Crypto Asset Rating Inc. ("CAR Inc")

WHITE PAPER

Last updated on: August 05, 2021

Abstract

Crypto Asset Rating Inc. (the "CAR Inc") is a FinTech company driven to plug the gaps in the crypto market and bridge the governance institutions with the existing and new thought leaders of the crypto industry. The crypto industry holds invaluable opportunities towards exponential economic growth through financial inclusion and participation of the masses. A new world is being born out of reinvention of the financial systems built on unprecedented technological advances. And the Company is already in play to reap the benefits for its investors. We offer four fintech solutions for challenges in the capital market.

Contents

1. Introduction (As a Fintech Company)

Crypto Asset Rating Inc (CAR) is a fintech company based in the USA. We have developed solutions to resolve the four key challenges of the crypto industry. A comprehensive **Crypto Asset Rating Platform (CARP)** helps to educate investors about the potential of the long-term viability of a crypto asset and the company issuing it. **Crypto Business World (CBW)**, a content platform focused on the crypto market, is supported by in-house and crowdsourced content creators. CBW aims to launch "Content Marketplace," which will allow the writers to start paid subscription services on the CBW platform. **Tokenization Asset Platform (TAP)** provides a Software as a Service, allowing for creation and issuance, transfer, and management of digital securities (tokens) in a compliant way on Blockchain for various regulations; also automating Investor Verifications (KYC, AML/CTF). Finally, the **Fintech Training Platform (FTP)** aims to leverage experts and specialists from all of the Company's products and their knowledge to deliver Massive Open Online Courses (MOOCs) and learning platforms and partnerships.

2. Fintech Challenges (Transforming Global Capital Market)

Crypto Asset Rating Inc believes in solving four key challenges of the FinTech Industry

1.   Minimal Regulatory Oversight: Crypto Asset Rating Platform (CARP), an Independent Structured Rating Agency, comprehensively rate crypto assets for Institutional and Retail Clients. The Company developed a custom rating algorithm to conduct an exhaustive multi-layered evaluation covering four distinct risk buckets—business, financial, legal, and technology.

2.   Illiquid Asset Market: Tokenization Asset Platform (TAP) is a Software as a Service (SaaS) tokenization platform that offers the process of creating, issuing, managing, and converting an asset to digital securities programmatically on Blockchain in a more restrictive and compliant way by embedding the logic in Smart Contracts. TAP also allows an issuer to create securities under various jurisdictions in a compliant way with a lock period, define vesting schedules, configure transfer and selling restrictions for inside and outside the exchange following regulatory rules, investor whitelisting, perform KYC and AML checks, the digital securities recovery process, provide dividend distribution of tokens and conduct a voting event for shareholders.

3.   Trusted Community Deficit: The Company's quality content knowledge platform, Crypto Business World (CBW), is the one-stop-shop for all updates in the crypto market. It integrates in-house and external content to deliver subject matter across all platforms—news and articles, videos and podcasts, analysis reports, and press releases. Additionally, it incentivizes industry experts to publish verified content on CBW through its 'Content Marketplace' feature. Thus, a trusted community (External Analyst-EA) is being developed. The Company developed a custom

profile and consensus algorithm to nurture the trusted community.

4. <u>Lack of Knowledge</u>: The Crypto Training Platform (CTP) aims at leveraging experts and specialists from all of the Company's products and their knowledge to deliver Massive Open Online Courses (MOOC) and learning platforms and partnerships. This platform is a personal dream of the CEO and is currently under development.

Keeping the FinTech world's prospects in the upcoming years, Crypto Asset Rating Inc has isolated planning to develop other fintech products and services like Crypto Index, Exchange rating, Sovereign Rating, ETF rating: that procures revenue potential.

3. Crypto Asset Rating Product Ecosystem

The CAR ecosystem primarily consists of four verticals as follows:

- ➢ CAR Rating Platform or "CARP"
- ➢ Tokenization Asset Platform or "TAP"
- ➢ Crypto Business World or "CBW"
- ➢ Fintech Training Platform or "FTP"

PRODUCT & SERVICE PIPELINE

- Fund raising in cryptos for clients
- Asset Backed Tokens

TAP

- News & Articles
- Videos & Podcasts
- Press Releases
- Interviews
- Paid Subscription Model
- Crypto Database
- Content Marketplace

CBW Pipeline **CAR**

- Core Crypto Asset Rating
- Crypto Sovereign Rating
- ETF Rating
- Crypto Exchange Rating
- Crypto Index
- Multimedia Smart Report

FTP

- MOOC for Crypto
- Pay-per-course Structure
- Mock Trading Platform for learning
- Partnership for Corporate Learning

Crypto Asset Rating Inc.

CAR: Crypto Asset Rating Platform
CBW: Crypto Business World
FTP: Fintech Training Platform
TAP: Tokenization Asset Platform

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i. **Crypto Asset Rating Platform (CARP)**: A rating platform for Crypto Assets based on a proprietary rating algorithm. CAR has designed a comprehensive rating algorithm for the crypto assets to help people understand the long-term viability of a

crypto asset and the company/ platform issuing it. CAR's analytical rating framework is divided into several categories to ensure salient qualitative and quantitative issues are considered. The Rating of any crypto asset will be handled by CAR's internal analysts and a selected pool of qualified external (or community) analysts.

ii.   Tokenization Asset Platform (TAP): TAP is a platform to raise funds for corporate and SMEs. The platform will facilitate fundraising through speedy execution and transparency throughout the process. CAR is working on a strategic partnership model with various companies. Tokenization Asset Platform will help Small and medium businesses to raise capital by creating digital securities.

iii.   Crypto Business World (CBW): CBW is a content platform focused on the crypto market. CBW will be supported by in-house and crowd-sourced content creators. CAR believes that there can be no better content creator than the analysts themselves as they interact with the market regularly. Due to this, CAR will encourage the external analysts to produce quality content for CBW and get appropriately rewarded. These are discussed in detail in the following sections.
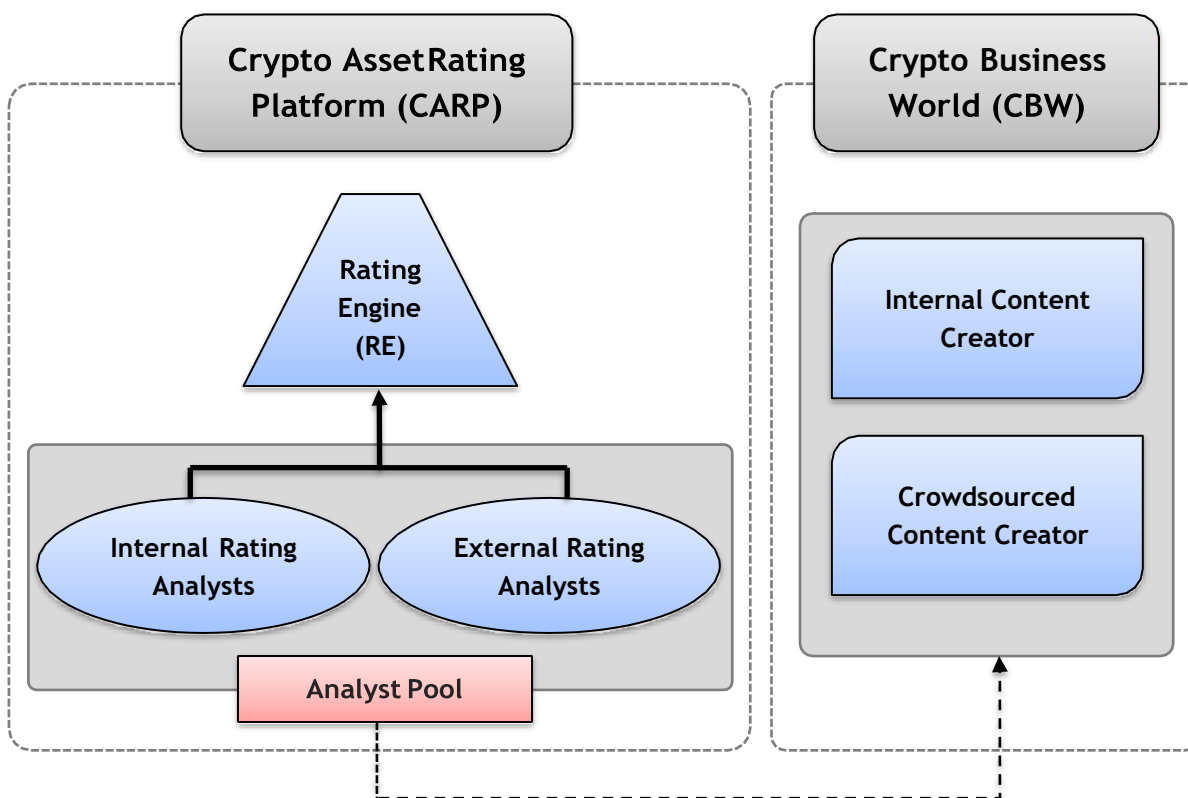
iv. **Fintech Training Platform (FTP)**: FTP is a training platform focused on the crypto assets and crypto market. This platform will serve as a learning platform for immersion into the world of crypto assets and crypto markets. The platform will inculcate a mock trading platform, and the target audience of the platform will be both individuals and corporate clients, which will access the platform through a pay-per-course model.

4. Crypto Asset Rating Products

4.1   Asset Rating Platform

An Independent Structured Rating Platform comprehensively rates crypto assets for Institutional and Retail Clients. The company developed a custom rating algorithm to conduct an exhaustive multi-layered evaluation covering four distinct risk buckets—Business, Financial, Legal, and Technology.

4.1.1   Need of Rating Platform

Crypto assets are an evolving asset class, and ICOs, STOs as an investment tool, are in the infancy of their life cycle. Therefore, the decision to obtain funding plays a crucial role in the early stages of project development. An Initial Coin Offering ("ICO") or Security Token Offering (STO) is a way for start-up companies to raise capital by selling tokens. ICOs/STOs are quickly revolutionizing the fundraising model and becoming a preferred fundraising model among issuers versus traditional methods like V.C. funding due to the rapid turnaround time and lower cost due to the lack of a middleman and the direct reach to investors. However, ICOs are high-risk propositions for the same reasons as there are no trusted middlemen, and time to take a call on a particular ICO is relatively limited.

Despite this stage and nature of this class, there is already an enormous interest among investors towards crypto assets due to the potentially disruptive nature of the underlying technology and the related value unlocking in the near future.

Number of ICOs

Fund raised through ICOs ($ mn)
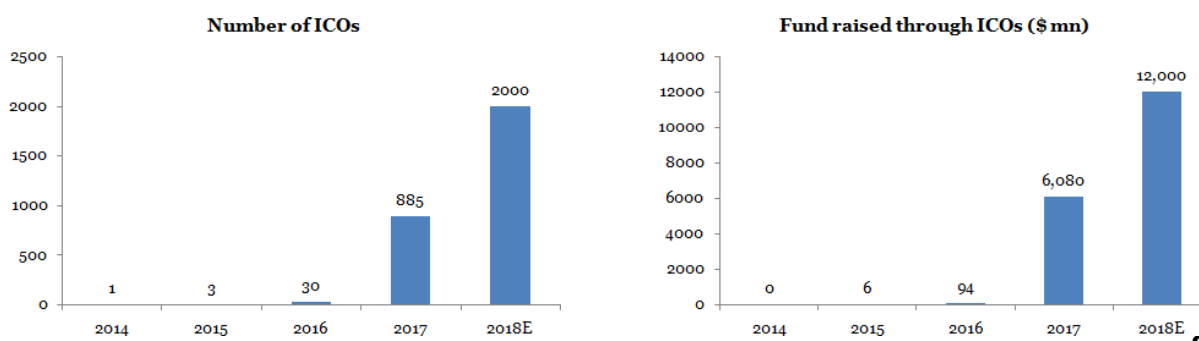
Most of these investors are inexperienced multi-asset institutional investors or inexperienced retail investors who do not have the resources to conduct extensive research on crypto assets. Furthermore, ICO investors can use countless resources to measure risk, so their trust in the projects or companies they invest in is minimal. Therefore, deciding which ICOs are worth investing in becomes very difficult for the investor. These factors necessitate a comprehensive rating framework to analyze the variety of crypto assets, which experts develop. Selecting more attractive investment options among the various ICOs is a challenge. Due to the unregulated nature of the industry, fraudulent ICOs have been a prevalent practice in such an industry. Investors continuously seek to identify and avoid such practices.

In this scenario, a structured rating system developed by a team of subject matter experts helps the investors navigate their way through the clutter of ICOs and identify suitable investment opportunities. In addition, CAR has designed an objective analysis of the underlying business (along with various other factors) and allowed the filtering of fraudulent ICOs with a frivolous or non-existent underlying business while helping investors separate the wheat from the chaff.

According to various estimates, there has been an average of 5 to 6 ICO issuances every day in 2018-2019. This sheer volume of ICOs makes it impossible for a diversified investor to analyze each ICOs properly. However, with a dedicated team and an analysis engine powered by a robust algorithm, CAR can analyze all the ICOs with a consistent framework defined by similar parameters.

A crypto asset rating is CAR's opinion of the general business attractiveness of a crypto-asset issuer and a particular crypto-asset issuance based on relevant risk factors. Ratings are not recommendations to buy or sell or hold a particular crypto-asset or token, nor are they guaranteed that default will not occur. Retail investors may use the ratings to help understand the business risk of a crypto-asset issuance or the issuer. Institutional investors may use the ratings for the same purpose and pick winners and losers while deciding crypto portfolio allocation.

4.1.2   How does the Crypto Asset Rating algorithm work?

CAR is designing a comprehensive rating algorithm for the crypto assets to help people understand the long-term viability of a crypto asset and the company or platform issuing

it. CAR's analytical rating framework is divided into several categories to ensure salient qualitative and quantitative issues are considered. For example, the qualitative categories are oriented towards analysis of business fundamentals, such as the firm's competitiveness within its industry, the experience and complementary expertise of the team, technological disruption, regulatory exposure, etc.

