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# FOLEUM

## WHITE PAPER



*A New Era in Bitcoin & Ethereum Mining*  
*“Mining for the Masses, Simplified!”*

„Mining for the Masses, Simplified!“

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# General Disclaimer

**THE INFORMATION CONTAINED IN THIS WHITE PAPER IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY INTEREST IN FOLEUM, INC. THIS WHITE PAPER INCLUDES “FORWARD-LOOKING STATEMENTS” ABOUT A NETWORK CURRENTLY UNDER DEVELOPMENT, BUT NOT YET DEVELOPED. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ASSUMPTIONS WHICH WE BELIEVE ARE REASONABLE BASED ON CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS AND INDUSTRY CONDITIONS AND TRENDS AFFECTING OUR BUSINESS. HOWEVER, WHETHER ACTUAL RESULTS AND DEVELOPMENTS WILL CONFORM TO OUR EXPECTATIONS AND PREDICTIONS IS SUBJECT TO A NUMBER OF RISKS AND UNCERTAINTIES THAT, AMONG OTHER THINGS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. WE ASSUME NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE. FURTHER DETAILS IN LEGAL SECTION OF THIS WHITE PAPER, PPM, SAFT, AND OTHER MEMORANDUMS.**



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# Contents

Overview and Goals	4
Problem and Our Solution	5
Hybrid Green Energy	6
Blockchain Mining	7
Financing	9
Security Token Offering	10
Use of Funds	12
Legal	14

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# Overview of Foleum

Foleum is a community-based Green blockchain mining company designed to allow individuals to support and participate in blockchain mining without the hassle and expense of purchasing and operating individual mining equipment. This whitepaper will focus on the mining project (the “Project”) of the Company as Foleum seeks to build a hybrid wind and solar powered data centers with blockchain mining capabilities and high performance computing services.

## Our Goals

- 1) Be a U.S. SEC compliance Security Token
- 2) Build a facility designed to be able to accommodate any ASIC, FPGA, and GPU-based server.
- 3) Generate majority of our own GREEN power, and achieve 100% green energy for daily operations
- 4) Provide up to 60% of the Company’s blockchain mining profits.
- 5) Make charitable donations at the end of each year
- 6) Reduce the impact on the environment, used by traditional energy, in the operations of blockchain technology
- 7) Utilize funds from other Foleum Operations to help offset mining operation expenses to increase profit sharings to Foleum token holders.

By combining blockchain and green technologies we intend to help create a decentralized blockchain future that is ecologically sustainable and profitable for our community. Foleum is more than just a green blockchain mining company. We plan to change the way the world thinks of mining.

# Problem

Bitcoin and other Blockchain technology are revolutionizing the world as we know it but unfortunately there are some inherent setbacks.

The primary problem is the amount of energy it takes to power a blockchain mining network is staggering and has a huge environmental impact using traditional energy sources.

The second problem is the cost and upkeep of mining hardware.

# Our Solution

The Foleum project is proud to be part of the solution as we are designed to generate the majority of our own GREEN power to run the mining data centers.

Using our own power will not only reduce operational costs, making it more profitable than other traditionally-powered mining operations, but will help the environment by reducing the blockchain carbon footprint on the planet. We believe that we could achieve one of the lowest prices per-kilowatt in the world and maintain it in the long-term. This provides an advantage because electricity prices from traditional energy sources have been rising steadily over the last decade.<sup>1</sup>

As we have been working with major graphics card manufacturers to obtain custom-made GPU that meet our specifications. We are able to design and build our own energy-efficient GPU mining servers that will help ensure the most profitable and energy-efficient mining servers possible.

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1. According to the Energy Information Administration (EIA), electricity rates have increased nationally by around 20% in the last 10 years



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## Facility

The headquarters of the Company intends to be located in Durham, North Carolina, and the facility will support mining. The facility will be designed to accommodate over 11,000 air-cooled and immersion cooled blockchain/HPC equipment (ASIC, FPGA, and GPU-based servers), and handle at a minimum 40 megawatts of power.

