,000	3,566.81
10/29/2017 (7:59)	2,000,000	3,971.32
10/30/2017 (6:59)	2,000,000	4,325.58
10/31/2017 (5:59)	2,000,000	4,266.55
11/1/2017 (4:59)	2,000,000	5,360.08
11/2/2017 (3:59)	2,000,000	6,048.02
11/3/2017 (2:59)	2,000,000	7,462.63
11/4/2017 (1:59)	2,000,000	7,934.83
11/5/2017 (0:59)	2,000,000	7,443.99
11/5/2017 (23:59)	2,000,000	6,210.33
11/6/2017 (22:59)	2,000,000	6,256.32
11/7/2017 (21:59)	2,000,000	6,354.65
11/8/2017 (20:59)	2,000,000	7,068.64
11/9/2017 (19:59)	2,000,000	6,829.88
11/10/2017 (18:59)	2,000,000	6,712.25
11/11/2017 (17:59)	2,000,000	7,471.13
11/12/2017 (16:59)	2,000,000	7,161.40
11/13/2017 (15:59)	2,000,000	7,614.08
11/14/2017 (14:59)	2,000,000	8,092.11
11/15/2017 (13:59)	2,000,000	9,326.74
11/16/2017 (12:59)	2,000,000	10,804.72
11/17/2017 (11:59)	2,000,000	9,414.89
11/18/2017 (10:59)	2,000,000	10,386.24
11/19/2017 (9:59)	2,000,000	10,721.22
11/20/2017 (8:59)	2,000,000	9,666.26
11/21/2017 (7:59)	2,000,000	10,077.89
11/22/2017 (6:59)	2,000,000	10,328.37
11/23/2017 (5:59)	2,000,000	9,881.08
11/24/2017 (4:59)	2,000,000	8,101.56
11/25/2017 (3:59)	2,000,000	7,757.55
11/26/2017 (2:59)	2,000,000	8,433.06

Confidential treatment under the Freedom of Information Act requested

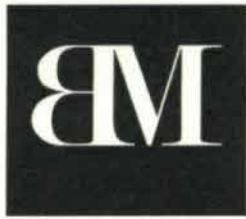
11/27/2017 (1:59)	2,000,000	10,247.93
11/28/2017 (0:59)	2,000,000	11,499.78
11/28/2017 (23:59)	2,000,000	11,459.97
11/29/2017 (22:59)	2,000,000	12,339.53
11/30/2017 (21:59)	2,000,000	12,662.51
12/1/2017 (20:59)	2,000,000	13,323.07
12/2/2017 (19:59)	2,000,000	16,347.94
12/3/2017 (18:59)	2,000,000	15,087.69
12/4/2017 (17:59)	2,000,000	15,608.97
12/5/2017 (16:59)	2,000,000	19,772.44
12/6/2017 (15:59)	2,000,000	16,788.14
12/7/2017 (14:59)	2,000,000	17,850.57
12/8/2017 (13:59)	2,000,000	18,223.76
12/9/2017 (12:59)	2,000,000	16,418.08
12/10/2017 (11:59)	2,000,000	15,999.92
12/11/2017 (10:59)	2,000,000	16,707.50
12/12/2017 (9:59)	2,000,000	18,476.39
12/13/2017 (8:59)	2,000,000	19,597.31
12/14/2017 (7:59)	2,000,000	21,689.62
12/15/2017 (6:59)	2,000,000	22,302.58
12/16/2017 (5:59)	2,000,000	25,093.69
12/17/2017 (4:59)	2,000,000	17,264.86
12/18/2017 (3:59)	2,000,000	22,601.29
12/19/2017 (2:59)	2,000,000	23,682.13
12/20/2017 (1:59)	2,000,000	25,351.58
12/21/2017 (0:59)	2,000,000	26,447.98
12/21/2017 (23:59)	2,000,000	25,948.01
12/22/2017 (22:59)	2,000,000	23,059.39
12/23/2017 (21:59)	2,000,000	24,476.93
12/24/2017 (20:59)	2,000,000	24,056.98
12/25/2017 (19:59)	2,000,000	22,241.95
12/26/2017 (18:59)	2,000,000	22,042.62

Confidential treatment under the Freedom of Information Act requested

12/27/2017 (17:59)	2,000,000	21,811.16
12/28/2017 (16:59)	2,000,000	22,186.77
12/29/2017 (15:59)	2,000,000	22,957.55
12/30/2017 (14:59)	2,000,000	18,636.14
12/31/2017 (13:59)	2,000,000	20,345.25

(b)(4)





BAKER MARQUART^{LLP}
ATTORNEYS

WRITER'S DIRECT DIAL NO.