To analyze and rate a crypto asset or the issuer, we have identified an exhaustive and mutually exclusive set of parameters, bucketed into a few broad categories, such as:

1. Business Risk,
2. Technology Risk,
3. Legal Risk,
4. Financial Risk.

Each of the parameters and the broad buckets is assigned weights depending on their importance in influencing the overall rating outcome. These weights consider the historical correlation between the performance of a crypto asset and the respective parameter and category risk. The weights of these rating parameters might vary depending on the specific nature of the crypto asset or issuer and the domain they are operating in.

For each of the parameters, our rating methodology document provides specific guidelines on scoring them on a scale of 0 to 3. After scoring a parameter based on available information and mapping it to the guidelines mentioned above, an analyst has the option of fine-tuning the score by a few percentage points according to his subjective understanding. Finally, the rating engine calculates the weighted average scores for each of the broader risk buckets. Then, the overall weighted average score for the particular crypto asset is calculated based on the respective weights of the broad buckets.

A final weighted score is mapped to the rating grid automatically according to a predefined rule. An analyst has the option of manually overriding the final Rating by one notch up or down only with necessary justifications.

COMPREHENSIVE RATING FRAMEWORK

For details about External Analyst, please visit Link
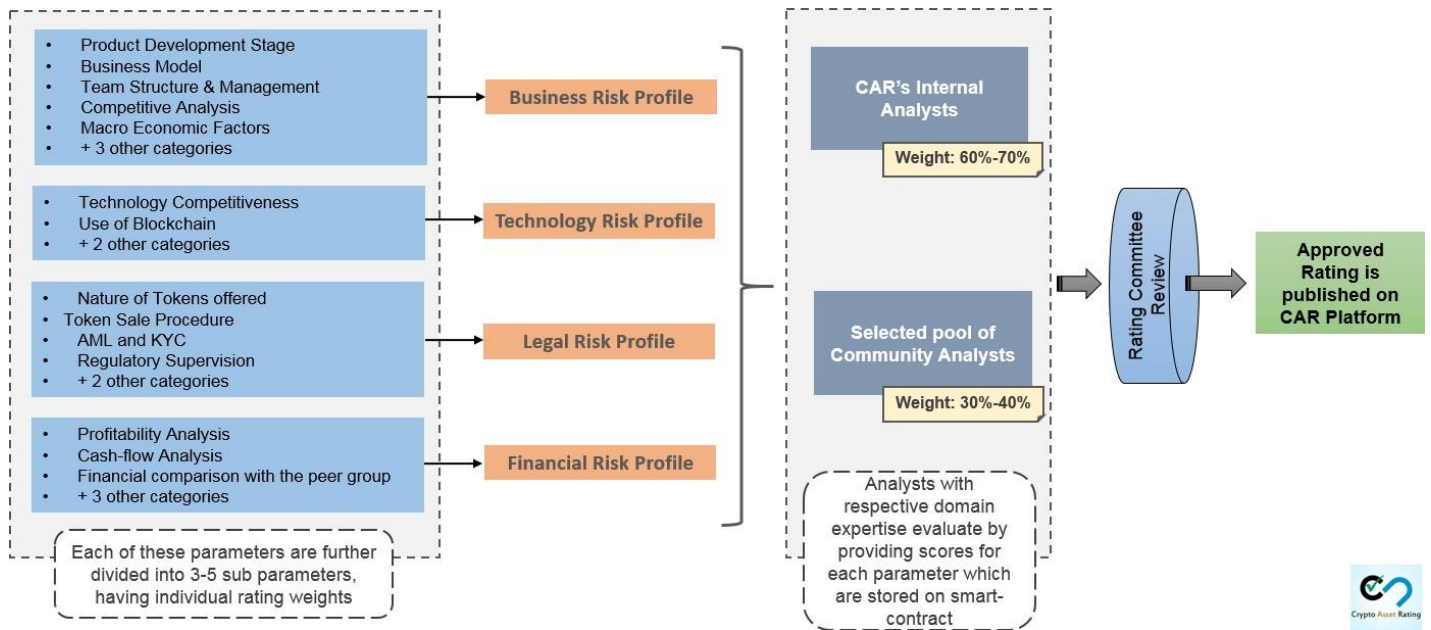
For details about Rating Grid, please visit Link
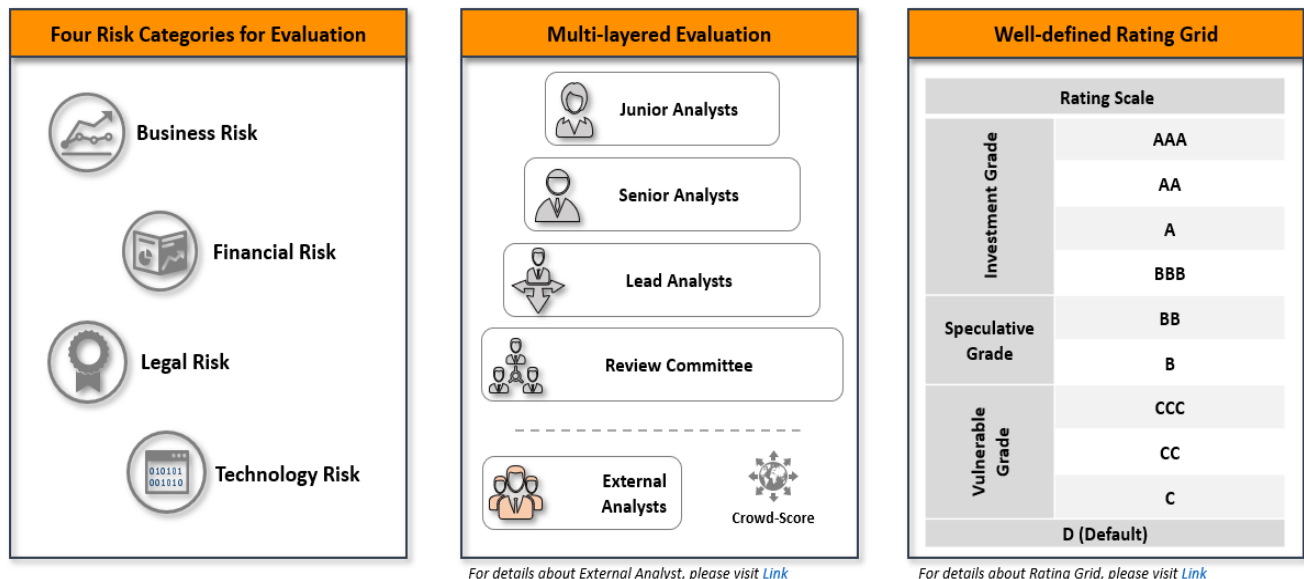
Each rating category is classified under one of the four risk categories (refer to the above diagram). Our rating report provides detailed commentary on each of these risk buckets.   **11**

The respective type of analyst handles rating parameters under each of the risk buckets.

Business Risk

A Business Risk Analyst (BA) is responsible to assess a crypto asset issuer's business risk. Generally, a BA is an SME from the same industry where a particular crypto asset issuer is operating. A BA primarily provides scores and commentary for the business risk parameters, along with other rating parameters.

Legal Risk

A Legal Risk Analyst (LA) is responsible to assess a crypto asset and its issuer's legal risk. Generally, a LA is a lawyer or is an expert in crypto related regulations and thorough with the regulatory dynamics in the crypto market. A LA primarily provides scores and commentary for the legal risk parameters, along with other rating parameters.

Financial Risk

A Financial Risk Analyst (FA) is responsible to assess a crypto asset and its issuer's financial risk. In general, a FA is from BFSI industry having extensive knowledge of financial due diligence and modelling. A FA primarily provides scores and commentary for the financial risk parameters, along with other rating parameters.

Technology Risk

A Technology Risk Analyst (TA) is responsible to assess the technology risk of the product being offered by the crypto asset issuing company. A typical TA is a blockchain developer having understanding of blockchain solution implementation. A TA provides scores and commentary for the technology risk parameters, along with other rating parameters.

The above framework provides a structured way of analyzing crypto assets. Furthermore, the rating algorithm is set up so that it can be tailored to specific crypto assets and can be iteratively made better with backtesting on hindsight data.

4.1.3   Crypto Exchange Rating

Our Crypto Exchange Rating product will be launched to introduce a benchmarking service to evaluate crypto token exchanges. This product will use a proprietary methodology that combines a comprehensive set of quantitative and qualitative metrics to rate and rank crypto asset exchanges worldwide. However, a reliable and complete process to rate the credibility of crypto-asset exchanges is in a nascent stage due to the asset class's novelty. Moreover, there are instances of fraudulent behavior in crypto exchanges, such as wash trading. Such fraudulent behavior and false transactions can be easily extended to crypto-asset exchanges too. Through our Crypto Exchange Rating product, we want to be first in filling the transparency void in crypto-asset exchanges through reliable datasets and improve decision-making for market participants.

4.1.4   Crypto Sovereign Rating

The markets are becoming increasingly integrated across the world with fewer controls on capital flows. A country's credit rating plays a crucial role when issuing debt on the international bond markets. With a better credit rating, a country can raise debt at favorable (lower) interest rates from foreign investors. After the 2008 mortgage crisis, people are increasingly worried about the reputation of major credit rating agencies, which highlights the lack of transparency and conflicts of interest in the credit system that exists today. However, blockchain can address these challenges, and we propose to unveil the power of distributed ledger technology (DLT) to bring transparency to sovereign rating processes by moving the power of data from credit rating agencies to the people. Thus, we aim to have a decentralized credit rating for sovereign Rating.

The sovereign Rating will inculcate a combination of quantitative and qualitative frameworks to understand a country's economic, financial, and environmental profile from a creditworthiness standpoint. The pillars of the sovereign rating framework are illustrated below:
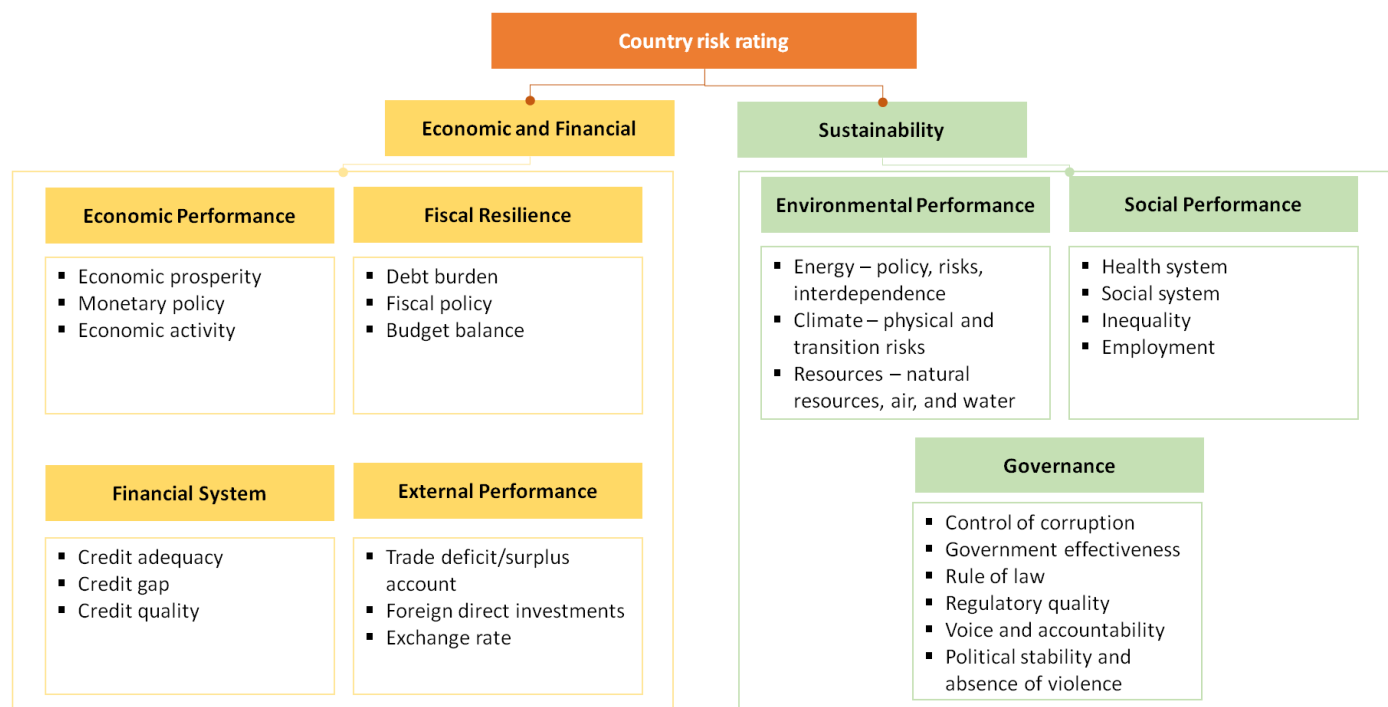
4.1.5   ETF Rating

ETF Rating is offered for retail investors and investment advisors to evaluate risk-adjusted returns for mutual fund investments. This product provides a quantitative assessment of past performance – both return and risk – of mutual funds. Ratings will be based on risk-adjusted returns for 3, 5, and 10 time periods. The risks in mutual funds will include *market risk, inflation risk, interest rate risk, currency risk, and credit risk.*

ETFs are rated against a peer group of the open-end funds in the same category. The Rating will be provided on a scale of 1 to 5, with five assigned to the mutual funds with the best risk-adjusted returns history.

Score (1-5)	Indicative returns
1	<7.5%
2	7.51%-10.50%

3	10.51%-14.00%
4	14.01%-16.50%
5	16.51%+

Note: Please note that the indicative returns are based on normal returns distribution of mutual funds, with most of the returns concentrated in the score of 3. The ranges may be subject to minor adjustments as our dataset of mutual fund investments grows.