In addition, the initial solar and wind power farm will be co-located with the facilities with the majority of the Company's green energy located off-site. As the Company expands, additional facilities may be added to support additional mining operations and/or to provide green energy.

The Company's blockchain/HPC equipment will utilize custom designed cases and specialized immersion tanks. The electronics within the systems will be obtained from the Company's strategic partners ASUS or ZOTAC, or will be procured through other electronic equipment suppliers.

## Start-up Summary

To finance the Project, Foleum will be launching an initial Security Token Offering (or "STO") to accredited investors, which we will convert into an Initial Public Offering (or "IPO"), in which Foleum will sell Foleum (FOL) tokens (or "Crystals"), a security token, pursuant to Simple Agreements for Future Tokens (or "SAFT") between Foleum and the investor. Foleum is working on a Mini-Initial Public Offering ("IPO") under Regulation A+, which, upon approval by the Securities and Exchange Commission ("SEC"), would open up participation in the Project to the public (the "community").

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## Project's Blockchain Mining

As the Project will be capable of mining all scalable blockchains, the decision as to what blockchain to mine will be made by software algorithms, which helps to choose the best options available by seeking to identify and mine the most profitable blockchains. Foleum will also run nodes and masternodes from its facility for other blockchains which will add an additional revenue source to the Project.

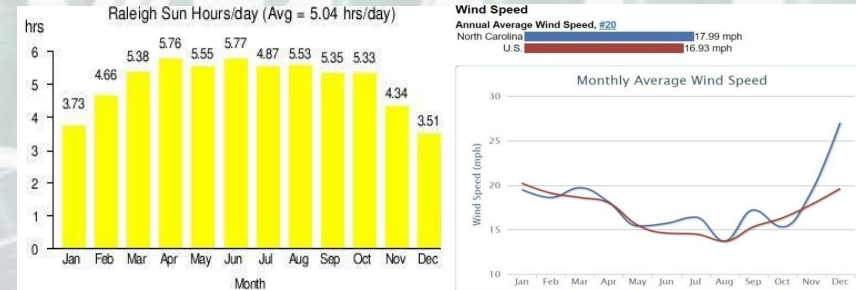
## Commitment

The Company is committed to its goals, and as such is going to:

- Distribute up to 60% of the Company's blockchain mining profits, paid out periodically in the cryptocurrencies mined by the Company.
- Donate to charity every year to different charities; while allowing our supporters to vote on which charities benefit from the donations.
- Additionally, Foleum intends to follow its Founders ideology and will host teaching classes on blockchain technology.

# Hybrid Green Energy System

A wind and solar hybrid system can produce up to 19% more energy than a solar system alone. In much of the United States, wind speeds are low in the summer when the sun shines brightest and longest. The wind is strong in the winter when less sunlight is available. Because the peak operating times for wind and solar systems occur at different times of the day and year, hybrid systems are more likely to produce power when you need it. [US Department of Energy](#).



Comparing peak times for solar vs. wind power.



*The wind turbines can begin producing power from wind speeds as low as 4 mph. The turbines are silent and do not pose a threat to wildlife.*



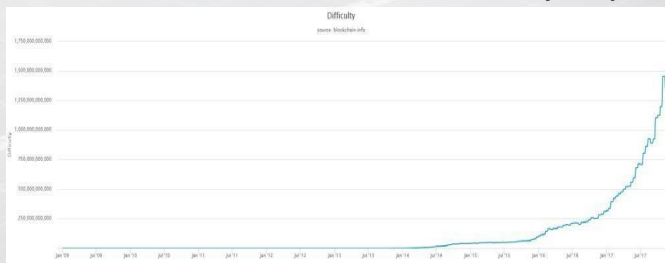
# Blockchain Mining

Blockchain or cryptocurrencies mining is the process where a transactions or digital asset such as information is verified and added to a public ledger, known as the blockchain, and the means through which new cryptocurrencies tokens are released. This process generally requires a specially-designed computer that can handle operating 24/7 under extremely high load. (ASIC-based miners are used to mine Bitcoin or Litecoin, GPU-based equipment is used to mine other altcoins like Ethereum or Zcash).