(b)(6); (b)(7)(C)

WRITER'S INTERNET ADDRESS

(b)(6); (b)(7)(C)

@bakermarquart.com

FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA FEDEX

May 25, 2018

(b)(6); (b)(7)(C)

c/o ENF-CPU
U.S. Securities and Exchange Commission
100 F. St., N.E. Mailstop 5973
Washington, D.C. 20549-5973

Re: block.one Initial Coin Offering (NY-9808)

Dear (b)(6); (b)(7)(C)

This letter responds to the subpoena for documents to our client block.one.

Enclosed (b)(4) are documents labeled Block (b)(4) to Block (b)(4). A password will be provided under separate cover. The documents respond primarily to Items 7 and 13, although the production also may include information that is responsive to other Items.

* * *

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one

(b)(4)





BAKER MARQUART^{LLP}
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WRITER'S INTERNET ADDRESS

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FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA EMAIL

June 15, 2018

(b)(6); (b)(7)(C)

U.S. Securities and Exchange Commission
100 F. St., N.E. Mailstop 5973
Washington, D.C. 20549-5973
(b)(6); (b)(7)(C) @SEC.GOV

Re: block.one Initial Coin Offering (NY-9808)

Dear (b)(6); (b)(7)(C):

This letter responds to the subpoena for documents to our client block.one. and our conference call on Thursday, May 31. On behalf of our client, we provide substantive answers in some instances and attach documents Bates-labeled Block_ (b)(4) to

(b)(4)

With respect to Item 1 (“[d]ocuments sufficient to disclose the corporate structure of block.one”) – the company supplements its prior productions with the attached (b)(4)

(b)(4)

With respect to Item 2 (“[d]ocuments sufficient to identify all officers, directors, principals, owners, shareholders, employees and all others acting on behalf of block.one”) – you agreed that company could identify only its officers, directors, principals, shareholders, and employees. Previous document production has identified many of these individuals, but

(b)(4); (b)(6); (b)(7)(C)

With respect to Item 4 (“[d]ocuments sufficient to disclose all domestic and foreign bank, brokerage or other financial accounts held by or on behalf of block.one”) – as discussed on our call, the company maintained the following bank and brokerage accounts as of January

Confidential treatment under the Freedom of Information Act requested

3, 2018. As we explained on the call, several of these accounts have since been closed by the institutions:

(b)(4)

We also attach to this letter (b)(4)

(b)(4)

With respect to Item 5 (“[d]ocuments sufficient to identify all digital assets, including any virtual currency... over which block.one exercises any control or has any beneficial interest”) – the company maintains accounts at the following exchanges: (b)(4)

(b)(4)

With respect to Item 14 (which seeks data about any bounty program supported by block.one) – as explained previously, the company did not have a bounty program through the date of the subpoena. Block.one LLC decided to implement a bug bounty program at the end of May 2018. It has outsourced the administration of this to HackerOne (see <https://www.hackerone.com/>), and there are no tokens involved.

On our May 31 call, you asked about the website Eosscan. (b)(4)

(b)(4)

(b)(4)

Based on block.one’s understanding, all Eosscan does is read the blockchain, and format the data into the website format. That said, block.one has found the data on there to be generally accurate, but there have been instances where that website was not reading the blockchain properly and was reporting inaccurate numbers. Also, websites like Eosscan use their own methodology for USD calculations that may differ from that used by the block.one or others.

* * *

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with

Confidential treatment under the Freedom of Information Act requested

this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one

(b)(4); (b)(6); (b)(7)(C)	Category	Company
	Director	Block.one
	Officer	Block.one
	Officer	Block.one
	Officer	Block.one
	Officer	Block.one
	Officer	Block.one
	Director/Officer	Block.one
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
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	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC
	Employee	Block.one LLC



BAKER MARQUART LLP
ATTORNEYS

WRITER'S DIRECT DIAL NO.

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WRITER'S INTERNET ADDRESS

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FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA EMAIL

July 13, 2018

(b)(6); (b)(7)(C)

U.S. Securities and Exchange Commission

(b)(6); (b)(7)(C) @SEC.GOV

ENF-CPU@sec.gov

Re: block.one Initial Coin Offering (NY-9808)

Dear

(b)(6); (b)(7)(C)

This letter responds to the subpoena for documents to our client block.one. On behalf of our client, documents Bates-labeled Block (b)(4) to (b)(4) are available for download via the FTP link at: (b)(4)

(b)(4) A password will be provided under separate cover. The documents respond primarily to Items 7, 13, and 15, although the production also may include information that is responsive to other Items.

* * *

Pursuant to 17 C.F.R. § 200.83, block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by block.one." In making this production, block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced, production does not constitute waiver of any such claim, and block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for block.one



777 South Figueroa Street
Suite 2850
Los Angeles, California 90017
424.652.7800
bakermarquart.com

WRITER'S DIRECT DIAL NO.

