

OFFERING MEMORANDUM

describing the Offering of up to:

47,333,834 CCNA REGULATED TOKENS

to be issued by

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC



LIMITED TO FIRST 2,000 INVESTORS

The Private Placement Memorandum (this “Memorandum”) has been prepared by CONVERTIBLE CONCEPTS NORTH AMERICA, LLC (“we”, “our”, “us”, or the “Token Issuer”) for use only by “Accredited Investors” (“you”, “your”, or the “Subscriber(s)”) to whom we are offering, pursuant to Rule 506(c) of the U.S. Securities Act and Regulation D promulgated thereunder, or to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the offering will be made (the “Offering”), for one or more CCNA Regulated Tokens (“CCNA Tokens” or the “Tokens”) as described in this Memorandum. The Offering shall be for a period of twelve (12) months, or until the maximum raise is met, whichever comes first; however, the Executive Management Team reserves the right to terminate or extend the offering period at its sole discretion. The Tokens and our overall strategy and business model are more fully described in the Token Issuer’s Deck and Business Plan attached and incorporated into this Memorandum as Exhibit A. The form of our Subscription Agreement is attached and incorporated into this Memorandum in Exhibit C. There can be no assurance our objectives may be achieved. (See “Risk Factors”).

The Executive Management Team reserves the right to amend this private placement in order to comply with securities regulations of jurisdictions not contemplated herein. However, no such amendment shall occur whereby substantive compliance with U.S. federal and state securities regulations shall occur. Any such amendment shall be subject to approval by FINRA, and by no way would affect the rights of the prospective investor.

OUR TOKENS INVOLVE A HIGH DEGREE OF RISK AS FURTHER DESCRIBED IN THE “RISK FACTORS” SECTION OF THIS MEMORANDUM. YOU SHOULD SUBSCRIBE ONLY

IF YOU CAN BEAR THE RISK OF A NON-LIQUID INVESTMENT AND CAN AFFORD A POTENTIAL TOTAL LOSS OF YOUR SUBSCRIPTION. NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES AUTHORITY HAS APPROVED OR DISAPPROVED OF THE OFFERING OR DETERMINED IF THIS MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

FOR MORE INFORMATION, PLEASE CONTACT US:

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The date of this Memorandum is June 28, 2023

As a Subscriber, you will be required to execute a Subscription Agreement (as amended, restated and/or otherwise modified from time to time) and a Suitability Questionnaire, the forms of which are attached to and incorporated into this Memorandum as Exhibit C, in order to subscribe for Tokens. This Memorandum contains a summary of the Subscription Agreement, the Tokens, and certain other documents referred to herein. However, the summaries in this Memorandum do not purport to be complete, are subject to amendment, restatement, and modification, and are subject to and qualified in their entirety by reference to the actual text of the relevant document, copies of which will be provided to each prospective Subscriber upon request. Each prospective Subscriber should review the Subscription Agreement and such other documents set forth in this Memorandum for complete information concerning the rights, privileges and obligations of Token Subscribers. If any of the terms, conditions or other provisions of the Subscription Agreement or such other documents are inconsistent with or contrary to the descriptions or terms in this Memorandum, this Memorandum shall prevail. We reserve the right to modify the terms of the Offering and the Tokens described in this Memorandum without notice, and the Tokens are offered subject to the Token Issuer's ability to reject any commitment in whole or in part for any or no reason.

The Tokens have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any United States state securities laws or the laws of any non-U.S. jurisdiction. The Tokens will be offered and sold in the United States only under the exemption provided by Rule 506(c) of the U.S. Securities Act and Regulation D promulgated thereunder, or to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made. We will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Consequently, Subscribers will not be afforded the protections of the Investment Company Act.

The Tokens described in this Memorandum are subject to restrictions on transferability and resale and may not be transferred or resold unless an exemption from registration is available. Examples of potentially available exemptions may include Section 4(a)(7) of the U.S. Securities Act, Sections 4(a)(1) and 4(a)(2) of the same, and/or Rule 144 of Regulation D of the same. Please consult with your own securities counsel as to such matters. Subscribers should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

A subscription to our Tokens involves a high degree of risk, volatility, and illiquidity. A Prospective Subscriber should thoroughly review the information contained herein and the terms of the Subscription

Agreement, and carefully consider whether a subscription to the Tokens is suitable to the Subscriber’s financial situation and goals.

No person has been authorized to make any statement concerning the Token Issuer or the sale of the Tokens discussed herein other than as set forth in this Memorandum, and any such statements, if made, must not be relied upon.

Subscribers should make their own investigations and evaluations of the Tokens that will be delivered pursuant thereto, including the merits and risks involved in an investment therein. Prior to any subscription, the Token Issuer will give Subscribers the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of the Offering and other relevant matters to the extent the Token Issuer possesses the same or can acquire it without unreasonable effort or expense. Subscribers should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Tokens upon their delivery, and as to the income and other tax consequences to them of such acquisition, holding and disposition. This Memorandum does not constitute legal, tax, or financial advice from the Token Issuer and/or any of its Affiliates, counsel, advisors, or consultants. You should retain your own advisors to advise you in such matters prior to subscribing.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the U.S. Securities and Exchange Commission nor any other U.S. federal, state or non-U.S. regulatory authority has approved a subscription to the Tokens. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Memorandum, nor is it intended that the foregoing authorities will do so. Any representation to the contrary is a criminal offense.