## Mining Opportunity

Just like the price of Bitcoin the profitability of mining can swing drastically. However, as technology continues to evolve we will see upgrades in the Bitcoin mining hardware, which in turn will increase the hardware's mining efficiency. The increased efficiency is expected to increase the hardware's profitability or at least help it maintain its historical average.

*The dollar value generally goes up over time to compensate. This allows mining to maintain its profitability over a long-term, even with the difficulties rising.*



## Mining Difficulty

Blockchain difficulties have increased significantly as the interest in Bitcoin, Ethereum and others has evolved. This presents a clear risk to profitability of any mining operation and requires progressive management to ensure its adverse effects are minimized. The more popular mining becomes the more the difficulties are likely to rise and the harder it can be to realize the same quantities but due to the restricted supply of cryptocurrency it is expected that the value of the mining rewards increases as well.

Difficulty and price charts for Bitcoin





## Price & Availability of Electric Power

Blockchain mining is one of the fastest growing sectors in the IT industry and the amount of energy being consumed is staggering at 31.25 TWh annually or \$1.6 billion in energy costs attributable just to Bitcoin mining alone, considering it came from practically nothing 7 years ago. As you can see the profitability of a blockchain mining business model is highly dependent on the costs and availability of its energy supply.

## Thermal Management

There are significant threat to the Project's mining operation and maintenance is proper thermal management.

## Cooling Technology

Foleum's facility design includes state-of-the-art cooling techniques utilizing geothermal and high efficiency cooling systems estimated to be capable of providing a 50% reduction in power consumption over conventional systems. The Project is also designed to utilize wind turbine inside the data centers to recycle the energy from the internal air movement and create the potential for additional savings. In addition, the data center designs include the capacity for heat recovery, potentially allowing the data centers to use some of the heat generated from the data centers to provide heat for the Project's manufacturing building as well as hot water for domestic use in facility bathrooms, as well as other uses.

## Hardware Acquisition

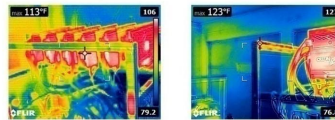
Acquiring hardware components for the intended scale of the Project would normally be a large concern due to the popularity of blockchain mining and the limited production capacity of hardware suppliers. There is extremely high demand for this type of hardware.

### Open Air GPU Mining Rig



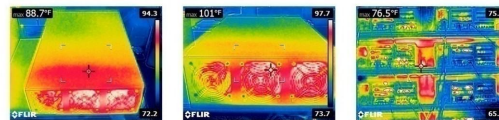
As you can see the heat dissipates but the cards still retain the heat. (131 F)

### Same GPU Mining Rig But in a Forced Air Chamber



In this setup the cards stayed much cooler than they did with just open air. (113 F+)

### Foleum's Custom Server Design



The custom server design keeps the heat away from the graphics cards and allows them to run much cooler even in open-air conditions (101 F). Servers in our specially designed data center (76.5 F, last image to the right).

*Our proprietary data center and mining rig designs, include thermal management processes intended to optimize running conditions*

# Financing

To finance the Project, Foleum will be launching an approved SEC Reg A Security Token Offering (or “STO”), which we will convert into an Initial Public Offering (or “IPO”), upon approval by the Securities and Exchange Commission (“SEC”). This would allow the public to participate in the Project.

After the initial offering, Foleum will pursue an IPO listing to place the remaining tokens on an approved Security Token Exchange, or an additional Reg A offering will be conducted prior to obtaining IPO approval.

Foleum is financed by its community of FOL Crystal holders. In turn, Crystal holders are entitled to receive distributions of up to 60% of the Project’s mining profits, and the remaining profits are reinvested into the Project in order to maximize the Project’s potential for future earnings.



# Security Token Offering Details

There is a total of 300,000,000 Tokens (Crystals) which will be abbreviated as FOL. 80% (240 million) of the Crystals will be distributed under Security Token Offerings which will be the foundation of the Company's means of raising its startup funds. The remaining Crystals will stay within the company for the Team, Advisors, etc.

