

**Sunlot Holdings Limited.**

**Letter of Intent To Acquire MtGox Co., Ltd. And All of Its Related Assets**

March 11, 2014

Mark Karpelès  
Representative Director  
Tibanne Co., Ltd.  
Round Cross 2B, Shibuya 2-11-5  
Shibuya-ku Tokyo, Japan 150-0002

Mr. Karpelès:

As discussed, this Letter of Intent (which includes the attached term sheet) sets forth our proposal for the acquisition (the "Acquisition") of the MtGox online exchange platform operated by MtGox Co., Ltd. (respectively the "Business" and "MtGox") by Sunlot Holdings Limited. ("SHL") from Tibanne Co., Ltd. ("Seller").

**Binding Term Sheet Attached**

The attached term sheet contains the proposed terms of the Acquisition. The term sheet is intended to be binding in all respects, except in the event that SHL would become a defendant in a criminal or civil lawsuit as a direct result of completing the Acquisition. In such an event, subject to SHL becoming a defendant in such criminal or civil lawsuit (namely being served or notified in the appropriate manner taking into account the jurisdiction of said lawsuit) prior to the date of effect of the transfer of shares of MtGox and subject to the claims made in said lawsuit to materially affect the possibility for SHL to acquire the shares of MtGox, it will then be the sole decision of SHL as to whether it will continue with the Acquisition. Accordingly, SHL and Seller are obligated with respect to the matters set forth in the Term Sheet, including a duty to negotiate definitive documents for the purposes of completing the Acquisition.

**Binding Provisions**

The following provisions are intended to be binding on each of the parties, effective as of the parties' mutual execution of this Letter of Intent.

1. **Exclusivity Period.** No exclusivity shall be granted to SHL.
2. **Access to Information.** During a period of 45 days from the date of execution of this Letter of Intent (the "Negotiation Period"), Seller shall provide SHL and its representatives with access to information relating to the Business (including access to technology, financial information and key employees) as reasonably requested by SHL and shall cause its representatives and employees to cooperate with SHL's due diligence review of the Business, subject to the prior authorization of the Tokyo District Court and/or any trustee or other person appointed by the Tokyo District Court in relation with MtGox.
3. **Operation of the Business.** During the Negotiation Period, Seller shall conduct the Business in the ordinary course, consistent with past practices, and shall not knowingly or intentionally take any actions which would reasonably be expected to materially and adversely affect the Business, including its technology and user base, or the Acquisition, except and/or as required or commanded by the Tokyo District Court and/or any trustee or other person appointed by the Tokyo District Court in relation with MtGox. Provided, however, that it is acknowledged and understood by SHL that the bitcoin online exchange operated by MtGox is currently closed as of the date of this Letter of Intent.

4. Confidentiality. This Letter of Intent, the Term Sheet and the proposed transactions described herein are confidential and are subject to the Non-Disclosure Agreement dated as of February 25, 2014 between Arcane Consulting Inc. (a Brock Pierce related entity) and Seller. Notwithstanding the foregoing or such agreement, SHL may disclose the terms this Letter of Intent, the Term Sheet and the proposed transactions described herein to its advisors, investors and potential investors. Further, Seller may disclose the terms of this Letter of Intent, the Term Sheet and the proposed transactions to the Tokyo District Court and/or to any trustee or other person appointed by the Tokyo District Court in relation with MtGox.

5. Media Announcement. No media announcement shall be made in relation with MtGox, the Seller and/or the subject matter of this Letter of Intent without the prior approval of the Tokyo District Court and/or any trustee or other person appointed by the Tokyo District Court in relation with MtGox.

6. Expenses. Each party will bear its own expenses in connection with the transaction.

7. Miscellaneous. This Letter of Intent may be amended or modified only with the written consent of each party, in its sole discretion. This Letter of Intent agreement shall be governed by Japanese law, any legal proceeding arising in connection herewith shall be subject to the exclusive jurisdiction of the Tokyo District Court in first instance. This Letter of Intent may be executed in multiple counterparts, and signatures may be delivered by fax or email with the same effect as an original.