4.1.6   Crypto Index

Crypto Index is a rules-based index designed to objectively measure the overall growth, daily and long-term movement of blockchain-based equity securities. It serves as a benchmarking tool for investors and asset managers interested in crypto tokens as an asset class. Crypto Index will include crypto-assets from across the world, and it will provide the best coverage of the entire asset class. We also intend to introduce sector-specific indexes as the depth of the crypto asset class grows over time.

4.1.7   Decentralized Rating

Although we are initiating our business model with a centralized credit rating model, our vision is to expand incrementally towards decentralization of ratings over a period of time through leverage of our proprietary technology platform where trust is based on consensus algorithms instead of fallible human judgment of the single institution

4.2   Tokenization Asset Platform

Tokenization Asset Platform (TAP) is a Software as a Service (SaaS) tokenization platform that offers the process of creating, issuing, managing and converting an asset to digital securities programmatically on Blockchain in a more restrictive and compliant way by embedding the logic in Smart Contracts. TAP also allows an issuer to create securities under various jurisdictions in a compliant way with a lock period, define vesting schedules, configure transfer and selling restrictions for inside and outside the exchange in accordance with regulatory rules, investor whitelisting, perform KYC and AML checks, digital securities recovery process, provide dividend distribution of tokens and conduct a voting event for shareholders.

We envision tokenizing various assets such as Equity, Bond, Real Estate, Funds with compliance and tokenization in a legally compliant way using smart contracts on blockchain technology on our Tokenization Asset Platform (TAP).

Our mission is to deliver trust in digital assets. For Issuers to participate in the digital asset market through the tokenization process and for individual and institutional investors to participate and invest in the digital asset market, we cater to provide features, services, and solutions that can be compliant and trustworthy, thus increasing the transparency in the digital asset market by providing more compliant and liquidity solutions.

4.2.1   Features of Tokenization Asset Platform

4.2.1.1   Compliance

Security tokens are the assets issued digitally using Blockchain technology where compliance occurs and transfers those into the picture. And TAP allows Investors to invest in compliant digital securities after successful Investor verification for KYC, AML, and Accredited Status

❖ KYC and AML checks

❖ Investor whitelisting

❖ Accredited Investor Status check

4.2.1.2   Vesting

Allowing Issuer to create and apply vesting to the team and Smart Contract to build those vesting directly into the token contract so that specific tokens are locked until Contract conditions are met.

❖ Vesting Schedule creation and application to Team

❖ Lock Period

❖ Stopping the vesting schedules

4.2.1.3   Securities Recovery

Issuers may transfer tokens to the wrong wallet, or investors lose the tokens due to hacking or may forget private keys. It can be any unknown reason. TAP allows Issuers to be in control of their token supply by implementing securities recovery processes.

❖ Securities recovery requests

❖ Burning the lost tokens and releasing new ones

4.2.1.4   Voting

TAP allows managing a voting event easily and entirely online for shareholders

(token holders) to vote on various resolutions

- ❖ Manage (start, notify and end) the Voting Event
- ❖ Shareholders vote during the Voting event

4.2.1.5   Dividend

Distribution of dividends to the token holders refers to providing a percent share of the total dividends to the particular wallet addresses.

- ❖ Capital distribution of tokens
- ❖ Interest payment to the Investors
- ❖ Tax Withholding

4.2.1.6   CAP Table

A dynamic Cap Table that shows the current ownership, or token holding addresses, of security tokens. It is also updated through automatic transfer management tracking. In addition, cap Table records the company's transactions and keeps track of information such as Transfers and Sales, thus increasing transparency.

- ❖ Cap Table Management
- ❖ Post token issuance services for Issuers

4.2.1.7   Jurisdiction

With regulatory frameworks differing from jurisdiction to jurisdiction, fintech companies must ensure tokens remain compliant both in the issuer's and investor's multiple jurisdictions. All the required measures should be implemented to prevent investment or issuance under different jurisdictions and regulations.

- ❖ Transfer Restrictions for different regulations
- ❖ Compliance Rules
- ❖ Terms and Conditions of Acceptance

4.2.2   Services of Tokenization Asset Platform

4.2.2.1   Issuer Services

TAP allows Issuers to create, issue, and distribute compliant security tokens under various jurisdictions and deploy a smart contract to the Ethereum Blockchain.

As an Issuer, TAP allows to

- ❖ Reserve Token Symbol and create compliant digital securities (Equity,

Fund, Bond, Real Estate) under various jurisdictions.

❖ Define Configurable Vesting Schedules for the team with a configurable lock

❖ Distribute Dividends to token holders

❖ Specify Voting Rights on Token

❖ Access the services of various providers for Compliance, Broker-Dealer, Custodian, Bank, and Exchange to help the Issuers starting from token creation to token distribution

❖ Manage Cap Table

❖ Legal Counsel approval workflow

❖ Configure token phase with a bonus offers

❖ Securities Recovery

❖ Reg D, Reg S tokens

4.2.2.2   Investor Services

TAP allows the Investors to invest in the compliant security tokens after completing KYC and AML/CTF verification.

❖ The global investor can invest in the compliant tokens

❖ KYC Verification - Transaction Monitoring, Anti Fraud, Document verification

❖ Accredited Investor verification

❖ Self Custody

❖ Institutional Investors

❖ Individual Investors

❖ Custodian opportunity

❖ Securities Recovery

❖ Voting

4.2.2.3   Broker-Dealer Services

Implement an integrated solution for the Broker-Dealers starting from onboarding of the Issuer, token creation, and distribution and inviting clients who are investors to invest in global digital securities. In addition, broker-Dealer can have his website to offer various services under white-label.

❖ Ownership of a branded service

o Issuer and Investor Onboarding
- ❖ Integrated solution for the clients - Issuers and Investors
- ❖ Sub Broker Setup
- ❖ Multiple Token Trading Platform

4.2.2.4   Transfer Agent Services

TAP itself is not a Transfer Agent but offers Software as a Service allowing Issuers to onboard TransferAgents after their registration to TAP and let them facilitate the transfers of security tokens, the securities recovery process, manage voting events, and distribution of dividends.

- ❖ Cap Table Management
- ❖ Securities Recovery
- ❖ Facilitate transfers of security tokens
- ❖ Manage voting events and dividend distribution
- ❖ Issuance and re-issuance of security tokens

4.2.3   Real Estate Tokenization

The tokenization of real estate powerfully demonstrates the potential behind asset tokenization. With its high prices, expensive transaction costs, slow exchange, and poor access to buyers, the illiquid real estate industry needs tokenization.

Crypto Asset Rating offers Real Estate Tokenization Asset Platform (RETAP) as a marketplace for real estate professionals to tokenize commercial or residential real estate properties.

Investors worldwide can buy into the U.S. real estate market through a fully compliant blockchain-based Real Estate Tokenization Asset Platform (RETAP).

Real estate can be accessed by large numbers of potential buyers, both due to fractionalization of the asset and the potential reach of internet-based markets by turning real estate into digital tokens. With tokenization, real estate investments can be made affordable to nearly anyone. Here, the token is a digital fractional possession of the real estate property.

4.2.3.1   Benefits Of Real Estate Tokenization

- **Real Estate Globalization -** Real Estate property can be purchased or sold from anywhere in the world.
- **Access to Public Markets -** Financial applications on Ethereum offer solutions to

accessing liquidity for valuable tokenized assets.

- **Instant, Efficient Transactions -** Real estate property is tokenized so that any legally compliant and eligible investors can invest in the property.

- **High Volume Liquidity -** Global access, asset fractionalization, instant settlement, and peer-to-peer transactions all play symbiotic roles in benefiting the liquidity of assets.

- **Legally Tokenizing the Property -** Real Estate Tokenization gives asset issuers and investors the security and peace of mind required for the safe investment and ownership of tokenized assets.

4.3 Crypto Business World (CBW)

Crypto Business World or "CBW" is a content platform focused on the crypto market. The objective is to provide high-quality content to the readers and allow multiple writers to post their articles on the CBW platform. Readers will receive daily alerts based on their area of interest or topics followed. They can create their Crypto-Asset portfolio and receive relevant news and articles on their Crypto-Asset holding and interest. In addition, readers can follow top writers on the platform and receive alerts whenever they publish an article on CBW.

4.3.1 Type of Content

CBW aims to launch "Content Marketplace," which will allow the writers to start their paid subscription services on the CBW platform. It would also help writers form a team of research analysts and create a paid-subscription service of focused research. Authors will have to maintain a minimum contribution for the general readers.

CBW has many content categories as:

- ➢ News & Articles
- ➢ Videos & Podcasts
- ➢ Press Releases
- ➢ Interviews
- ➢ Paid Subscription Model
- ➢ Crypto Database
- ➢ Content Marketplace

4.3.2   Type of Content Writers

CBW will primarily have two types of content writers:

- ❖ **Internal**:
    - o primarily designated content writers, F.A.s, Legal Analysts, internal token expert, technology personnel, etc.;
- ❖ **External:**
    - o Writers will submit articles, and if approved for publishing, they will be paid with AND tokens;
    - o Guest writers – CAR will reach out to industry thought leaders for guest articles (mostly invitation-basis and unpaid).

4.4   Fintech Training Platform

Fintech Training Platform or "FTP" is an online platform that will bring together learners and tutors on crypto-assets in one place. The platform will provide the right tools to tutors to create online courses and help learners master basic concepts to start their investing journey concerning crypto assets. Our goal is to build a one-stop-shop for all the learning materials for crypto assets. The courses will be monetized on pay per course basis, and the tutors will get a percentage of the revenue.

The courses will be well structured, practical, and rewarding to engage students. The instructors ensure their course will help students achieve clear goals with end-to-end planning. Fintech courses are video-based experiences that give students a chance to learn actionable skills. With the instructor's knowledge, the fintech Training platform will help package knowledge into an online course that improves students' lives.

Fintech institutions host four categories of courses:

1. Finance

2. Technology

3. Legal

4. Business

Based on the category best suits the knowledge, the instructor can create his courses. No

matter the instructor's experience, FTP will equip them with the latest resources, tips, and support to help them succeed.

5. Rating Process & Governance Structure

CAR assembles a team of four **Junior Analysts (JAs)** with appropriate expertise and relevant

industry experience to initiate the rating process. One J.A.s are selected for each risk category. Each JA's rating screen displays the rating parameters relevant for such risk category; for example, a financial analyst can provide scores only on the financial risk parameters. Analysts prepare a list of questions, if they feel that more information is required to form an opinion on a rating parameter. The system automatically collates these queries and sends across to the crypto-asset issuer to elicit responses. This gives an opportunity to the crypto-asset issuer to share additional information to facilitate the rating process. Once received, J.A.s incorporate such information in the rating process and submit their parameter scores along with supporting commentaries.
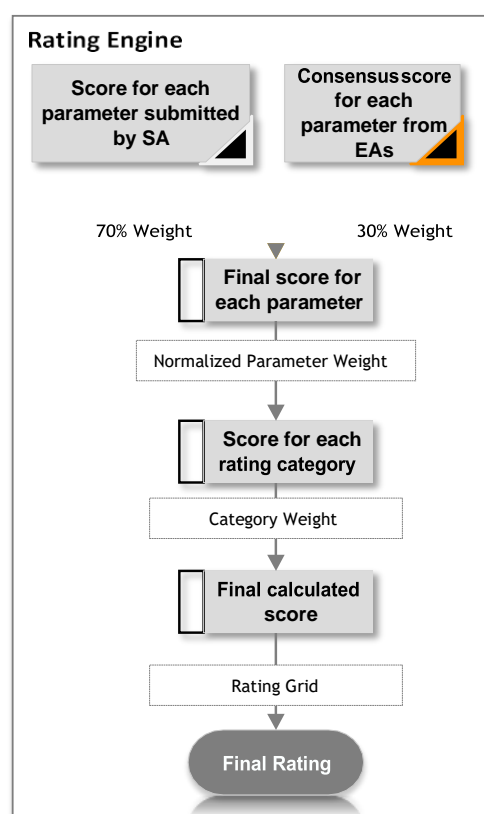
After submission of the scores by J.A.s, one **Senior Analyst (SA)** of each risk category reviews the same. Once the review is complete, S.A.s submit the final scores to the **Rating Engine (RE)** and prepare a write-up for submission to the **Lead Analyst (LA)** for review.

In parallel, multiple **External Analysts (EAs)** are selected for each of the four risk categories, who submit their rating scores and commentaries. The **Consensus Algorithm** calculates the consensus scores for the rating parameters which are

automatically submitted directly to the RE, without any change or modification by CAR's internal team.

The **Rating Engine (RE)** calculates the final parameter scores based on the scores submitted by S.A.s (70% weight) and consensus scores from E.A.s (30% weight). Based on parameter weights and category weights, the final score is calculated which is mapped to the rating grid to generate final Rating (refer to the adjacent diagram "**Rating Engine**").

The LA receives the Rating generated by the RE, along with four write-ups for each risk category. L.A. reviews the scores, commentaries, write-ups and gets back to respective S.A.s in case of any clarification. Once the review is complete, L.A. prepares a rating report by consolidating the rating output from RE and the write-ups for each risk category.

The final rating report is forwarded to the **Rating Committee (R.C.)** for vetting. The crypto-asset issuer is subsequently notified with an indicative rating range and the major considerations supporting it. A rating can be appealed prior to its publication on CARP website, if meaningful new or additional information is to be presented by the issuer. Obviously, there is no guarantee that any new information will alter the rating committee's decision.

All published ratings are monitored on an ongoing basis, including review of key milestones. Surveillance also enables analysts to stay abreast of current developments, discuss potential problem areas, and be apprised of any changes in the issuer's plans. As a result of the surveillance process, it is sometimes necessary to update a rating or provide a notification to the investors. If warranted, a comprehensive analysis may also be undertaken. The rating committee evaluates the circumstances, arrives at a rating decision, notifies the issuer, and entertains an appeal, if one is made. After this process, the rating change or affirmation is published on CAR rating platform.