(FOL) Foleum mining crystals will be an SEC compliant security token, representing the right to profit-sharing from the mining proceeds of the Foleum project.

The FOL crystal holders will receive up to 60% of the Company's blockchain mining profits, paid out periodically in the cryptocurrencies mined by the Company. The remainder of the mining profits will be used to support the continuing upkeep and expansion of the facility's data center, and towards achieving 100% green energy in operation costs.

The FOL Crystal (token) is classified as a security under U.S. securities laws and as a result the offering will be aligned to SEC regulations in order to comply with U.S. securities laws.

The Company will conduct an initial SEC Reg A Tier 2 Security Token Offering. Pending ability to register under an IPO will determine if a second Reg A Tier 2 Security Token Offering will be conducted. If IPO is obtained, the remaining FOL tokens will be placed on an approved Security Token Exchange. All offerings will be conducted under the provisions outlined in the U.S. Security Act of 1933, as amended (the "Securities Act")<sup>2</sup>. Upon the SEC approval of Reg A+, the offering will be available to non-accredited investors.

Minimum Investment Amount: \$500

Token are allocated as follow:

- 80% (240M) for the Public
- 10% (30M) for the Team
- 5% (15M) for Reserve
- 3% (9M) for Advisors
- 1% (3M) for Marketing
- 1% (3M) for Charity

# Token Summary

Name: Foleum Mining Crystals (FOL)

Type: SEC Compliant ERC-1440

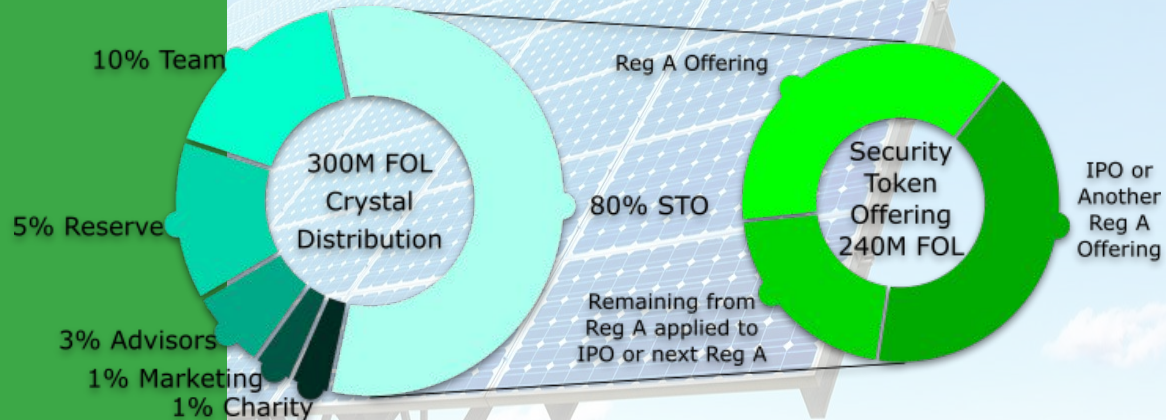
Total Foleum Crystals: 300,000,000 FOL

Offering Allocation (80%): 240,000,000 FOL

Project Allocation (20%): 60,000,000 FOL

- Founding team: 30,000,000 FOL
- Project Reserve: 15,000,000 FOL
- Advisors: 9,000,000 FOL
- Marketing: 3,000,000 FOL
- Charity: 3,000,000 FOL

- There is a total of 300,000,000 Tokens (Crystals) which will be abbreviated as FOL.
- 80% of the Crystals will be distributed under Security Token Offerings as the foundation of raising startup funds.
- The remaining Crystals will stay within the company for the Team, Project Reserve, Advisors, Marketing, and Charity
- Accepted forms of payment: Bitcoin ("BTC"), Ethereum ("ETH"), U.S. dollars paid by wire transfer.