Investments in the Token are denominated in United States dollars (USD \$). Subscribers may tender United States dollars, USDC, or Ethereum in exchange for the Tokens. However, we reserve the right to change the currencies, tokens, or other consideration accepted without additional notice. Such currencies are subject to any fluctuation in the rate of exchange and, in the case of digital assets, the exchange values. Such fluctuations may have a material adverse effect on the value, price or income of a Subscriber’s subscription to the Tokens.

	Price to Subscribers	Selling Commissions and	Proceeds to Token Issuer
	\$0.50 per Token	Discounts (1)(3)	or Other Persons (2)
Minimum Subscription (3)(6)	USD \$2,000(3)	(see Footnote 1 below)	USD \$1,920
Total Minimum (4)(6)	N/A	N/A	N/A
Total Maximum (5)(6)	N/A	(see Footnote 1 below)	N/A

FOOTNOTES:

(1) The Offering will be conducted by the officers, directors, and personnel of the Token Issuer (see “Executive Management Team”). Additionally, the Token Issuer has engaged INX Securities, LLC, member of FINRA/SIPC, to act as the broker/dealer of record in order to assist with the facilitation of the

Token Offering, including but not limited to, KYC/AML reviews and overseeing the whitelisting and onboarding of investors in connection with the sale of Tokens by the Company on the INXS platform (“Platform”). For these services, INX Securities, LLC will receive a fee of four percent (4%) of the funds raised through this Offering.

(2) Before deducting expenses payable directly by the Token Issuer or reimbursable to Affiliates, including, but not limited to, due diligence, marketing, legal, compliance, accounting, bookkeeping, administrative, printing, Offering, and/or other non-accountable expenses incurred in connection with the Offering (See “Estimated Use of Proceeds”) or compensation to our Token Issuer and/or its affiliates in connection with their management of Token Issuer affairs (See “Conflicts of Interest” and “Compensation”).

(3) The minimum subscription amount may be waived in our sole discretion. The Offering may be extended, withdrawn, or closed at any time in our sole discretion without notice.

(4) The Token Issuer does not need to receive any set minimum number or amount of Subscriptions to commence utilizing funds. Your Subscription funds will not be escrowed and shall become available for our immediate use.

(5) The Offering may be closed or modified or amended or expanded at any time without notice for any or no reason.

(6) The Subscription Price of CCNA Tokens is equal to USD \$0.50 per CCNA Token. Threshold discounts (the “Threshold Discounts”) are also being offered and begin at a minimum of a \$250,000.00 subscription. Please see “Summary of the Offering” for full details on these Threshold Discounts.

CCNA TOKEN HOLDING PERIOD

CCNA Tokens are being offered from the United States of America and according to the laws of the U.S.A., CONVERTIBLE CONCEPTS NORTH AMERICA, LLC is offering the CCNA Tokens pursuant to Rule 506(c) of the U.S. Securities Act and Regulation D promulgated thereunder. Purchase of CCNA Tokens through our Offering Memorandum will be executed via a Subscription Agreement. As a general rule, the Tokens shall be deemed restricted in accordance with the Securities Act for at least twelve (12) months unless availed of an exemption. Examples of potentially available exemptions may include Section 4(a)(7) of the U.S. Securities Act, Sections 4(a)(1) and 4(a)(2) of the same, and/or Rule 144 of Regulation D of the same, or holding periods allowed to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made, for one or more Tokens as described in this Memorandum. Please consult with your own securities counsel as to such matters.

IMPORTANT NOTICES ABOUT INFORMATION PRESENTED IN THIS MEMORANDUM

The information contained in this Memorandum is furnished for your own personal use as a potential Subscriber of the Token Issuer. By receiving this Memorandum, you agree not to transmit, reproduce or make this Memorandum or any related exhibits or documents available to any other person or entity. If you do not agree to this condition, you will please return this Memorandum to the address on the cover, postage pre-paid, within three (3) days of your receipt, or to support.convertibleconcepts@inx.co. Your failure to

keep this Memorandum strictly for your own personal use may cause the Token Issuer to incur actual damages of an indeterminable amount, subjecting you to potential legal liability.

The Offering is available only to Subscribers who meet the criteria set forth in this Memorandum (See “Who May Subscribe”). However, we reserve the right to deny any subscription for Tokens for any or no reason. This Memorandum does not constitute an offer to sell any Tokens in any jurisdiction or to any person to whom it is unlawful to make such an offer in such jurisdiction. An offer may be made only by an authorized representative of the Token Issuer and must be accompanied by an original copy of this Memorandum including all exhibits. The Tokens will be offered by the Token Issuer through our officers, directors, or managers on a “best efforts” basis. Broker-dealers who are members of the Financial Industry Regulatory Authority (“FINRA”) may also participate on the same basis.