Crypto asset issuer requests rating and submits documents

Selection of Junior Analysts (JA), Senior Analysts (SA), Lead Analyst (LA)*

JA initiates rating process and prepares questionnaire for the issuer

Issuer responds with clarification/ additional information

JAs submit parameter scores and rationale on the platform to SAs

SAs reviews parameter scores and rationale – updates, if required

Review comment/ clarification sought

Selection of External Analysts (EA) based on expertise

EAs submit their scores and rationale

Consensus scores are calculated and submitted to RE

Rating Engine (RE) calculates the rating #

Approved scores from SAs are submitted to RE

SA reviews complete?

YES

NO

Quality ratings and consensus ratings are generated for EA reward calculation

If substantial new information is shared

LA prepares the final rating report

LA reviews calculated rating and write-up for risk categories

SAs prepares write-up for their respective risk categories

Rating is published on CARP website

Indicative rating range is sent to issuer for appeal

Rating Committee review

YES

LA reviews complete?

NO

Clarification sought

Any clarification required?

* One JA and one SA is selected from each of the four categories of analysts: Business Analyst, Legal Analyst, Technology Analyst, and Financial Analyst
# Rating doesn't get generated before this point i.e. none of the JAs,SAs,or EAs get to know the rating before it is published on CARP website
→ External analyst process flow

EA: External Analyst
JA: Junior Analyst
SA: Senior Analyst
LA: Lead Analyst
RE: Rating Engine

category : Product

#	Parameter	Jr.Analyst Parametre Score	Jr.Analyst Fine Tune Score	Jr.Analyst final Score	Sr.Analyst Parametre Score	Sr.Analyst Fine Tune Score	Sr.Analyst final Score	Score	Fine Tuning Score	Revised Final Score	Comments
☐	Product readiness	1.0	1.00	2.00 comment	1.0	1.00	2.00 comment	▾	▾	-	
☐	Competitive advantage	3.0	-1.00	2.00	3.0	-1.00	2.00	▾	▾	-	
☐	Size of addressable community	1.0	-0.50	0.50	1.0	-0.50	0.50	▾	▾	-	
☐	Space in the market	2.0	0.00	2.00	2.0	0.00	2.00	▾	▾	-	
☐	Innovation and IP	1.0	0.50	1.50	1.0	0.50	1.50	▾	▾	-	

Save Submit

Actual screen for a Lead Analyst on CAR Platform. Scores are representative

5.1   What Sources of Information Do Analysts Use?

CAR aims to provide an advanced rating only when there is adequate information available to form credible sources and only after applicable quantitative, qualitative, technical and legal analyses are performed.

CAR receives documents from the crypto asset issuers which are not available in public domain such as:

- Product development roadmap and progress made;

- Financial statements;

- Company registration documents;

- Cap table etc.

Additionally, CAR also uses the followings as the basis for the rating process:

- White Paper;

- Other publicly available data such as information listed on the company website, financial reports of the issuer (if available), etc.;

- Books or articles from academic sources, financial journals, news reports;

- Discussions with expert sources in the industry, academia, etc.

5.2   Consensus Algorithm

Consensus is a mechanism by which a community or a group of stakeholders comes to an acceptable and unambiguous agreement on a piece of information. The algorithms used in the world of blockchain provide a different way to reach consensus. In the case of CAR Rating Engine, the primary consideration for a consensus algorithm is to reach an unambiguous final score of a given rating parameter based on the different scores given by the relevant external analysts. The CAR consensus algorithm is only used to reach a final score for a rating parameter based on the scores given by the external analysts. The consensus is not relevant for the parameter scores given by CAR's internal analysts. This

consensus score from the external analysts along with the scores from CAR's internal analysts are considered (by a weighted average algorithm, which may vary from parameter to parameter) to arrive at the final score for a particular rating parameter.

5.3 External Analysts and Consensus on Crypto Asset Rating platform

We expose a subset of the rating parameters to the registered and approved External Analysts (E.A.). CAR makes effort to ensure that the relevant external analysts are selected to provide scores for rating a particular crypto asset (to the extent possible). This is ensured by a mapping algorithm, which maps the profiles/ competencies of the external analysts with the domain of a particular crypto asset. For example, an analyst having experience in financial service domain will be mapped to provide scores for a crypto asset issuer providing solution in the fintech space.

5.3.1 Quality Score

E.A.s are assigned a quality score to measure the quality of score and rationales provided by them for a particular crypto asset. This is calculated based on certain parameters (e.g. time taken to provide scores and ration for a particular crypto asset, pattern responses, length and quality of the scoring, rations given, etc.).

For a particular analyst, if the quality score doesn't meet the minimum threshold value, the rating scores given by that analyst are not considered for consensus and final rating calculation. Consequently, the analyst will not receive any payment for providing scores to rate that particular crypto asset. This will also penalize the analyst's profile ranking (discussed later) so that she provides the scores with all seriousness.

5.3.2 Profile Rank

E.A.s are assigned a profile rank, which indicates their contribution towards CARP and CBW platforms. This is a dynamic rank and is influenced by the analyst's quality score for different crypto asset ratings, contribution on CBW platforms in terms of content writing, providing review comments on CARP and CBW platforms, etc. This profile rank is used to break tie for the consensus algorithm, in favor of the analyst having a superior profile rank.

5.3.3 How a consensus is reached?

For every rating parameter, the rating engine calculates an average distance from the

"Consensus Score". If the average distance is within a pre-specified limit for a particular rating parameter, decided and updated from time-to-time by CAR Rating Committee, the rating engine considers that a consensus has been reached for that parameter and the "consensus score" is forwarded to the next layer of the rating engine for the final rating calculation; otherwise, if the average distance is higher than the pre-specified limit, the rating engine discards the consensus score, assuming that a consensus was not reached for that particular parameter.

5.3.4   Payment structure of External Analysts

CAR has a fixed budget for the payment of external analysts who are providing scores for a particular crypto asset. The budget is divided into three buckets as follows:

Fixed Reward	Variable Reward (Quality)	Variable Reward (Consensus)
30 %	30 %	40 %

Fixed Reward: Fixed component of the budget is distributed equally among all the analysts who have provided scores for a crypto asset. Whenever an analyst submits her scoring, she is entitled to receive this fixed component - unless her scores don't meet the minimum quality benchmark (*i.e. quality score falling below the acceptable threshold*).

Variable Reward (Quality): Based on the quality score, this variable component is distributed among the top 25% of the external analysts who have provided scores for a particular crypto asset. Also the distribution is skewed towards the top performers as shown in the following table.

Variable Reward (Consensus): For each external analyst, CAR rating engine calculates an "Aggregated Distance" of the scores given from the Consensus Score of different rating parameters. Analysts are ranked based on this aggregated distance – lower the distance, better the rank. In case of any tie, the profile rank are used to break the tie in favor of the analyst having superior profile ranking. This variable reward component is distributed among the top 25% of the external analysts having the lowest aggregated

distance from the Consensus Score. This distribution is also skewed towards the top performers as shown in the following table.

5.3.5   Other responsibilities and benefits to E.A.s

Apart from the primary responsibility of providing scores and comments for rating parameters, E.A.s can also help building the CAR ecosystem as follows:

ii.   **Write articles**: Being a crypto asset analyst, CAR would encourage E.A.s to write insightful articles on CBW platform.

iii.   **Provide comment**: E.A.s can provide comments on both CARP and CBW platforms.

iv.   **Hit Like button**: E.A.s can also engage with the community on the platform by "liking" someone else's comment.

6. Market Potential and Business Model
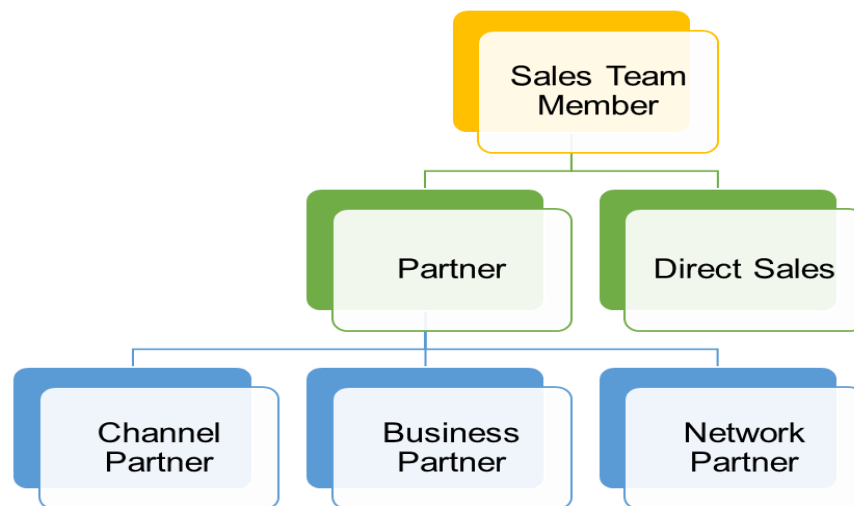
6.1   Sales team Members

Sales team consists of our internal team members and our various partners. The directs sales are made from our internal team members.

Our partner model includes various roles:

1. Channel Partner
2. Business Partner
3. Network Partner

CUSTOMER ACQUISITION

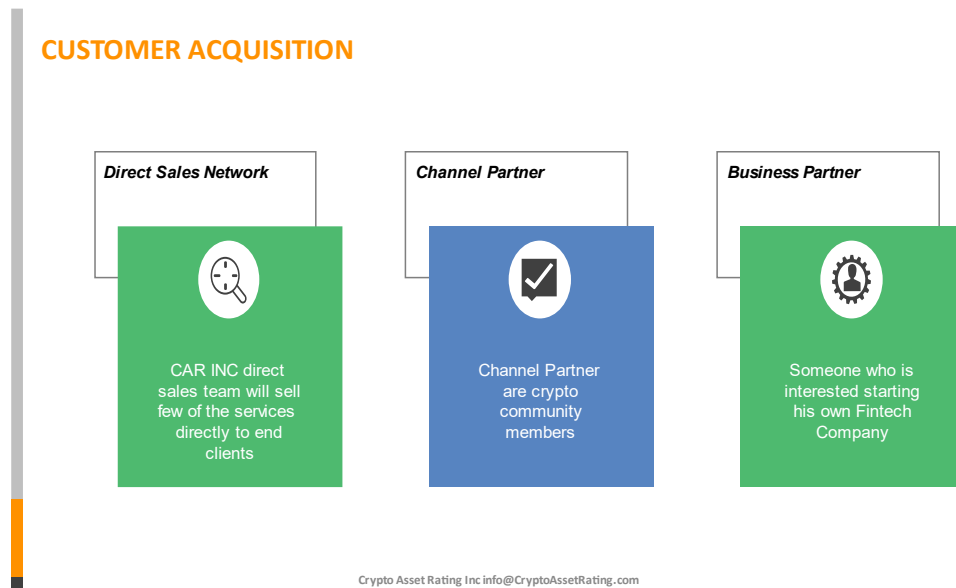| Direct Sales Network	Channel Partner	Business Partner
CAR INC direct sales team will sell few of the services directly to end clients	Channel Partner are crypto community members	Someone who is interested starting his own Fintech Company

6.1.1   Direct Sales

At CAR, our products and services are directly sold to the end consumer. With our direct sales approach we are able to cater to specific need of our customers and we can provide them services based on the requirements. We tailor made custom solution and focus on each customer. Direct Sales achieved through our direct sales team members.

With direct sales we get to have a one-on-one conversation with our customer and we try to build a healthy relationship with them so they will feel comfortable enough to give us honest feedback about our products and services. We use the feedback information to improve the quality of our products and services and keep your customers satisfied.

6.1.2 Partner

DIFFERNCE Channel partner vs Business Partner

Channel Partner	Business Partner
Crypto Background	No Industry Background
Crypto Involvement	No Business Exp
No Sales Training	Sales Training
Resell of Products & Services	Own Branded Platform + Reseller
No Sales Support	Sales Support

Crypto Asset Rating

sales@CryptoAssetRating.com

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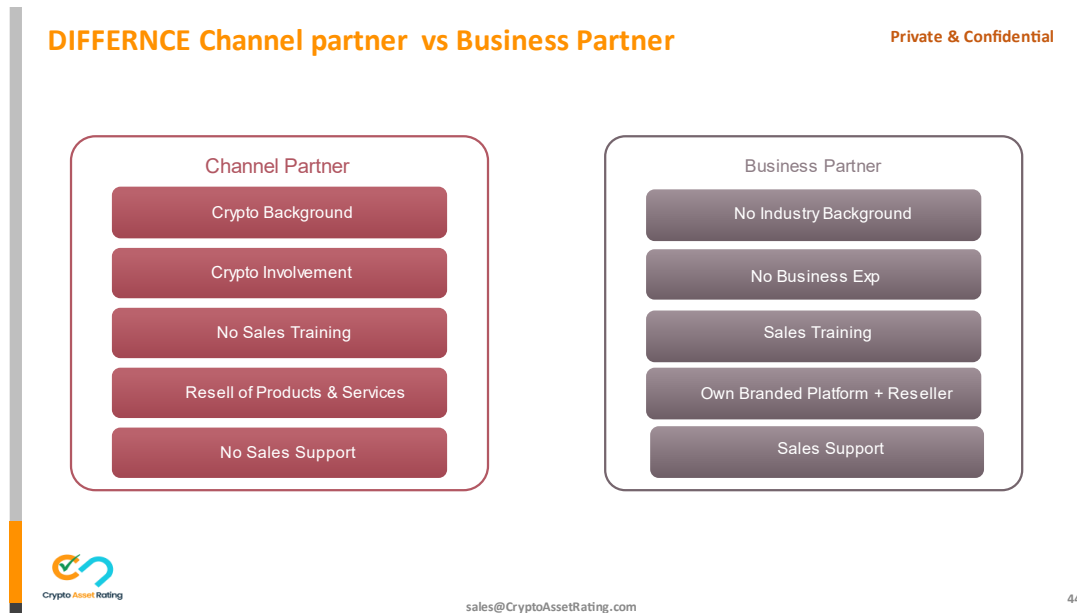
6.1.2.1   Business Partner

CAR leadership has experience in all segments of business from finance, capital market, marketing, technical competence, Operations, legal and development of business. CAR has a creative and innovative idea of Business Partner model. With Business Partner model, CAR will help entrepreneurs to launch their own fintech business and provide support of sales training, industry training, business training and business development.