# Use of Token Sale Funds



1 Hardware 77%



2 Construction 10%

3 Green Energy 10%



4 Marketing 1%

5 ICO Cost and Legal

Use of money to adhere to all future SEC rulings and retaining legal counsel 1%



6 Project Reserve 1%

6

In efforts to provide transparency the proceeds from the STOs (Security Token Offerings) will be allocated to purchasing the hardware, construction, and installing green energy (like the hybrid array). Additionally, funds will also be used for marketing, legal, and advisory fees until the facility is operational. Below is the break down of our funds usage.

- 77% will be used to purchase mining hardware
- 10% will be used for construction facilities
- 10% will go towards green energy.\*
- 1% will go toward marketing
- 1% will go towards legal costs in obtaining SEC approved IPO and/or second Regulation A Tier 2
- 1% will be placed into the Project Reserve

\* Initial funds will go towards hardware and construction prior to obtaining green energy. Additional green energy will be purchased through the Company's growth and expansion funds.

# Additional information

## Charity

At the end of each year, Foleum will distribute its profit-sharing proceeds, if any, from the 1% charity tokens, to different charities based on the charity submission and votes from our supporters, the Crystal holders.

## Community Voting

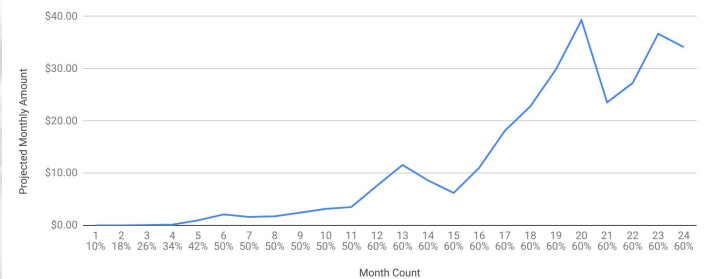
The Voting feature will be an important part of the Foleum project. FOL holders will be able to:

- Provide input on the direction of the project and help shape the Mining Community.
- Provide input on the Charity to which Foleum will give profit-sharing proceeds to.

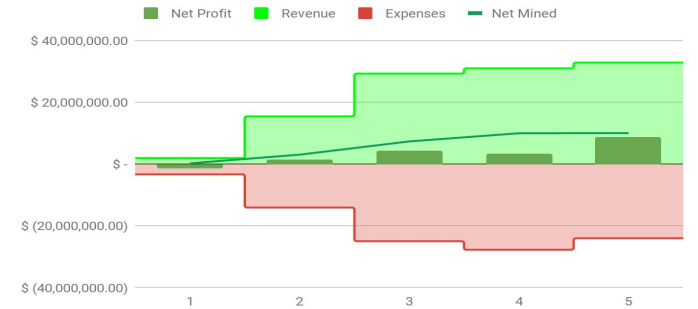
## Projection

To provide statistics, a 2-year profit-sharing projection (top-right) and a 5-year Company projection (bottom-right) is provide. **Of note:** These are projections and as such do not represent actual amounts (Refer to Legal Section for additional information).

Potential Profit-Shares



5-Yearly Growth Projection





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# The Company's Officers



## **Rahdi Fakhoury / Founder / Chief Executive Officer / CEO**

An entrepreneur passionately involved in the blockchain industry for several years and has supported a number of projects and enjoys educating newcomers to the industry. He is also the host of a youtube channel called "The Bitcoin Miner", with 2.2 million views, educating people about Bitcoin and cryptocurrency mining. Rahdi has consulted on numerous mining projects over the years and has helped design and build three blockchain mining data centers, including the largest now in operation in the Raleigh-Durham area, NC. With an extensive background in strategic roles within the Building, Marketing and IT industries, his entrepreneurship and vision will lead Foleum to another level.

## **Karem Fakhoury / Chief Business Officer/ CBO**

An experienced business owner, builder and master craftsman with more than 30 years of experience in the building industry. Karem has a deep understanding of the commercial world and the infrastructure components necessary to support their implementation and operation. His unique insight and creativity make him an invaluable asset to the Foleum team. Karem maintains a NC Real Estate Brokers License, in addition to his NC General Contractors License. He is passionate about blockchain and Cryptocurrency technology and is looking forward to adding value to the community.