No dealer, salesman or other person unaffiliated with us have been authorized to give you any information or make any representations other than those contained in this Memorandum. If you receive other information, do not rely on it. Our affairs may have changed materially since the date on the cover of this Memorandum. Neither delivery of this Memorandum nor any sales made hereunder shall, under any circumstances, create an implication that there has been no material change in our affairs since that date.

You and/or your advisors and representatives may ask questions of, and receive answers from, the Token Issuer concerning the terms and conditions of the Offering as well as our overall objectives. We also will endeavor to provide you with any additional information, to the extent we possess such information or can acquire it without unreasonable effort or expense, necessary to substantiate the information set forth in this Memorandum. Tokens acquired through the Offering may not be transferred without the express written permission of the Token Issuer or in the absence of an effective registration statement unless the prospective transferee establishes, to the satisfaction of the Token Issuer, that an exemption from registration is available. Please consult with your own securities counsel as to such matters. Certificates evidencing ownership of Tokens or Tokens, if issued, shall bear a restrictive legend to this effect.

Subscription of our Tokens may not be suitable for individuals or entities who do not meet the suitability requirements established by the Token Issuer or who cannot afford a non-liquid, speculative investment. (See “Risk Factors”). The Token Issuer does not need to receive any set minimum number or amount of Subscriptions to commence utilizing funds. Your Subscription funds will not be escrowed and shall become available for our immediate use. We reserve the right to cancel or modify the Offering, to reject subscriptions for Tokens in whole or in part, to waive conditions to the purchase of Tokens, and/or to accept a limited number of Subscribers. See “Terms of the Offering.”

U.S. STATE NOTICE LEGENDS

THE PRESENCE OF A LEGEND FOR ANY GIVEN U.S. STATE JURISDICTION REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT JURISDICTION AND SHOULD NEITHER BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN ANY PARTICULAR JURISDICTION NOR THAT THE TOKEN ISSUER IS SUBJECT TO THE SECURITIES LAWS OF ANY U.S. STATE JURISDICTION.

THE PRESENCE OF A LEGEND FOR ANY GIVEN JURISDICTION REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT JURISDICTION AND SHOULD NEITHER BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN ANY PARTICULAR JURISDICTION NOR THAT THE COMPANY IS SUBJECT TO THE SECURITIES LAWS OF ANY NAMED JURISDICTION. IN THE EVENT ANY CITED STATE-SPECIFIC EXEMPTION IS UNAVAILABLE FOR THE OFFERING FOR WHATEVER REASON, THE BOND ISSUER NEVERTHELESS CLAIMS EXEMPTION PURSUANT TO SECTION 18(b)(4)(D) OF THE SECURITIES ACT OF 1933, AS AMENDED.

FOR ALABAMA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR ALASKA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR ARIZONA RESIDENTS: THESE SECURITIES MAY BE SOLD ONLY TO “ACCREDITED INVESTORS” FOR INVESTMENT AND NOT IN CONNECTION WITH A DISTRIBUTION. INVESTORS MAY NOT RESELL THE SECURITIES UNLESS THE SECURITIES ARE FIRST REGISTERED OR QUALIFY FOR AN EXEMPTION FROM REGISTRATION. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE ARIZONA CORPORATION COMMISSION NOR HAVE THEY PASSED UPON THE MERITS OF OR OTHERWISE

FOR ARKANSAS RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR CALIFORNIA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR COLORADO RESIDENTS: THIS INFORMATION IS DISTRIBUTED PURSUANT TO AN EXEMPTION FOR SMALL OFFERINGS UNDER THE RULES OF THE COLORADO SECURITIES DIVISION. THE SECURITIES DIVISION HAS NEITHER REVIEWED NOR APPROVED ITS FORM AND CONTENT. THE SECURITIES DESCRIBED MAY ONLY BE

PURCHASED BY “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D AND THE RULES OF THE COLORADO SECURITIES DIVISION.

FOR CONNECTICUT RESIDENTS: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THESE SECURITIES ARE AVAILABLE ONLY TO “ACCREDITED INVESTORS” AND HAVE NOT BEEN REGISTERED UNDER THE CONNECTICUT UNIFORM SECURITIES ACT AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER SUCH ACT OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR DELAWARE RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE DELAWARE SECURITIES ACT AND ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 503 OF THE DELAWARE SECURITIES ACT. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. FOR FLORIDA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR GEORGIA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR HAWAII RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE HAWAII UNIFORM SECURITIES ACT (MODIFIED), BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE FACT THAT IT IS AVAILABLE ONLY TO “ACCREDITED INVESTORS”. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR IDAHO RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR ILLINOIS RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR INDIANA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE INDIANA BLUESKY LAW AND ARE OFFERED PURSUANT TO INDIANA SECURITIES COMMISSION ADMINISTRATIVE ORDER “MODEL ACCREDITED INVESTOR EXEMPTION” (FEBRUARY 27, 1998), AS AMENDED. THESE SECURITIES MAY BE TRANSFERRED OR RESOLD ONLY IF SUBSEQUENTLY REGISTERED OR IF AN

EXEMPTION FROM REGISTRATION IS AVAILABLE. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR IOWA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR KANSAS RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE KANSAS SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO SECTION 81-5-13 OF THE KANSAS ADMINISTRATIVE REGULATIONS, AS AMENDED. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.]