To be eligible for Business partner, a person should have a dream to start his own successful business, a aspires to earn name, fame and wealth and should have a 5-year industry experience in any field.

The benefits with the help of CAR are enormous:

- A business partner can build his own fintech brand
- Business partners decide their own profit margin
- Business partner will have their own brand of tokenization
- Business Partner can launch their own training courses on CAR training platform
- Business partner will get sales training, business training, industry training.

This model gives great value for money compared to all the cost that an individual has to spend in development, marketing, promotion, accounting and infrastructure of their business.

6.1.2.2   Channel Partner

We sell our product and services through partnership with channel partner and then the channel partner generates sales for us. Along with direct sales and channel sales, it allows us to scale our sales faster and more efficiently. Through our channel partners we are able expand our business and reach into new markets. With channel partner, we can leverage to their existing customer base which let us take our products and services to a wider market and increase our sales. With the help of our channel partner, we get valuable insights into marketing regulation, targeted messaging approaches and consumer behavior.

7. Monetization model

BUSINESS MODEL

Customer Acquisition
Direct and Network (Globally)

Monetization

Rating - Issuer Paid, Investor subscription, Volume licensing, Issuer Monthly subscription, consulting
TAP – Platform License fees, compliance service fees, Consulting fees, Registration and monthly subscription fees
CBW – Advertisement fees and paid subscription model
CTP – Subscription based fees

Differentiator
Dedicated Business Teams for each product line

Conversion Model
We offer a Basic Rating, Free Advertisement, Free subscription, Free consulting to convert clients to paid model

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info@CryptoAssetRating.Com   41

7.1   Rating Services

7.1.1   Issuer Services

With the expense a token issuer is willing to bear to get the token rated, ranging from $100k - $1.0M (depending on the issuance size), the total revenue potential from is anywhere between $300M - $3.0B. We estimate there would be 4-5 leading players capturing majority of the market share in this segment, similar to credit rating industry.

- Issuer Paid Model

    o   Issuer License Fees

    o   Volume licensing

- o Monthly subscription fees
- o Consulting fees

7.1.2 Investor Services

7.1.2.1 Institutional investors

The price of cryptocurrencies has been increasing and with that number of institutional investors entering into crypto ecosystem has been increasing rapidly. The world's biggest cryptocurrency, bitcoin has surged nearly 220% in 2020.Ethereum has shot up almost 400% in 2020.Even outside of the cryptocurrency market, investor interest in the underlying blockchain technology continues to rise. The size of the global blockchain market could go up to $23.3 billion by 2023, with financial sector alone responsible for approximately 60% off that valuation. Big behemoth like valuation. Big investment have jumped to cryptocurrency train which have increased the value and reputation of the whole crypto market.

There are approximately 5000 institutional investors in the U.S. with asset size of more than $100mm. Going by recent trends and surveys, 70-80% of these funds have already invested or are at least interested in the crypto assets. Assuming these funds are willing to spend between $10k - $500k on a token rating subscription (depending on their asset size and level of interest) – this market is worth $50M - $2.5B. There would be another large pool of institutional investors with assets less than $100mm where the market can be as significant as the larger investor segment – as the smaller funds might have lesser resources and more dependent on external Rating for their investments.

We estimate there would be 4-5 leading players capturing majority of market share in this segment, similar to credit rating industry.

- Investor paid model
  - o Investor subscription
  - o Volume licensing

7.1.2.2 Retail investors

In 2020, there was an economic crisis that was brought about primarily by COVID-19 pandemic. retail investors have actually increased during this period of uncertainty. The reason being increase in awareness and introduction pf eKYC has made the trading process virtually paperless and completely online and making the entry into trading

smooth and seamless. Nations around the world were forced to adopt stringent measures to combat the spread of coronavirus. And one of the measures was lockdown which forced people to stay indoors for months. Since people are working from home, they are less busy and had more time on their hands and they tried to put it to good use by getting into stock and crypto trading. Investors are looking for alternative sources of income because of Covid 19. More and more retail investors are looking to jump the train to crypto as the returns offered by traditional investment options have been very lackluster.

Retail investors are enticed by the prospect of quick profits in a rapidly appreciating asset class, retail investors want to enter into the crypto ecosystem. Retail investors aged 25-40 years are spending millions on trading in cryptocurrency.

Retail investors generally pool in ½ to 1/3rd of the amount of investments in the market as institutional investors. Hence, the target market size for CAR can be between $30M - $2B. This market would be more fragmented with various smaller players offering lower value added offering. Even the leading players might not be expected to capture more than 5% market share.

- Investor paid model
    - Investor subscription
    - Volume licensing

7.2   Tokenization Services
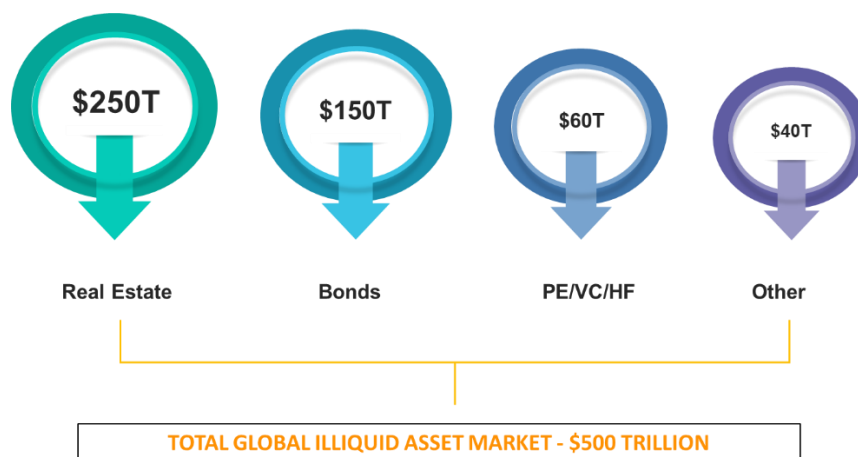
Market Potential for Tokenization

Tokenization Asset Platform (TAP) is a Software as a Service (SaaS) tokenization platform that offers the process of creating, issuing, managing, and converting an asset to digital

securities. TAP does this by leveraging tokenization technology to fractionalize ownership of Equities, Bonds, Shares, and Commercial/Residential Real Estate. Issuers and private investors have early liquidity options through the issuance and tradability of asset-backed digital securities on the Tokenization Asset Platform. TAP is a one stop shop which allows Issuers to create, issue, and distribute compliant security tokens for Reg D, Reg S and Reg A+ deploy a smart contract to the Ethereum Blockchain.

Crypto Asset Rating will be paid a fee for the use of its Tokenization Asset Platform to assist in creating tokens in a manner compliant with relevant laws and regulations and otherwise guide users through key steps in the tokenization process.

The fees will include:

- Consulting fees

    o Token Modeling

    o Tokenization consulting

    o Jurisdiction Identification with financial instrument design.

- Tokenization services fees

    o the Basic platform features fees

    o Hosting fees

    o Compliance services fees

    o Monthly Subscription fees

For more information: Sales@TokenizationAsset.com

7.3 Crypto Business World

Global Digital Advertising Market Outlook to 2026: $664.7Bn Growth Opportunity Analysis & Business Strategy Report*
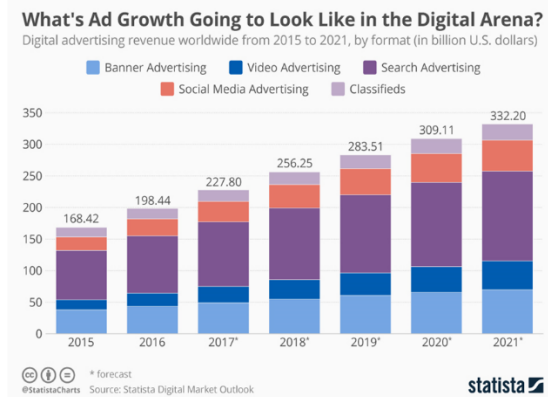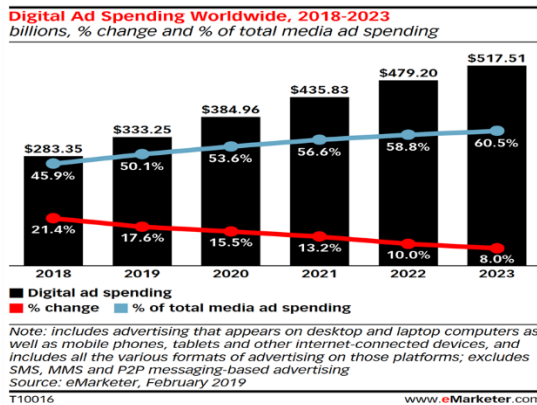
Market Potential for CBW

Crypto Business World is a trusted platform that provides quality content which covers latest crypto market news to blockchain innovations to Decentralized finance from around the globe CBW encapsulates wide range of categories like market analysis, breaking News, special reports, personal interviews, press releases, videos, case studies, and webinars with crypto industry experts. Crypto Business World has an in-house team of content writers, external analyst, and a selective group of individual content creators dedicated to providing value to our community.

CAR plans to offer content products such as Crypto Business World that is planned to be available on a subscription basis and/or adhoc.

- Sponsored articles

- Sponsored press releases

- Sponsored breaking news

- Sponsored videos

- Sponsored interviews

- Sponsored analysis

For more information : Sales@CryptoBusinessWorld.com

7.4   Fintech Institution

Today there is limited knowledge of cryptocurrency among the investors. Lack of knowledge is the largest barrier to the widespread use of crypto assets. There is huge scarcity of knowledge in investment community. Investment community have misconceptions, wrong beliefs or they are unaware, misinformed and dogmas as they lack the knowledge to understand the crypto market.

The concept of blockchain and crypto are new and This technology has been touted as revolutionary- one with the capacity to disrupt the entire financial system. And because of the huge opportunities in the market, investors have invested their hard earned money without fully understanding the offering. Consumers have no proper understanding as to how the technology works, especially in the trading of cryptocurrencies and how they facilitate transactions. There are too many complexities for the simple consumer which discourage them from further engagement or adoption.

CAR has identified this gap between demand and supply of lack of knowledge and introduced Fintech Institution which will deliver Massive Open Online Courses (MOOC) with experienced and highly educated instructions and these instructors are experts in their own field. By facilitation proper education and awareness to the community will produce future engineers, developers, Investors. The Training Platform will accept the fees for Training course creation from FinTech industry experts as an instructor to the platform and for the knowledge seekers who would subscribe to the courses on the platform.

For more information : Sales@FintechInstituition.com

7.5   Strategic Partnership

Our strategic partnership will include traditional rating agencies, asset management organizations, crypto exchanges, educational institutes, financial institutions, and research & analytics companies. Our strategic relations will enable our partners to a comprehensive access to all our key offerings in exchange for new business opportunities in these regions.

We will focus our expansion primarily in North America, European Union, and Asia before expanding to the rest of the world. A global head will lead regional heads in North America, European Union, and Asia. We plan to expand to the following countries in each region:

 i.   North America
 ii.   European Union
 iii. Asia

STRATEGIC PARTNERSHIP OPPORTUNITIES

✓ Rating of your clients' Crypto Assets by CAR
✓ Sell CAR Rating Reports to your clients
✓ Access to CAR's Rating Report for your team
✓ Access to CAR's Rating API

Rating Product

✓ Exclusive access to crypto index developed by CAR

Crypto Index

✓ Joint product development opportunity by your team and CAR team

Product Development

Access to Content

✓ Access to the content developed in-house by CBW team

Training

✓ Corporate training on crypto to your clients and team via CTP platform

Global Network

✓ Leverage CAR's global footprint

Crypto Asset Rating Inc

info@CryptoAssetRating.Com

7

WHO CAN BE OUR STRATEGIC PARTNER

Traditional Rating Agencies

Asset Management Organizations

Crypto Exchanges

Educational Institutions

Financial Institutions

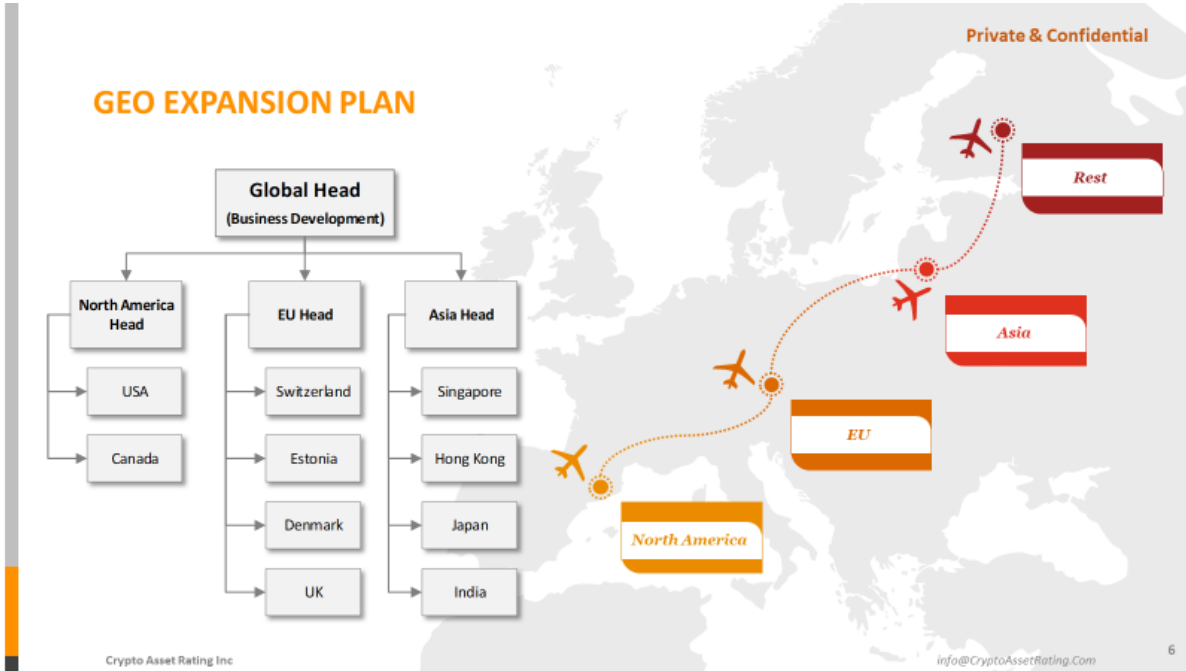**Research & Analytics Companies**

Crypto Asset Rating Inc

info@CryptoAssetRating.Com

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7.6 Proud Moments

From genesis of Crypto Asset Rating, there have been many accomplishments that CAR is extremely proud of. Some of our significant and noteworthy moments are:

➤ Former Managing Director of S&P Global joined as Corporate Advisor

➤ Former Partner of PwC joined as a Corporate Advisor

➤ Former Head of Capacity Planning of ETRADE joined as a Corporate Advisor

➤ Industrial Membership with Chamber of Digital Commerce

➤ Member of Enterprise Ethereum Alliance

➤ Member of Global Digital Finance

➤ Member of Structured Finance Organization

➤ Crypto Asset Rating awarded the trademark of 'Trusted Source for Untrusted Network' from U.S. Patent and Trademark Office. The trademark signifies the company's vison of bringing transparency in the crypto market by implementing an ethical and transparent process of rating crypto assets.