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**SUBJECT TO F.R.E. 408 AND ITS STATE EQUIVALENTS – CONFIDENTIAL
SETTLEMENT COMMUNICATION
FOIA CONFIDENTIAL TREATMENT REQUESTED
VIA EMAIL**

June 25, 2019

(b)(6); (b)(7)(C)

U.S. Securities and Exchange Commission

Email: (b)(6); (b)(7)(C)@sec.gov

Email: ENF-CPU@sec.gov

Re: Block.one Initial Coin Offering (NY-9808)

Dear (b)(6); (b)(7)(C)

This letter responds to two requests you made at our May 15, 2019 (b)(4) meeting.
On behalf of Block.one, please find attached (b)(4)

(b)(4)

* * *

Pursuant to 17 C.F.R. § 200.83, Block.one requests confidential treatment under the Freedom of Information Act for this letter, the documents produced with this letter, and the information contained in the attached documents. Confidential documents produced with this letter are marked with the branding "Confidential Treatment Requested by Block.one." In making this production, Block.one does not intend to, and does not, waive any potential objection or applicable privilege or protection. In the event that any confidential or privileged material was inadvertently produced,

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production does not constitute waiver of any such claim, and Block.one reserves the right to claw back such material.

Very truly yours,

/s/ (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

Baker Marquart LLP
Attorneys for Block.one

cc: (b)(6); (b)(7)(C)

NON-PUBLIC

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

December 19, 2017

In the Matter of

block.one Initial Coin
Offering,

NY-9808

ORDER DIRECTING PRIVATE
INVESTIGATION AND DESIGNATING
OFFICERS TO TAKE TESTIMONY

I.

The Commission has information that tends to show that at least from March 1, 2017:

A. block.one, a Cayman Island registered company, was established in 2017. block.one is an online entity with no central office. block.one and its securities are not registered with the Commission in any capacity. block.one may be offering for sale securities in transactions known as an "Initial Coin Offerings" or "ICOs."

B. In possible violation of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), block.one, its officers, directors, employees, partners, subsidiaries, and/or affiliates, and/or other persons or entities, directly or indirectly, may have been or may be offering to sell, selling, and delivering after sale to the public, or may have been or may be offering to sell or to buy through the use or medium of any prospectus or otherwise, certain securities, including, but not limited to the block.one EOS digital coins or tokens, as to which no registration statement was or is in effect or on file with the Commission, and for which no exemption was or is available.

C. In possible violation of Section 17(a) of the Securities Act and of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, block.one, its officers, directors, employees, partners, subsidiaries, affiliates, and/or other persons or entities, directly or indirectly, in the offer or sale or in connection with the purchase or sale of certain securities, may have been or may be employing devices, schemes, or artifices to defraud, obtaining money or property by means of untrue statements of material facts or omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were or are made, not misleading, or engaging in transactions, acts, practices or courses of business which operated, operate, or would operate as a fraud or deceit upon any person. As part of or in connection with these activities, such persons or entities, directly or indirectly, may have been or may be, among other things, making false statements of material fact or failing to disclose material facts concerning, among other things, the use of proceeds with

respect to the sale of the block.one EOS tokens, and whether the ICO was open to U.S.-based investors.

D. While engaged in the above-described activities, such persons or entities, directly or indirectly, may have been or may be making use of any means or instruments of transportation or communication in interstate commerce, or of the mails, or of any facility of any national securities exchange.

II.

The Commission, deeming such acts and practices, if true, to be possible violations of Sections 5(a), 5(c), and 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder finds it necessary and appropriate and hereby:

ORDERS, pursuant to the provisions of Section 20(a) of the Securities Act and Section 21(a) of the Exchange Act, that a private investigation be made to determine whether any persons or entities have engaged in, or are about to engage in, any of the reported acts or practices or any acts or practices of similar purport or object; and

FURTHER ORDERS, pursuant to the provisions of Section 19(c) of the Securities Act and Section 21(b) of the Exchange Act that for purposes of such investigation, (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

(b)(6); (b)(7)(C)

and each of them, are hereby designated as officers of the Commission and are empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith as prescribed by law.

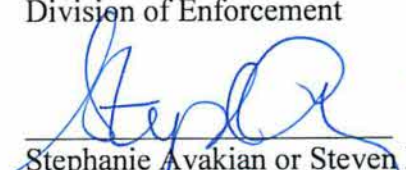
For the Commission, by the Division of Enforcement, pursuant to delegated authority.¹

Brent J. Fields
Secretary

Action as set forth or recommended herein APPROVED pursuant to authority delegated by the Commission under Public Law 87-592.

For: Division of Enforcement

By:


Stephanie Avakian or Steven Peikin
Co-Director

Date Approved:

12/19/2017

¹ 17 CFR 200.30-4(a)(13)