FOR KENTUCKY RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION. FOR LOUISIANA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MAINE RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MAINE UNIFORM SECURITIES ACT OF 2005, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO CHAPTER 537 OF THE RULES OF THE MAINE OFFICE OF SECURITIES. THESE SECURITIES ARE AVAILABLE TO “ACCREDITED INVESTORS” ONLY AND CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR MARYLAND RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MASSACHUSETTS RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MICHIGAN RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MINNESOTA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D

PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MISSISSIPPI RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR MISSOURI RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MISSOURI SECURITIES ACT OF 2003, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO 15 CSR 30-54-215 RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR MONTANA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR NEBRASKA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF NEBRASKA, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER SECTION 8-1111.8 OF SAID ACT. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR NEVADA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE NEVADA SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER SECTION 90.536 OF THE NEVADA ADMINISTRATIVE CODE. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR NEW HAMPSHIRE RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR NEW JERSEY RESIDENTS: THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. THE FILING OF THE WITHIN OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE OR THE SALE THEREOF BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEW JERSEY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THESE

SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE NEW JERSEY SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER NEW JERSEY SECURITIES BUREAU ADMINISTRATIVE ORDER DATED MARCH 24, 1998. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR NEW MEXICO RESIDENTS: IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE NEW MEXICO SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY IN ACCORDANCE WITH SECTION 58-13B-28E OF SAID ACT AND SECTION 12.11.12.20 OF THE NEW MEXICO ADMINISTRATIVE CODE. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR NEW YORK RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR NORTH CAROLINA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR NORTH DAKOTA RESIDENTS: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE NORTH DAKOTA SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO SECTION 10-04-06(17) OF THE NORTH DAKOTA CENTURY CODE (N.D.C.C.) DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR OHIO RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE OHIO SECURITIES ACT, AS AMENDED,

BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER SECTION 1707.03(Y) OF THE OHIO REVISED CODE. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR OKLAHOMA RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR PENNSYLVANIA RESIDENTS: THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER SECTION 201 OF THE PENNSYLVANIA SECURITIES ACT OF 1972, AS AMENDED, AND ARE ONLY AVAILABLE TO “ACCREDITED INVESTORS” AS PER SECTION 203(t) OF SAID ACT. THESE SECURITIES MAYBE RESOLD BY RESIDENTS OF PENNSYLVANIA ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF SAID ACT OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE. EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE SECURITIES EXEMPTED FROM REGISTRATION DIRECTLY FROM AN ISSUER OR AFFILIATE OF AN ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY), OR ANY OTHER PERSON WITHIN TWO BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO WRITTEN BINDING CONTRACT OF PURCHASE, WITHIN TWO BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED. NEITHER THE PENNSYLVANIA SECURITIES COMMISSION NOR ANY OTHER AGENCY HAS PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING, AND ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. PENNSYLVANIA SUBSCRIBERS MAY NOT SELL THEIR SECURITIES INTERESTS FOR ONE YEAR FROM THE DATE OF PURCHASE IF SUCH A SALE WOULD VIOLATE SECTION 203(d) OF THE PENNSYLVANIA SECURITIES ACT.

FOR RHODE ISLAND RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE RHODE ISLAND SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO RULE 403(c)-1 OF THE REGULATIONS OF THE RHODE ISLAND DIVISION OF SECURITIES DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR SOUTH CAROLINA RESIDENTS: THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER ONE OR MORE SECURITIES ACTS, INCLUDING, BUT NOT LIMITED TO, EXEMPTIONS AVAILABLE UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT OF 2005, AS AMENDED, PURSUANT TO SOUTH CAROLINA SECURITIES DIVISION ORDER 97018 DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS

INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

FOR SOUTH DAKOTA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SOUTH DAKOTA UNIFORM SECURITIES ACT OF 2002, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER CLAIMED PURSUANT TO SECTION 20:08:07:29 OF SOUTH DAKOTA ADMINISTRATIVE RULES DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR TENNESSEE RESIDENTS: THESE SECURITIES MAY ONLY BE OFFERED OR SOLD TO “ACCREDITED INVESTORS” AS DEFINED BY RULE 501(a) OF SEC REGULATION D PURSUANT TO AVAILABLE FEDERAL AND/OR STATE EXEMPTIONS FROM REGISTRATION.

FOR TEXAS RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE TEXAS SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER RULE 139.19 OF THE TEXAS ADMINISTRATIVE CODE. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT IS SUITABLE IF IT DOES NOT EXCEED 10% OF THE INVESTOR’S NET WORTH.