➤ Demo the Rating Platform to SEC Commissioner

➤ Demo of Tokenization Asset Platform to SEC FinHub Group

➤ S&P Invited to demo rating platform concept

- ➢ Kroll Bond Rating invited to demo rating platform concept.
- ➢ Morning Star Rating invited to demo rating platform concept.
- ➢ Fitch Rating invited to demo rating platform concept.
- ➢ Moody's Rating invited to demo rating platform concept.
- ➢ Walkthrough Tokenization Asset Platform to NASDAQ
- ➢ Signed First Channel Partner Agreement with Crypto Advisory firm in India
- ➢ Interest of Industry leaders - S&P Global, Nasdaq, Fitch Rating, Kroll Bond Rating Agency, Morning Star, Moody's

8. About Us

We are a U.S. based FinTech company and we are driven to plug the gaps in the crypto market and bridge the governance institutions with the existing and new thought leaders of the crypto industry. As an Independent Structured Rating Agency, we believe in solving key challenges of the FinTech Industry. To solve these challenges, we have created innovative products like Crypto Assets Rating Platform (CARP) and Tokenization asset platform (TAP). Crypto Asset Rating Platform (CARP) comprehensively rates crypto assets for Institutional and Retail Clients. We have developed a custom rating algorithm to conduct an exhaustive multi-layered evaluation covering four distinct risk buckets—business, financial, legal, and technology. We have developed an independent rating algorithm which is unbiased which makes us a non partisan authority in crypto rating industry. Tokenization Asset Platform (TAP) is a Software as a Service (SaaS) tokenization platform that offers the process of creating, issuing, managing, and converting an asset to digital securities. TAP does this by leveraging tokenization technology to fractionalize ownership of Equities, Bonds, Shares, and commercial/residential real estate. Our rating solution is developed using blockchain technology so as to maintain decentralization. Using blockchain for our rating solution also helps in having a dynamic data set with an auditable history.

We have built trusted community platform - Crypto Business World which one-stop-shop for news and articles, videos, analysis reports and press releases and to solve the problem of lack of knowledge among people, we have built Fintech Institution which will deliver Massive Open Online Courses (MOOC) with experienced and highly educated instructions and these instructors are experts in their own field.

8.1   Org Structure
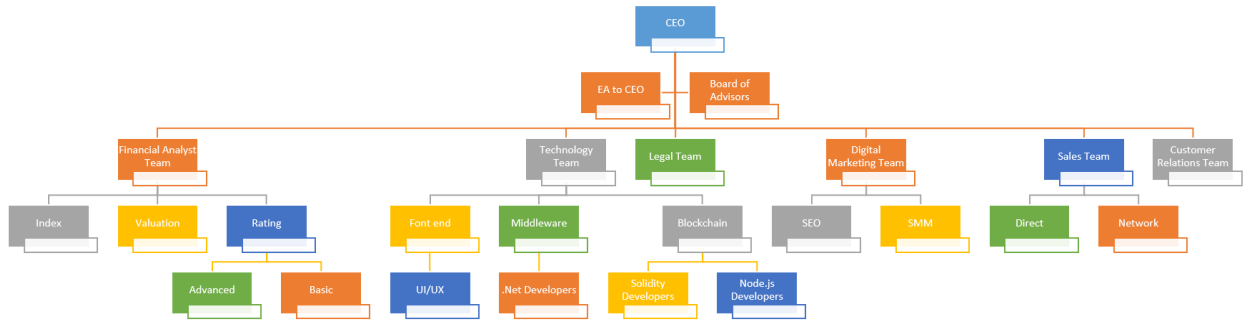
8.2   Teams

Our Teams

No idea can be work fluidly unless there is team that executes it. The success of a company doesn't lie with its founder and their vision, the company gains success when there is great team working day and night to fulfill the vision of the company. The team at CAR are bringing in experience, diverse range of skills in their own field. At CAR, the team members are seasoned players who know how to drive business growth, how to increase innovation and creativity, be more competitive and to drive efficiency and productivity into CAR. Furthermore, The Company's leadership is made of technology and finance leaders with a combined experience of 200+ years—in entrepreneurship and intrapreneurship. And at CAR the team is first and foremost passionate about the Blockchain technology and its applications. With all the success and milestones that CAR has reached, the biggest ingredient of success was its team
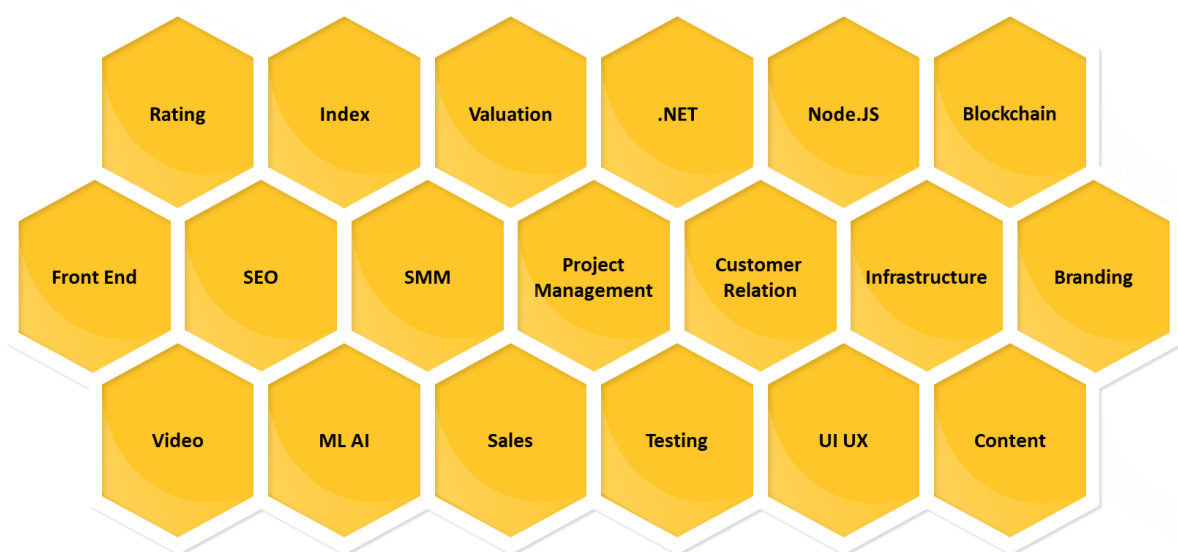
8.2.1 Management Team -

Pramod Attarde

Co-founder & CEO

Pramod has over 21 years of business experience in Technology Consulting. He has worked with multiple leading organizations including KPMG, United Nations, Federal Reserve, Forex Capital, etc. Additionally, he is the co-founder for Listings of India, Sunrise Glamour, Business Baba, and Shreyan Advisory Corporation.

Rippy Sethi

Co-founder & Chief Business Developer Officer

Rippy has over 25+ years of experience in Media, Marketing, and Real Estate. He has accomplished Business leaderership with an entrepreneurial mindset. He has specialized promoting blockchain technology based projects, defining and developing new markets, designing and implementing business strategies, plans and procedures, forming and cultivating mutually beneficial business alliances and partnerships.

Sunita Attarde, COO

Co-founder & COO Sunita has over 15 years of experience in Technology Consulting and Operations. She has worked with many large organizations such as Allianz Global, Mediterranean Shipping Company, Metroplus, Cauldwell & Wingate etc. She has managed operations as a COO at Shrapnel Infotech, Sai Technologies and Shreyan Advisory Corporation. She holds a M.Sc. in Biochemistry. Sunita is fond of music and loves to do meditation. At CAR, she is the COO and manages internal operations.

Medha Deshpande

Chief Technology Officer

Medha has 15 years of experience in Microsoft .NET Technologies. She has previously worked with Infosys, where she was a part of core development team for Windows, Web, Mobile applications and Biztalk server applications. She has successfully managed onsite as well as offshore projects and has been a part of all SDLC life stages of projects. Her domains include U.S. healthcare, Workability, U.S. Pharmacy, Automobiles, Retail market, Japanese Education system etc. She has worked for clients including Aetna, Anthem, Pfizer, Nagasaki, BMW, TUV, and Tesco. She holds a Bachelor's degree in Industrial Electronics.

8.2.2 Corporate Advisors-

Mike Binz

Corporate Advisor

Michael Binz was Former Managing Director and Global Commercial Head of Structured Finance Ratings at S&P Global Ratings. He carries a successful track record of managing global functions to rebuild brand integrity, talent and market presence. Among his focus areas are structured finance, capital markets, strategy, change management, sales and relationship building, and credit risk management.

Bhushan Bhangale

Corporate Advisor

Results driven, solutions focused senior executive with strategic enterprise Data Management/Data Quality/Data Analytics/Data Governance/Data Strategy and Change Management leadership skills. Provides leadership and direction in designing & implementing Chief Data Office in both Retail Banking as well as Corporate & Investment Banking Financial Institutions.

Harshad Pitkar

Corporate Advisor

Seasoned leader with over 16 years of experience in helping firms define, identify and implement technology strategy and solutions to further strengthen their risk and regulatory functions. Throughout his career, Harshad has helped multiple firms transform their risk and regulatory technology capabilities based on emerging technologies, peer practices and regulatory expectations.

Prior to consulting, Harshad worked at a large high frequency trading firm across front office, middle office and back office functions. As a newly inducted member of the Advisor team, Harshad brings to the table his vast network of relationships, a unique mix of deep / hands-on subject matter knowledge and extensive insights pertaining to peer practices and emerging trends.

Sachin Jaitly

Corporate Advisor

Sachin Jaitley is the founding partner of Tessera Venture Partners, a venture fund for innovative blockchain and A.I. companies, a co-founder of FlexEngage, and is on the Board of Dream Payments, and Gift Jeenie. In his previous roles, he was with Datalogix (part of

Oracle), leading development and sales, and the vice-president of The Neat Company. Before this, he was with Nokia as Controller, overseeing the financial planning for $1 billion in North American sales. Earlier, he has worked for Brewer, Attorneys and Counselors, and General Electric.

Indy Samra

Corporate Business Advisor

Indy Samra is a Private Wealth Advisor with Samra Wealth Management, a Member of Advisory Services Network, LLC. As a Private Wealth Advisor, Indy works with select families and small businesses with the goal of providing peace of mind.

Dr Naren Patel

Corporate Business Advisor

Dr Naren Patel practices internal medicine for the last 40 years in New Jersey and He will be actively involved in Fund Raise, Speaker or Creative writing and few more activities as a Corporate Advisor with us.

Saro Jahani

Corporate Advisor

Saro is a visionary and strategic technology executive, with ability to lead 'disruptive' technology innovations. Proactive cost optimizer, experienced with first hand knowledge of business process re-engineering and restructuring. He is Effective executioner with 20+ years of experience in executive and senior leadership roles. He has First hand practitioner of high-performance computing and mission critical programs.

8.2.3 Sales and Marketing Team

Bonnie Josephine Silvera (VP - Rating Services at Crypto Asset Rating Inc.)

Bonnie began her career at Ernst & Young's newly formed Risk Management Advisory Group. Bonnie worked for several different clients (including Citibank, Regions Bank, XL Reinsurance, AIG, etc.), advising them in Market Risk Management, Credit Risk Management, Operational Risk Management, and Risk Technology. Bonnie went on to work as in-house Market Risk Management for the Hess Corporation, where she reported directly to the Chief Risk Officer. Bonnie created actionable Risk Reports and ensured all risks were within Corporate Limits; in addition, Bonnie reported directly to the Treasurer for special Credit

Rating Reporting.

Harry Horwitz (VP - Real Estate Tokenization)

Harry performed various roles at Actovia to outbound sales and marketing to grow the client base. He began his journey with Crypto Asset Rating in July 2021 as Vice President for our real estate tokenization sales team.

Greg Hilsenrath (VP - Asset Tokenization (Securities))

Greg is a Sales Director at Aparavi Software Corp, where he practices solving massive unstructured data growth challenges with modern multi-cloud environments. Consult organizations on protection, retention, and archive. Solution Selling, Business Development, Account Management, Enterprise Software, Management, Salesforce.com, HubSpot, Strategic Partnerships. Deliver "Value as a Service" by helping customers maximize their spend under management, achieve significant cost savings, and drive profitability.