## **Nicholas Ward / Chief Information Technology Officer / CITO**

A Cyber Security expert with more than 10 years of experience in network and systems security management, risk assessing, designing, and testing with the U.S. Navy. He contributed to the revisions of many policies in the Dept. of Defense pertaining to Cyber Security and incident response, to improve defenses. Nicholas has over 14 years of experience as a system administrator and software developer, and more than 6 years of experience as a Cyberspace Operations Planner. He has a Bachelor in Electronics Engineering, a Masters in Cybersecurity and Information Assurance, and with many Certifications

## **Robin Dean / Chief Financial Officer / CFO**

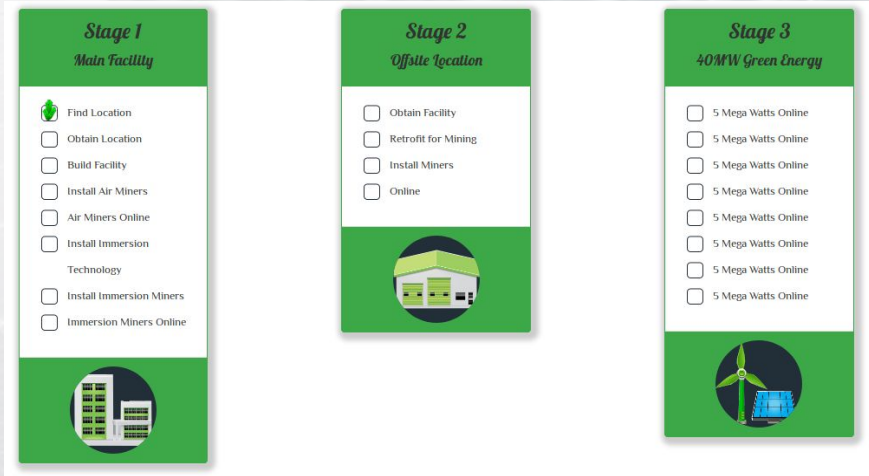
Robin Dean has been providing accounting, legal and financial services to individuals and businesses for over 40 years. He is a U.S. Navy Veteran having served honorably as an Electronic Technician specializing in Radar, Computer and Weapons Control Technology. He completed his undergraduate work at California State University Long Beach and earned his graduate degree in Law and Taxation from Thomas Jefferson School of Law. He interned with the Internal Revenue Service and the Law Offices of Levy and Hoffer as a Tax, Business and Estate Planning specialist. Since 1977 he has consulted with individuals and businesses providing services related to estate planning, entity creation, taxation, accounting, payroll, audit and representation before the IRS and State Tax Agencies. His knowledge depth includes US Tax Law, State taxation and International Tax Treaties.



# Road Map

## Security Token Offering

The Company will conduct **6** Security Token Offerings, each with a different number of tokens, price point, and investor restrictions for the purposes of raising funds (refer Foleum Security Token section for more details). Offerings will be conducted over a multi year period. This is to ensure the offerings are within the provisions outlined by the U.S. Security Act of 1933.



## Facilities

The Company's facilities will be developed in **4** stages. This is to enable profit-sharing at an early stage of development while allowing the company to continue to grow at a steady rate. Stages 1 and 2 will be developed concurrently with stage 2 being completed prior to stage 1 in order to provide growth, sustainability, and provide profit-sharing prior to the completion of the main facility.

- **Stage 1: Main Facilities.** This stage is the construction of the Company's Headquarters (HQ). HQ is to support no less than 40MW of power, house over 11,000 miners (ASIC, FPGA, and/or GPU) in support of mining operations and conduct daily operations from. Once the facility can be occupied, mining operations will start while the remaining of facility is being finished.
- **Stage 2: Off-Site Facilities.** This stage is to facilitate starting the Company's Blockchain Mining Operations at a limited capacity. This site will operate, at a minimum, 3,000 miners.
- **Stage 3: Green Energy.** This stage is to get the Company operating on its first sector of green energy. The purpose of this stage is to reduce overhead costs associated with daily operations to increase profit-sharing from the mining operations and to initialize our green energy objectives.
- **Stage 4: Expansion.** This stage will consist of the planning and development of additional facility locations, as well as, additional green energy power. This stage will not utilize any funds from those raised during the STO, and will require all of the three previous stages to be completed.