FOR UTAH RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE UTAH UNIFORM SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY PURSUANT TO RULE R164-14-25s OF THE UTAH ADMINISTRATIVE CODE. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR VERMONT RESIDENTS: INVESTMENT IN THESE SECURITIES INVOLVES SIGNIFICANT RISKS AND IS SUITABLE ONLY FOR PERSONS WHO HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THEIR INVESTMENT AND WHO CAN BEAR THE ECONOMIC RISK OF A LOSS OF THEIR ENTIRE INVESTMENT. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT

FOR AN INDEFINITE PERIOD OF TIME. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933 AND THE VERMONT SECURITIES ACT, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE VERMONT SECURITIES ACT, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY PURSUANT TO THE ORDER ISSUED UNDER SECTION 4204(a)(15) OF SAID ACT BY THE COMMISSIONER OF BANKING, INSURANCE, SECURITIES AND HEALTHCARE ADMINISTRATION OF THE STATE OF VERMONT ON JULY 10, 2000.

FOR VIRGINIA RESIDENTS: THESE SECURITIES ARE BEING ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION AND QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND SHALL NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM. THESE SECURITIES ARE ONLY AVAILABLE TO “ACCREDITED INVESTORS” PURSUANT TO 21 V.A.C. 5-40-140.

FOR WASHINGTON RESIDENTS: THIS OFFERING HAS NOT BEEN REVIEWED OR APPROVED BY THE WASHINGTON SECURITIES ADMINISTRATOR AND THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON. THE ISSUER IS CLAIMING AN EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 460-44A-300 OF THE WASHINGTON ADMINISTRATIVE CODE WHICH PROVIDES AN EXEMPTION FOR OFFERINGS MADE AVAILABLE ONLY TO “ACCREDITED INVESTORS”. NO DETERMINATION HAS BEEN MADE AS TO WHETHER THE ISSUER QUALIFIES FOR THIS EXEMPTION. THESE SECURITIES MAY BE TRANSFERRED OR RESOLD BY RESIDENTS OF WASHINGTON ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THE ACT OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTOR MUST RELY ON THE INVESTOR’S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED, IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

FOR WEST VIRGINIA RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF WEST VIRGINIA, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER THE WEST VIRGINIA SECURITIES COMMISSIONER’S ORDER PROMULGATING PROCEDURES FOR IMPLEMENTATION OF AN ACCREDITED INVESTOR EXEMPTION DATED MARCH 29, 1999. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS

THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR WISCONSIN RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE WISCONSIN UNIFORM SECURITIES LAW, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER RELATING TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY (SECTION 551.23(8)(g), WISCONSIN STATUTES). THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

FOR WYOMING RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE WYOMING UNIFORM SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS CLAIMED THEREUNDER DUE TO THE AVAILABILITY OF THE OFFERING TO “ACCREDITED INVESTORS” ONLY AS PER CHAPTER 9 SECTION 3 OF THE WYOMING SECURITIES DIVISION REGULATIONS. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT SHOULD NOT EXCEED 20% OF THE INVESTOR’S NET WORTH.

FOR RESIDENTS OF ALL OTHER U.S. JURISDICTIONS: THIS OFFERING IS NOT AVAILABLE TO YOU UNLESS (1) YOU ARE AN ACCREDITED INVESTOR, (2) YOUR STATE OR JURISDICTION RECOGNIZES AN EXEMPTION FROM REGISTRATION IN GENERAL ACCORD WITH THE MODEL ACCREDITED INVESTOR EXEMPTION (MAIE) AS ADOPTED BY THE NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION (NASAA), AND/OR (3) A FEDERAL EXEMPTION IS AVAILABLE PURSUANT TO SECTION 18(b)(4)(D) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE TOKENS HAVE NOT BEEN RECOMMENDED BY OR REGISTERED WITH ANY GOVERNMENT SECURITIES COMMISSION OR REGULATORY AUTHORITY. TO THE EXTENT ANY SUCH AUTHORITY HAS JURISDICTION OVER THE TOKEN ISSUER, THE TOKENS ARE BEING OFFERED PURSUANT TO ANY AVAILABLE EXEMPTION FROM REGISTRATION. FURTHERMORE, NO GOVERNMENT SECURITIES COMMISSION OR REGULATORY AUTHORITY HAVE CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

NOTICES OF RESTRICTIONS ON SALES IN SELECT NON-U.S. JURISDICTIONS

The presence of a legend for any given jurisdiction reflects only that a legend may be required by that jurisdiction and should not be construed to mean an offer or sale may be made in any particular jurisdiction.

FOR AUSTRALIA RESIDENTS: No offer for subscription or purchase of the Tokens offered hereby, nor any invitation to subscribe for or buy such Tokens has been made or issued in Australia, otherwise than by means of an excluded issue, excluded offer or excluded invitation within the meaning of Section 66(2) or 66(3) of the Corporations Law. Accordingly, the Offering Memorandum has not been lodged with the Australian Securities Commission. Further, the Tokens offered hereby may not be resold in Australia within a period of six months after the date of issue otherwise than by means of an excluded offer or excluded invitation as described above.