Frank Hale (VP - Asset Tokenization (Securities))

Frank works with Phalax Capital Group LLC, a Venture Capital firm focusing on Tech and Bio-pharma in North America to provide societal benefit to the industry and region.

9. Media Presence

We have been covered by established and well renowned publications like yahoo finance, Law.com, News Channel Nebraska, Pittsburgh Post-Gazette, Boston Herald, Townhall Finance, AZ Central, Milwaukee Wisconsin Journal Sentinel, Wall Street Select

10. Token Crowd Sale

Key Unique Things about our Token

- **Security Token backed by Class B of Common Stock**
- **Token will be subject to 12-month lock-up period.**
- **Token is available only to non-US persons, as defined in Regulation S**

Token Crowd sale is an event by which CAR plans to raise funds to build and grow CARP, TAP and Fintech Institution.

10.1 General Information – "Token Name" Token

-

Period of Sale	Sales will be made in public sale fashion. Public sale may start in August, 2021
Minimum sum of contributions (soft cap)	Bitcoin, ETH or USD in equivalent of 10,000 USD
Target sum of contributions in the Token Crowd sale process (hard cap)	Equivalent of 5,000,000 USD
Token Name" token information will be available on	https://invest.cryptoassetrating.com/
Accepted Currencies	Bitcoin (BTC), Ethereum (ETH), USD
Name of token	RATING
Symbol	RATING
Token Standard	ERC1400 Standard
Decimals	8
Role of Token	Security Token under Reg-S backed by Class B Common Stock
Countries Blocked	USA, China, North Korea
Token Issuance	After close of token sale

10.1.1   PUBLIC SALE OF Token Name TOKENS

	Model 1**		
Public Sale Token Name Token	Phase - 1	Phase - 2	Phase - 3
Start Date	August	TBD	TBD
End Date	TBD	TBD	TBD
Min " Token Name " USD Investment	3,000	3,000	3,000
Bonus Floor (%)	20%	15%	10%
Extra Bonus if Buying more Token Name Tokens in USD — 3,001 / 5,999	25%	20%	15%
Extra Bonus — 6,000 / 9,999	30%	25%	20%
Extra Bonus — 10,000 / 100,000	35%	30%	25%

	Model 2**		
Public Sale Token Name Token	Phase - 1	Phase - 2	Phase - 3
Start Date	August	TBD	TBD
End Date	TBD	TBD	TBD
Min " Token Name " USD Investment	2,000	2,000	2,000
Bonus Floor (%)	8%	7%	5%
Extra Bonus if Buying more Token Name Tokens in USD — 2,001 / 2,499	10%	9%	7%
Extra Bonus — 2,500 / 2,999	15%	12%	10%

	Model 3 **		
Public Sale Token Name Token	Phase - 1	Phase - 2	Phase - 3
Start Date	August	TBD	TBD
End Date	TBD	TBD	TBD
Min " Token Name " USD Investment	500	500	500
Bonus Floor (%)	7%	5%	3%
Extra Bonus if Buying more Token Name Tokens in USD — 501 / 999	8%	7%	5%
Extra Bonus — 1,000 / 1,999	9%	9%	7%

TBD - "To Be Decided"

* * The above models are subject to change and may be amended, from time to time, in Company's sole discretion. The Company shall take into consideration the following factors, without limitation: (i) complexities of countries in which the Offering is conducted and the

associated processes of fund transfers; (ii) KYC processes and other associated jurisdictional requirements by local financial institutions and other authorities; (iii) funds raised to date pursuant to this Offering.

10.2   Investor KYC

The Know Your Customer (KYC) procedure, where contributors disclose their personal information, is mandatory in both phases before the contribution.

The company uses [Acuant](#) KYC compliance services to automate (KYC) processes, which are often manual and time consuming, to quickly identify good customers versus the bad actors. Identity verification by Acuant is done in every country and provides access to global sanctions lists. KYC verification on TAP platform can be done for Sanctions/PEP screen, IP Geo-location, email verification, Device Fingerprint check, Virtual Currency Risk Assessment (VCRA), Document verification, Face Matching, Identity verification, and Telesign.

The ETH/USD exchange ratio can fluctuate; therefore, the soft cap and hard cap are approximate values. The total sum of collected contributions in ETH (in U.S. dollar equivalent) can deviate from the target sum.

Excess contributions in ETH, received after the hard cap is reached, will be bounced or returned to the contributing Ethereum addresses, reduced by the transactional costs(gas). All unsold and unallocated tokens will be destroyed, and additional release of tokens will not be possible.

Contributors should NOT contribute ETH directly from online exchanges, as tokens will be returned directly to those contributing address after deducting gas price, which might not be able to accommodate our tokens. All contributors MUST contribute ETH from their private Ethereum wallets.

All tokens will be distributed after the completion of the last phase and will be locked (non-transferable) for a period of one year/six months. After successful validation of the process, all tokens will be unlocked and become transferable.

All dates are in the format: MM.DD.YYYY

11. Distribution of Funds
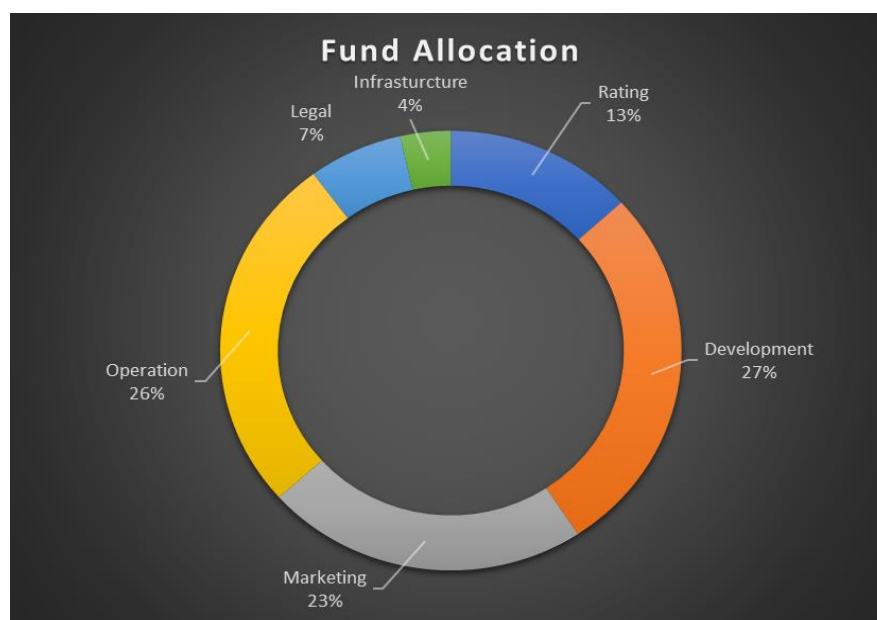
12. 30-Month Roadmap for Crypto Asset Rating

In the next 3 months – Within the next 3 months, we will have the final version of our rating system ready and we will also have the technology infrastructure completed so that the ratings can be performed on our Crypto Asset Rating Platform. All the other technology and legal infrastructure related to on boarding of clients, payment and user interface would also be completed. Also, upon conclusion of the initial round of funding, CAR aims to ensure the company's financial stability through a Token Generation Event (TGE).

The Tokenization Asset Platform will bring more issuers on board to generate revenue for crypto asset rating from platform subscription model. This would enable the company to have a full-fledged team which would be able to handle large volume of Crypto Assets to rate. Various marketing channels would be established within 3 months, so that we can reach out to issuers and investors alike in an effective way. We will also start enrolling investors for free trial. CAR will also screen, select and enroll the pool of community analysts within this time period. Crypto Business World will bring Clients and crypto experts globally on a with a monthly/annual subscription model.

In the next 3-12 months –

Launch of Composite Index	Launch of Basic Rating model
Launch of Fintech Training Platform	Launch of EA Profile Ranking Algorithm
Launch of Crowdfunding and Security Token	Launch of Strategic Partner Program
Launch of Corporate Bond Tokenization	Develop Monetization Model

Crypto Asset Rating

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Post the free trial period offered, we expect a part of the users to convert to paid customers. We will also have revenues from issuers coming up with Crypto Assets in that time frame. Hence, we will have a mix of both one- time and recurring revenue streams starting to kick in.

We would re-invest the initial revenues into acquiring more customers through marketing activities and expanding our internal team. We would also make our rating algorithm more robust with the help of feedback from the first few rating experiences. We would reach out to a wider pool of community analysts and would try to retain those who would have shown superior performance in the first few rating exercises. Internal processes would be set-up to follow a token issuer (already rated by CAR) through its lifecycle. We will reach out to issuers and investors globally through our various marketing channels.

We will be launching Composite index with focus of launching more indices in near future. The index will be available on the Crypto Business World, a high-quality media platform. Readers will analyze the market performance based on the index constituent's data and the news and articles related to index tokens on this platform.

The fintech institutions will deliver Massive Open Online Courses (MOOC) with experienced and highly educated instructors. Newbies in FinTech industry will be benefited by these courses.

We will reach out to different exchanges to integrate with our Tokenization Asset Platform.
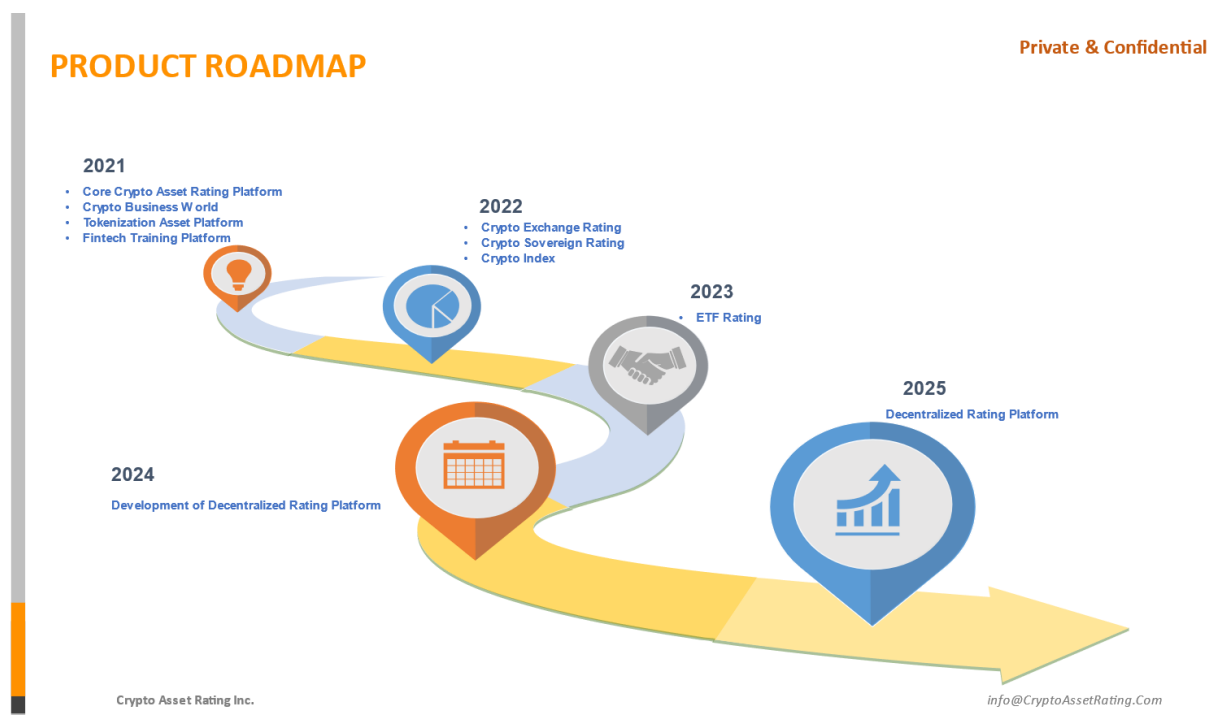
This will enable the transfer of the security tokens created on our platform on different exchanges. We will do further enhancement to the Platform to enable better experience for users. We plan to add features like, CAP table, Voting, dividend to our platform. In a addition the platform will allow to configure digital securities under different regulations such as Regulation A+ and Regulation CF.

 In the next 12-30 months
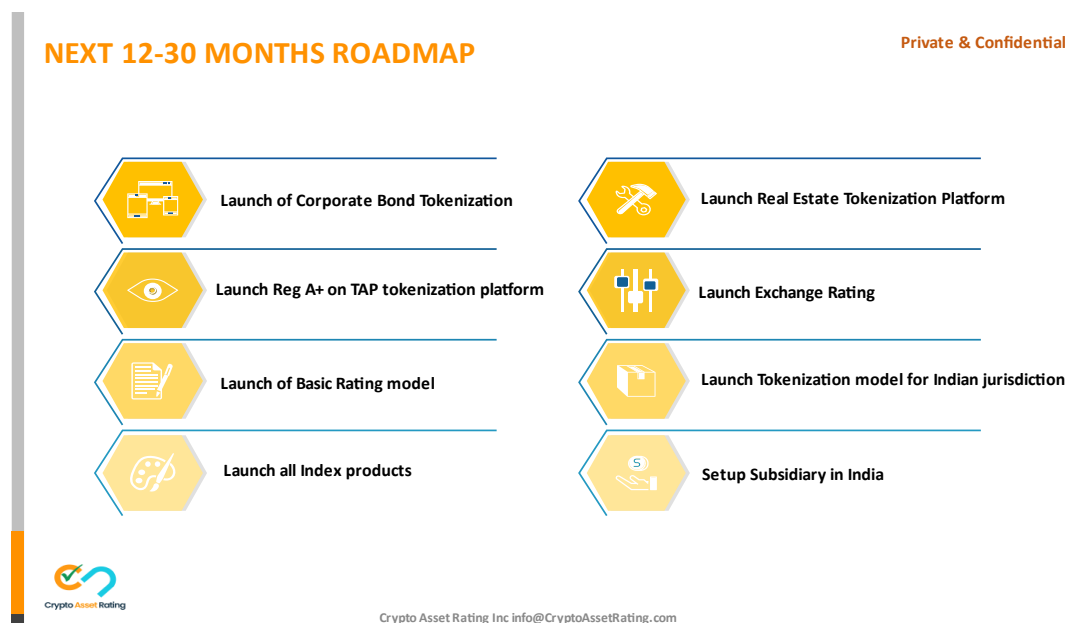
After establishing ourselves as one of the most trusted rating agencies for crypto assets, we would consolidate our position by reaching out to wider number of investors and issuers worldwide and would offer them various tiers of services depending on their size and requirement. We would leverage our existing platform to add functionalities which would add more value to clients and give rise to additional revenues streams.