# Legal

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# Legal Disclaimer

The purpose of this White Paper is to present the Foleum, Inc. (“Foleum”) Project (defined below) to potential FOL crystal (token) holders in connection with Foleum’s proposed security token initial crystal offering. The information set forth below may not be exhaustive and does not imply any elements of a contractual relationship. Its sole purpose is to provide relevant information to potential crystal (token) purchasers in order for them to determine whether to undertake a thorough analysis of the company with the intent of acquiring FOL crystals (tokens). All relevant legal information for any such FOL crystal (token) acquisition will be contained in the applicable Crystal (token) Purchase Terms, Simple Agreement for Future Tokens, and Crystal (token) Purchase Agreement.

This White Paper does not constitute an offer to sell or a solicitation of an offer to buy a security in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the United States Securities and Exchange Commission (SEC) nor any other foreign regulatory authority has approved an investment in the tokens.

The FOL crystal (token) is being categorized as a security because it entitles crystal holders to receive a share of the profits, if any, from the Foleum mining project described herein. The FOL crystal (tokens) maybe subject to certain restrictions on sale or transfer under US securities laws. The Foleum Initial Crystal Offering restricts access for US-citizens, residents of the US, and green card holders to the category of “accredited investors”, in compliance with the US Securities Act Regulation D Rule 506 (c). If the SEC approves Foleum’s Reg A+ offering (Mini-IPO), U.S. Non-accredited investors will be permitted to participate in the Public Crystal Sale. All relevant legal information for any such FOL crystal (token) acquisition will be contained in the applicable Crystal (token) Purchase Terms and the Crystal (token) Purchase Agreement.

This English language White Paper is the primary official source of information about the FOL crystal (token). The information contained herein may from time to time be translated into other languages or used in the course of written or verbal communications with existing and prospective customers, partners, etc. In the course of such translation or communication some of the information contained herein may be lost, corrupted, or misrepresented. The accuracy of such alternative communications cannot be guaranteed. In the event of any conflicts or inconsistencies between such translations and communications and this official English language White Paper, the provisions of this English language original document shall prevail.

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## RISK FACTOR

Acquiring FOL crystal involves a high degree of risk, including, but not limited to, the risks which are set forth in detail in the FOL Crystal Private Placement Memorandum (“PPM”) or other applicable or related offering memorandum provided by Foleum in connection with its sale of FOL crystals. Before purchasing FOL crystal, it is recommended that each prospective purchaser carefully weighs all the information and risks described in the PPM or other applicable or related offering memorandum.

### *FOL has no history*

FOL will be a newly formed token and has no operating history. Each SAFT should be evaluated on the basis that Foleum or any third party’s assessment of the prospects of the Project may not prove accurate, and that Foleum will not achieve its investment objective. Past performance of Foleum, or any similar token or SAFT, is not predictive of future results.

### *The Company has no operating history*

The Company was formed in 2018 and has not yet reached annual profitability and may never reach such profitability. The Company is currently focused on the design, development and construction of the Project’s initial datacenter, which may be hindered or delayed by many factors outside of the Company’s control, such as the actions of third parties, including suppliers, contractors, etc.

## CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

Set forth below is a discussion, in summary form, of certain United States federal income tax consequences relating to investment in a SAFT and the acquisition, ownership and disposition of Tokens issued pursuant to a SAFT. This summary does not attempt to present all aspects of the United States federal income tax laws or any state, local or foreign laws that may affect an investment in a SAFT or in Tokens. In particular, foreign investors, financial institutions, insurance companies, tax-exempt entities, investors subject to the alternative minimum tax and other investors of special

status must consult with their own professional tax advisors regarding a prospective investment in the SAFT or Tokens. This summary is by nature general in nature and should not be construed as tax advice to any prospective investor. No ruling has been or will be requested from the Internal Revenue Service (the “**IRS**”) and no assurance can be given that the IRS will agree with the tax consequences described in this summary. This description is based on the U.S. Internal Revenue Code of 1986, as amended, (the “**Code**”), existing, proposed and temporary U.S. Treasury Regulations and judicial and administrative interpretations thereof, in each case as available on the date hereof. All of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion is limited to prospective investors who are “United States Persons” within the meaning of the Code.

**For U.S. income tax purposes, although the tax law is unclear the Company intends to treat the Tokens as equity interests in the Company. Accordingly, any distributions of cash, cryptocurrency or other property from the Company to a Token holder may be subject to tax, withholding or backup withholding as a taxable dividend and not as a return of capital.**

**Each prospective Investor should consult with its own tax adviser in order to fully understand the United States federal, state, local and foreign income tax consequences of an investment in a SAFT or in Tokens. No formal or legal tax advice is hereby given to any prospective Investor.**

**Transactions involving a SAFT and similar instruments, as well as ICOs and Token transactions, are relatively new and it is more than likely that the IRS will issue guidance, possibly with retroactive effect, impacting the taxation of investors in a SAFT, participants in an ICO, and holders of Tokens. Future tax guidance from the IRS (or guidance resulting from future judicial decisions) could negatively impact investors in the SAFT and holders of Tokens.**

**EACH INVESTOR SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF HIS OR HER TAX ADVISOR WITH RESPECT TO THEIR INVESTMENT, AND EACH INVESTOR IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO AN INVESTOR. INVESTORS SHOULD BE AWARE THAT THE IRS MAY NOT AGREE WITH ANY OR ALL TAX POSITIONS TAKEN BY THE COMPANY AND THAT CHANGES TO THE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR COURT DECISIONS AFTER THE DATE OF THIS MEMORANDUM MAY CHANGE THE ANTICIPATED TAX TREATMENT TO AN INVESTOR. THE COMPANY WILL NOT OBTAIN ANY RULING FROM THE IRS WITH REGARD TO THE TAX CONSEQUENCES OF AN INVESTMENT IN THE SAFT OR THE TOKENS.**

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## FINANCIAL AUDIT

The Company has a December 31 fiscal year. Following the end of each calendar year, auditors selected by the Chairman and CEO will, within 129 days after the end of each calendar year, prepare, for delivery to each token holder, an audited financial statement of the Company operations, the Company tax returns and relevant schedules for income tax filing. Each token holder will also receive quarterly, or more frequent, summaries of the business performance and periodic reports in such form as the Chairman and CEO may determine.

## PRIVACY STATEMENT

Customer privacy is fundamental to our relationship with our Token Holders and prospective holders. The Company is committed to maintaining the confidentiality, integrity, and security of the personal information of both our Token Holders and our prospective holders. The Company and the Chairman and CEO may collect information from the Token purchases or exchanges. We have adopted formal internal policies to protect confidentiality.

We do not disclose personal non-public information about our Token Holders or prospective token holders to any non-affiliated parties except as required by applicable law or regulation. In the normal course of our operations, information that you provide to the Company may be shared with entities that perform various services for the Company such as, but not limited to, the Company's auditor and legal counsel, exchanges, and other financial institutions that the Company uses to execute its business plan. Information that you provide may also be disclosed to governmental agencies to the extent legally required and pursuant to appropriate legal process. The types of non-public information that we may disclose include information we receive such as name, address, and the amount of tokens held.

Access to your non-public information is restricted to employees, agents, or other parties associated with the Company who need to access your information to facilitate products or services. Those parties will access that information solely to provide products or services. WE maintain physical, electronic, and procedural safeguards that comply with US Federal standards to guard your non-public personal information. Your right to privacy extends to all forms of contact with the Company, including phone, and electronic correspondence.