FOR RESIDENTS OF THE BAHAMAS: The Tokens may not be offered or sold or otherwise disposed of in any manner to persons deemed by the Central Bank of the Bahamas (the “Bank”) as resident for exchange control purposes, unless such persons deemed as resident obtain the prior approval of the Bank.

FOR BELGIUM RESIDENTS: The Offering of Tokens has not been and will not be notified to the Belgian Banking of Finance Commission (Commissie voor het Bank-en inanciewezen/Commission Bancaire et Financière) or has the Offering Memorandum been or will it be approved by the Belgian Banking and Finance Commission. The Tokens shall not, whether directly or indirectly, be offered, sold, transferred or delivered in Belgium, as part of their initial distribution or at any time thereafter, to any Subscriber other than (i) credit institutions and investment firms referred to in Article 3.2[^], a) of the Belgian Royal Decree of January 9, 1991 on the public character of transactions which aim to solicit public savings and the assimilation of certain transactions with a public offer, (ii) institutions for collective investment referred to in Book III of the Belgian Act of December 4, 1990 on the financial transactions and the financial markets, (iii) insurance companies referred to in Article 2§1 of the Belgian Act of July 9, 1975 on the supervision of insurance companies and (iv) pension funds referred to in Article 2§3, 6 of the Belgian Act of July 9, 1975 on the supervision of insurance companies and in the Belgian Royal Decree of May 15, 1985 on the activities of private mutual funds, each acting on their own account in reliance on Article 3.2[^] of the Belgian Royal Decree of January 9, 1991. The Offering Memorandum has been distributed in Belgium only to Subscribers mentioned here above for their personal use and exclusively for the purposes of the Offering of Tokens. Accordingly, the Offering Memorandum may not be used for any other purpose nor passed on to any other person in Belgium.

FOR BRAZIL RESIDENTS: The Tokens offered hereby have not been, and will not be, registered with the Comissao de Valores Mobiliarios and may not be offered or sold in Brazil except in circumstances which do not constitute a public Offering or distribution under Brazilian laws and regulations.

FOR RESIDENTS OF THE BRITISH VIRGIN ISLANDS: The Token Issuer, the Offering Memorandum and the Tokens offered hereby have not been, and will not be, recognized or registered under the laws and regulations of the British Virgin Islands. The Tokens may not be offered or sold in the British Virgin Islands except in circumstances in which the Token Issuer, the Offering Memorandum and the Tokens do not require the recognition by or registration with the authorities of the British Virgin Islands.

FOR RESIDENTS OF THE CAYMAN ISLANDS: The Tokens offered hereby have not been, and will not be, registered in the Cayman Islands and may not be offered or sold in the Cayman Islands except in circumstances which do not constitute a public Offering or distribution under the laws and regulations of the Cayman Islands.

FOR CHILE RESIDENTS: The Tokens offered hereby have not been, and will not be, registered with the Superintendencia de Valores y Seguros (the “Chilean Securities Commission” or SVS) and may not be offered and sold in Chile except in circumstances which do not constitute a public Offering or distribution under Chilean laws and regulations.

FOR RESIDENTS OF THE PEOPLE’S REPUBLIC OF CHINA: No invitation to offer for, or offer for, or sale of, the Tokens shall be made to the public in China or by any means that would be deemed public under the laws of China. The offer of Tokens is personal to the Subscriber to whom the Offering Memorandum has been addressed by the Token Issuer. Business entities incorporated under the laws of China (excluding foreign investment business entities) shall apply for approval from the Chinese government authorities before purchasing the Tokens. Furthermore, all business entities incorporated under the laws of China and Chinese citizens residing in China shall obtain the prior approval from the Chinese foreign exchange authority before purchasing the Tokens.

FOR COSTA RICA RESIDENTS: The Tokens offered hereby have not been, and will not be, registered with the Comision Nacional de Valores (the “Costa Rican Securities Commission”) and may not be offered or sold in Costa Rica except in circumstances which do not constitute a public Offering or distribution under Costa Rican laws and regulations.

FOR ECUADOR RESIDENTS: The Tokens offered hereby have not been, and will not be, registered with the Superintendencia de Companias del Ecuador (the “Ecuadorian Securities and Exchange Commission”) and may not be offered and sold in Ecuador except in circumstances which do not constitute a public Offering or distribution under Ecuadorian laws and regulations. This communication is for informative purposes only; it does not constitute a public Offering of any kind.

FOR RESIDENTS OF FRANCE: The Tokens offered hereby do not comply with the conditions imposed by French law for issuance, distribution, sale, public Offering, solicitation and advertising within France. The distribution of this private placement Memorandum and the Offering of Tokens by the Token Issuer in France are therefore restricted by French law. RESIDENTS should inform themselves as to the restrictions with respect to the manner in which they may dispose of the Tokens in France.

FOR RESIDENTS OF GERMANY: Any person who is in possession of the Offering Memorandum understands that no action has or will be taken which would allow an Offering of the Tokens to the public in Germany. Accordingly, the Tokens may not be offered, sold or delivered and neither the Offering Memorandum nor any other Offering materials relating to the Tokens may be distributed or made available to the public in Germany. Individual sales of the Tokens to any person in Germany may only be made according to German securities, tax and other applicable laws and regulations.