Our marketing expenses would come down as our retention rates go up and organic customer acquisition rate would increase. We hope to achieve break-even and then profitability in this time period.

PRODUCT ROADMAP

2021
- Core Crypto Asset Rating Platform
- Crypto Business World
- Tokenization Asset Platform
- Fintech Training Platform

2022
- Crypto Exchange Rating
- Crypto Sovereign Rating
- Crypto Index

2023
- ETF Rating

2025
Decentralized Rating Platform

2024
Development of Decentralized Rating Platform

Crypto Asset Rating Inc.

info@CryptoAssetRating.Com

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Product Roadmap

13. Competition

Crypto Asst Rating Platform

While there are a few other platforms that claim to be offering some kind of rating for crypto assets, they are not providing a comprehensive rating framework like the one available through CAR. These rating companies have adopted a light-touch approach, with no objectivity in mind, and they do not follow any proper structure or take any risk parameters to rate assets. The rating our competitors provide are not up the standard and are not at all satisfactory. Crypto Asset Rating Inc.'s rating algorithm is objective and scientific, as compared to some others' where the ratings are mostly subjective opinions of a very limited set of individuals.

In comparison to these competitors, CAR is developing a comprehensive rating framework with 15 categories and approximately 150 parameters. The CAR model ensures that we are capturing risks that investors need to be aware of.

CAR's partially-distributed robust rating methodology includes opinions from both in-

house and external experts. Our rating process is a multi-layer approach to ensure that each crypto asset passes through multiple eyes for validation of rating scores. CAR's smart contract-based rating process provides the appropriate governance structure and auditability of the rating assigned.

We have identified 14+ categories with over 125 rating parameters. In addition to Crypto Asset Rating Inc.'s in-house rating experts with varied domain expertise, we plan to measure community confidence through our "Crowd Score", which is gathered from a selected pool of external rating analysts.

We cover four risks in our analysis- Business Risk, Technology Risk, Legal Risk, Financial Risk. Crypto Asset Rating Inc.'s rating analysts (both in-house and external) are very carefully chosen so that they meet the quality standard. These analysts not only provide scores on our platform, they author insightful articles on cryptos and thus, are always close to the market. CAR follows a strict rating governance framework which cannot be influenced by any individual involved in the rating process. Therefore, the rating assigned by CAR has the highest credibility in the investment community.

CAR regularly reviews the rating and accordingly upgrades or downgrades the rating to ensure that its relevant to existing conditions of the company and market. CAR has created an easy-to-understand rating grid for rating digital securities so investors can easily understand the investment offering/proposal. Analyzing a digital security can take a lot of time and effort and requires knowledge and understanding of the crypto market. CAR takes all essential factors into consideration. With CAR investors can rely on their ratings and save a lot of time and effort.

CAR helps investors to understand the credibility of offering with their rigorous rating process. They take into consideration all the major qualitative and quantitative factors and help investor in assessing the risk related to that particular asset.

To find if the offering is good or not requires mountains of time, and effort and it takes an experienced hand to ensure that a perspective is being maintained while depth is being explored. It is a healthy combination of experience, knowledge, and facts to do a deep dive into the offering.

The purpose of rating an asset before purchasing is to gain knowledge that can be used to make proper investment decisions. The quality of knowledge, therefore, determines the quality of decisions being made. Most often investors tend to make investment decisions based on commonly held beliefs.

Crypto Business World

Crypto Business World is top of the class content platform which is trusted by the crypto community and is dedicated to providing quality content to its readers. In comparison to its competitors, CBW is not only publishing traditional cryptocurrency content like bitcoin or Ethereum, CBW covers a wide range of topics from DeFi to Altcoins to crypto mining to NFT to blockchain to traditional finance. Crypto Business World publishes daily breaking news from all over the globe and publishes analysis articles which are connected to daily news so that readers of CBW will stay informed and get extensive knowledge about a certain topic. Unlike the competition, Crypto Business World is not just a news website, it's a crypto community hub. CBW has a 'Learn' section where readers can information and knowledge from blockchain to crypto. Furthermore, CBW has an 'Inspiration' page where CBW has covered the most influential and inspirational people in the crypto world. Readers can get a better idea and understand how these market leaders become successful. CBW has also a job portal so that job seekers can find the best job in our community. CBW has an Event page where it covers global crypto events where folks who are interested can find and attend crypto events. Crypto Business World has an in-house team of content writers, external analysts, and a selective group of individual content creators dedicated to providing value to our community. The overgrowing readership on CBW is a testament to the quality, objectivity, and unbiasedness that CBW provides.

Tokenization Asset Platform –

Tokenization Asset platform provides a tokenization platform that provides an end-to-end solution for those who wish to tokenize their asset. Compared to the competition, TAP not only offers tokenization service but also offers consulting and compliance services. With consulting service, TAP can help companies who want to launch their own token and help them with raising capital. TAP offers tokenization strategies, initial legal agreement templates, partner identification, jurisdiction to ensure tokens remain compliant both in

the issuer's as well as investor's jurisdiction and business analysis and project management and with compliance service, through third-party. TAP can provide KYC, AML, legal disclaimers, transaction monitoring services, investor whitelisting, accredited investor status check

Digital securities are tokenized on Ethereum blockchain which has become the industry standard for tokenization of assets.

Unlike the competition, TAP allows issuers to create, issue, and distribute compliant security tokens for Reg D, Reg S, and Reg A+ and not only in single jurisdiction but various jurisdiction and deploy a smart contract.

In contrast with other companies, through tokenization asset platform, digital securities of equity, bond, real estate, funds, auto loans and intellectual property rights can be created. The platform when compared to its competitors is designed in such a way that easy to use and user friendly. TAP is one of the most legally compliant platform where investors can invest in compliant security token with security measures like KYC and AML/CTF verification

As compared to other tokenization companies, TAP provides create securities on TAP, token modelling, Whitepaper writing service, , Smart contract option, various legal document templates, TAP can give dedicated website to issuer, Vesting, securities recovery process, voting option where voting event for token holders can be easily managed, Cap Table which can show current ownership of security tokens, dividend distribution and whitelisting of wallet.

14. Conclusion

Crypto Asset Rating Inc. is a fintech company transforming global capital markets through their rating, tokenization, media services, and training platform. Crypto Asset Rating Inc. is developing a win-win model for business, regulators, and industries. The company is bringing disruption in global capital markets.

Crypto Asset Rating Inc. is a company existing to guide investors in offsetting high-risk propositions and allowing them to make smarter investment decisions by providing comprehensive information based on elaborate and detailed criteria on listed token issuers. Investors will have the ability to have intricate analysis of crypto assets, whereby saving time and minimizing financial risk. There is an enormous interest in crypto assets, and CAR plans to become a major player in the fintech industry. Tokenization Asset Platform allows small and medium businesses to raise capital through their asset

tokenization. TAP does this by leveraging tokenization technology to fractionalize ownership of Equities, Bonds, Shares, and Commercial/Residential Real Estate. Issuers and private investors have early liquidity options through the issuance and tradability of asset-backed digital securities on the Tokenization Asset Platform. With innovative and pioneering products like Crypto Asset Rating Platform (CARP) and Tokenization Asset Platform (TAP), Crypto Asset Rating Inc has set the perfect example of reinvention of the financial system.

15. Disclaimers

PROSPECTIVE INVESTORS SHOULD READ IN DETAIL THE COMPANY WHITE PAPER, OFFERING MEMORANDUM AND OTHER RELEVANT DOCUMENTS ("OFFER DOCUMENTS") AND SEEK INDEPENDENT LEGAL AND FINANCIAL ADVICE, OR INDEPENDENTLY RESEARCH AND VERIFY ANY INFORMATION THAT THEY FIND ON THE COMPANY WEBSITE OR IN THE OFFER DOCUMENTS FOR THE PURPOSE OF MAKING AN INVESTMENT DECISION OR OTHERWISE. THE WEBSITE OR THE OFFER DOCUMENTS DO NOT CONTAIN ANY LEGAL OR FINANCIAL ADVICE AND POTENTIAL INVESTORS SHOULD REFER TO THE APPLICABLE PROVISIONS OF THE SECURITIES LEGISLATION IN THEIR RESPECTIVE JURISDICTION FOR THE PURPOSE OF THE INVESTMENT OR CONSULT WITH A LEGAL AND FINANCIAL ADVISOR.

PROSPECTIVE INVESTORS SHOULD READ THE COMPANY OFFER DOCUMENTS CAREFULLY BEFORE INVESTING IN TOKENS AND SHOULD BE AWARE THAT INVESTMENT IN COMPANY INVOLVES A HIGH DEGREE OF RISK. PEASE READ THE SECTIONS IN THE OFFER DOCUMENTS ENTITLED "RISK FACTORS", "NOTICE TO INVESTORS" AND "TRANSFER RESTRICTIONS" FOR A DISCUSSION OF RISKS AND OTHER FACTORS WHICH SHOULD BE CONSIDERED PRIOR TO ANY INVESTMENT IN COMPANY.

THE TOKENS ARE BEING OFFERED ONLY IN THOSE JURISDICTIONS WHERE THEY MAY BE LAWFULLY PERMITTED TO BE OFFERED FOR SALE AND THEREIN ONLY TO THOSE PERSONS TO WHOM THEY MAY BE LAWFULLY OFFERED FOR SALE. PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF

THEIR CITIZENSHIP, RESIDENCE, DOMICILE, AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING, OR DISPOSAL OF TOKENS, AND ANY FOREIGN EXCHANGE RESTRICTIONS THAT MAY BE RELEVANT THERE TO THE DISTRIBUTION OF OFFER DOCUMENTS, AND THE OFFER AND SALE OF TOKENS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. THIS OFFER BY COMPANY DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY IN ANY COUTRY, STATE OR JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION IN SUCH COUNTRY, STATE OR JURISDICTION, ESPECIALLY IN CHINA, SOUTH KOREA, MACAU, RUSSIA AND DUBAI.

THE OFFER OF TOKENS IN THE UNITED STATES IS BEING MADE PURSUANT TO RULE 506(C) OF REGULATION D OF THE SECURITIES ACT AND PARTICIPATION IN THE OFFERING IS LIMITED TO (I) INSIDE THE UNITED STATES TO "ACCREDITED INVESTORS" (AS DEFINED UNDER THE SECURITIES ACT, RULE 506 OF REGULATION D) CONSIDERED "A SAFE HARBOR" FOR THE PRIVATE OFFERING EXEMPTION OF SECTION 4(A)(2) OF THE SECURITIES ACT OF 1933 AS AMENDED AND (II) NON-U.S. PERSONS (AS DEFINED IN SECTION 902 OF REGULATION SUNDER THE SECURITIES ACT) IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S OF THE SECURITIES ACT OF 1933.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INVESTIGATIONS AND EVALUATIONS OF COMPANY, INCLUDING THE MERITS AND RISKS INVOLVED IN AN INVESTMENT IN VOMPANY.

THE COMPANY TOKENS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR ANY EUROPEAN UNION OR UNITED STATES STATE BLUE SKY SECURITIES LAWS, OR THE LAWS OF ANY OTHER JURISDICTION. THE COMPANY TOKENS WILL BE OFFERED AND SOLD UNDER EXEMPTIONS UNDER THE LAWS OF THE JURISDICTIONS WHERE THE OFFERING WILL BE MADE. CONSEQUENTLY, INVESTORS WILL NOT BE AFFORDED THE PROTECTIONS OF THESE ACTS.

A PROSPECTIVE INVESTOR SHOULD THOROUGHLY REVIEW THE INFORMATION CONTAINED HEREIN, AND THE TERMS CONTAINED IN THIS OFFERING

MEMORANDUM, AND CAREFULLY CONSIDER WHETHER AN INVESTMENT IN THE COMPANY TOKENS IS SUITABLE TO THE INVESTOR'S FINANCIAL SITUATION AND GOALS.

NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IS MADE BY THE COMPANY AS TO THE REASONABLENESS OR ACCURACY OF THE PROJECTIONS OR ESTIMATES OR MILESTONES AND, AS A RESULT, SUCH PROJECTIONS, ESTIMATES, AND MILESTONES SHOULD BE VIEWED SOLELY AS AN ORDERLY REPRESENTATION OF ESTIMATED RESULTS IF UNDERLYING ASSUMPTIONS ARE REALIZED. INVESTORS SHOULD SUBJECT THE PROJECTIONS, ESTIMATES, AND MILESTONES TO REVIEW BY THEIR OWN PROFESSIONAL ADVISORS. PROSPECTIVE INVESTORS SHOULD BEAR IN MIND THAT PAST PERFORMANCE, IF ANY, IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE COMPANY WILL ACHIEVE COMPARABLE RESULTS.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INVESTIGATIONS AND EVALUATIONS OF THE COMPANY, INCLUDING THE MERITS AND RISKS INVOLVED IN AN INVESTMENT THEREIN. PRIOR TO ANY INVESTMENT, THE COMPANY WILL GIVE INVESTORS THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS AND ADDITIONAL INFORMATION FROM IT CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND OTHER RELEVANT MATTERS TO THE EXTENT THE COMPANY POSSESSES THE SAME OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.