If you are in agreement with the terms of this Letter of Intent, including the Term Sheet,, please sign in the space provided below and return a signed copy to the undersigned.

Sunlot Holdings Limited.



By: Brock Pierce, its Chairman

ACKNOWLEDGED and AGREED



By: Mark Karpelès, Tibanne Co., Ltd.

Its: Representative Director

## Term Sheet

### Summary of Terms for Proposed Acquisition of MtGox Co., Ltd. And All of Its Related Assets and/or Technology by Sunlot Holdings Limited. ("SHL")

**Buyer:** Sunlot Holdings Limited. ("SHL"), an entity formed by Brock Pierce and certain affiliates and investors for the purpose of effecting this transaction.

**Seller:** Tibanne Co., Ltd ("Seller")

**Acquisition:** SHL will acquire from Seller all the shares held by Seller (the "Acquisition") in MtGox Co., Ltd. ("MtGox").

On the closing of the Acquisition:

- (i) Mark Karpeles will resign as representative director and CEO of MtGox and shall be replaced by someone appointed by SHL. Mark Karpeles shall continue assisting MtGox at terms and conditions to be separately agreed.
- (ii) SHL shall guarantee that it shall operate the Business in a manner that all liabilities toward past and current users of the Business at the time of the Acquisition shall be promptly paid when due and that Seller, Mark Karpeles nor any other third party shall suffer any harm or damages as a consequence of SHL failing to meet its obligations.
- (iii) Seller shall agree to continue providing the services it currently provides to MtGox during a reasonable period of time to be separately agreed.
- (iv) SHL and MtGox shall indemnify Seller, Mark Karpeles and other named individuals against all claims made against them in relation with the operation of the MtGox bitcoin online exchange platform (the "Business") for a period of time and at conditions to be separately agreed.
- (v) SHL and MtGox shall further guarantee that they will promptly assume the charges of all current lawsuits and other procedures to which MtGox and/or Mark Karpeles is a plaintiff, defendant or is otherwise involved in relation with the Business. SHL and MtGox shall give satisfactory guarantees that all legal fees due shall be promptly paid and the law firms in charge of these matters replaced in accordance with applicable rules or practice or reappointed subject to separate agreement among said firms and SHL and MtGox.
- (vi) In case of criminal proceedings against Mark Karpeles or other employees of Seller (limited to those employed at the time of this Letter of Intent), SHL and MtGox shall cooperate with any such proceedings by promptly delivering any information required in relation with the Business and shall further assist any such individual by funding their defense up to an amount to be separately decided.

The guarantees provided by SHL and MtGox shall be supported by appropriate securities or collaterals.

**Due Diligence Review:** Final closing of the Acquisition will take place upon the conclusion of SHL's due diligence review, which SHL anticipates completing in no longer than 45 days from the date this Letter of Intent is signed (assuming the Letter of Intent is signed February 25, 2014, the 45 day

diligence period would end on April 9, 2014) including without limitation as to:

- Technology
- Financial condition and liabilities
- Confirmation that Tibanne Co., Ltd. Board Directors and shareholders have provided any required consent to the deal

Agreements, etc:

The Acquisition will be subject to the negotiation and execution of definitive agreements, which agreements will include customary closing conditions, including receipt of all necessary consents and approvals, approvals of the parties boards and stockholders;, status of litigation proceedings if any, confirmation of available securities law exemptions, etc, customary representations and warranties from Seller about the Business, and customary indemnification provisions relating thereto.

Court approval

The definitive agreements shall be subject to the prior review and approval of the Tokyo District Court and/or any trustee or other person appointed by the Tokyo District Court in relation with MtGox.

Binding Nature:

This Term Sheet is binding. Both Seller and SHL will endeavor to complete the negotiation and execution of the definitive agreements in no longer than 45 days from the signing of this Letter of Intent and related Term Sheet.