FOR GREECE RESIDENTS: The Tokens may not be offered or sold in any manner that constitutes an offer or sale to the public in the Hellenic Republic within the laws and regulations from time to time applicable to public offers or sales of securities.

FOR HONG KONG RESIDENTS: The Offering Memorandum relates to a private placement and does not constitute an offer to the public in Hong Kong to subscribe for Tokens. No steps have been taken to register the Offering Memorandum as a prospectus in Hong Kong. The offer of the Tokens is personal to the person to whom the Offering Memorandum has been delivered by or on behalf of the Token Issuer, and a subscription for Tokens will only be accepted from such person for such minimum amount of Tokens as described in the Offering Memorandum. It is a condition of the offer that each person who agrees to subscribe for Tokens provides a written undertaking that it is acquiring such Tokens for investment purposes only and not with a view to distribute or resell such Tokens and that it will not offer for sale, resell

or otherwise distribute or agree to distribute such Tokens within six months from their date of sale to such person.

FOR IRELAND RESIDENTS: The Offering Memorandum is not a prospectus and does not constitute or form part of any offer or invitation to the public to subscribe for or purchase Tokens from the Token Issuer and shall not be construed as such and no person other than the person to whom the Offering Memorandum has been addressed or delivered shall be eligible to subscribe for or purchase Tokens from the Token Issuer.

FOR INDIA RESIDENTS: This Memorandum relates to an issue made to only Qualified Institutional Buyers under Chapter XIII A of the Securities and Exchange Board of India (Disclosure and Subscriber Protection) Guidelines 2000, as amended (the “Guidelines”). No offer is being made to the public. Neither the Token Issuer nor its securities have been registered with the Securities Board of India (“SEBI”). Investment in equity and equity related securities involve a degree of risk and Subscribers should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Subscribers are advised to read the risk factors carefully before taking an investment decision in the Offering. For taking an investment decision, Subscribers must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the SEBI nor does the SEBI guarantee the accuracy or adequacy of this document.

FOR RESIDENTS OF THE ISLE OF MAN: The Token Issuer is not a recognized Collective Investment Scheme for the purposes of sections 12 or 13 of the Financial Services Act 1988 (the “Isle of Man FSA”) of the Isle of Man and is accordingly subject to the prohibition on the promotion of collective investment schemes as contained in section 1(1) of the Isle of Man FSA. Accordingly, the Offering Memorandum may only be issued or passed on to any person in the Isle of Man by way of the two limited exceptions to this general prohibition contained in section 1(2) of the Isle of Man FSA and the Financial Supervision (Promotion of Unregulated Schemes (Exemption) Regulations 1992 (“the Exemption Regulations”). Under regulation 3(2) of the Exemption regulations, any advertisement issued in the Isle of Man in connection with the Token Issuer must contain a statement either (a) that participants in the Token Issuer’s offering are not protected by any statutory compensation scheme; or (b) that participants in the Token Issuer’s offering are protected by a statutory compensation scheme and particulars sufficient to identify the compensation arrangements.

FOR ISRAEL RESIDENTS: Israeli residents, other than those considered “Exemption Holders” under the General Currency Control Permit, 1978, require a special permit from the Israeli Controller of Foreign Currency in order to purchase the Tokens. The Tokens are offered to a limited number of sophisticated Subscribers, in all cases under circumstances designed to preclude a distribution which would be other than a private placement. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF ITALY: The Offering Memorandum is solely intended for the individuals to whom it is delivered and may not be considered or used as a public Offering in the meaning of and for the purpose of the Art 1/18 ter l.n. 216/74. In addition, any person who is in possession of the Offering Memorandum understands that no action has or will be taken which would allow an Offering of the Tokens to the public in Italy. Accordingly, the Tokens may not be offered, sold or delivered and neither the Offering Memorandum nor any other Offering materials relating to the Tokens may be distributed or made available to the public in Italy. Individual sales of the Tokens to any person in Italy may only be made according to Italian securities, tax and other applicable laws and regulations.

FOR JAPAN RESIDENTS: Under Article 23-14 paragraph 1 of the Securities Exchange Law (the “SEL”), the purchase of Tokens cannot be made unless the purchaser agrees to the condition that it will not make an assignment of the Tokens to any person other than a non-resident of Japan (having the same

meanings as defined in Article 6, paragraph 1(6) of the Foreign Exchange and Foreign Trade Control Laws), except for the case that all the Tokens (excluding the Tokens assigned to nonresidents of Japan) are assigned to one person. Furthermore, disclosure under the SEL has not been made.

FOR RESIDENTS OF JERSEY: The Offering Memorandum relates to a private placement and does not constitute an offer to the public of Jersey to subscribe for the Tokens offered hereby. No regulatory approval has been sought to the offer in Jersey. The offer of the Tokens is personal to the person to whom the Offering Memorandum is being delivered by or on behalf of the Token Issuer, and a subscription for the Tokens will only be accepted from such person. The Offering Memorandum may not be produced or used for any other purpose, nor be furnished to any other person other than those to whom it has been so delivered.

FOR KOREA RESIDENTS: The Offering Memorandum is not, and under no circumstance is to be construed as, a public Offering of securities in Korea. Neither the Token Issuer nor the Token Issuer is making any representation with respect to the eligibility of any recipients of the Offering Memorandum to acquire the Tokens under the laws of Korea, including but without limitation the Foreign Exchange Management Act and regulations thereunder. The Tokens have not been registered under the Securities and Exchange Act of Korea and none of the Tokens may be offered, sold or delivered, or offered or sold to any person for re-Offering or resale, in Korea or to any resident of Korea except pursuant to applicable laws and regulations of Korea.

FOR RESIDENTS OF LIECHTENSTEIN: The Tokens are offered to a narrowly defined category of Subscribers, in all cases under circumstances designed to preclude a public solicitation. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF LUXEMBOURG: The Tokens are offered to a limited number of sophisticated Subscribers, in all cases under circumstances designed to preclude a distribution which would be other than a private placement. The Offering Memorandum may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent.

FOR RESIDENTS OF MAURITIUS: The Tokens may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Token Issuer's Offering Memorandum (the "Memorandum"), nor any Offering material or information contained herein relating to the offer of the Tokens may be released or issued to the public in Mauritius or used in connection with any such offer. The Memorandum does not constitute an offer to sell Tokens to the public in Mauritius. The Memorandum is not a "prospectus" for the purpose of the Mauritius U.S. Securities Act 2005, as amended.

FOR RESIDENTS OF MYANMAR: The Token Issuer has not been registered as a collective investment scheme or investment company or otherwise with the Myanmar Directorate of Investment and Company Administration ("DICA") and, therefore, may not be suitable for residents of the Republic of the Union of Myanmar unless they meet the minimum Subscriber qualifications set forth in the Token Issuer's Memorandum and/or other rules as may be adopted by the DICA or the Myanmar central government.

FOR RESIDENTS OF NEW ZEALAND: The Offering Memorandum has been prepared solely for and the offer made in it is made solely to habitual Subscribers (being persons defined in section 3(2)(a)(ii) of the New Zealand U.S. Securities Act 1978).

FOR RESIDENTS OF THE NETHERLANDS: The Tokens will not be offered, transferred or sold, whether directly or indirectly, to any individual or legal entity in the Netherlands, as part of their initial distribution or at any time thereafter, other than to individuals or legal entities who or which trade or invest in securities in the conduct of their profession or trade (which includes banks, brokers, dealers, insurance

companies, pension funds, other institutional Subscribers and commercial enterprises which regularly, as an ancillary activity, invest in securities).

FOR NORWAY RESIDENTS: The Offering Memorandum has not been filed with the Oslo Stock Exchange in accordance with the Norwegian Securities Trading Act, Section 5-1, and may therefore not be distributed to more than fifty potential Subscribers in Norway.

FOR RESIDENTS OF OMAN: The Offering Memorandum and the Tokens offered hereby are not available to any member of the public and are restricted to Subscribers having an existing business relationship with the Token Issuer. Application for the Tokens made by or on behalf of Subscribers not having an existing relationship with the Token Issuer will not be accepted. Any Subscriber that considers purchasing the Tokens offered by the Offering Memorandum should consult a professional advisor before doing so.

FOR PANAMA RESIDENTS: The Tokens have not and will not be registered with the Comision Nacional de Valores (the “National Securities Commission”) of the Republic of Panama under Cabinet Decree No. 247 of 1970 (“Panama’s Securities Law”) and may not be offered or sold in a primary Offering within Panama, except in certain transactions exempt from the registration requirements of Panama’s Securities Laws.

FOR RESIDENTS OF SINGAPORE: The Offering Memorandum has not been registered with the Registrar of Companies in Singapore and the Tokens will be offered in Singapore pursuant to an exemption invoked under sections 106C and 106D of the Singapore Companies Act, Chapter 50 of Singapore (“Singapore Companies Act”). Accordingly, the Tokens may not be offered or sold, nor may the Offering Memorandum or any other Offering document or material relating to the Tokens be circulated or distributed, directly or indirectly, to the public or any member of the public other than (1) to an institutional Subscriber or other body or person specified in section 106C of the Singapore Companies Act, or (2) to a sophisticated Subscriber specified in section 106D of the Singapore Companies Act, or (3) otherwise pursuant to, and in accordance with the conditions of, section 106E(2) of the Singapore Companies Act or any other applicable exemption invoked under Division 5A of Part IV of the Singapore Companies Act.

FOR SOUTH AFRICA RESIDENTS: The Tokens offered herein are for your acceptance only and may not be offered or become available to persons other than yourself and may not be publicly offered, sold or advertised in South Africa and the Offering Memorandum may only be circulated to selected individuals.

FOR SWITZERLAND RESIDENTS: The Tokens offered hereby may not be publicly offered, sold or advertised in Switzerland pursuant to Article 2 of the Swiss Investment Fund Act 1995 and the Offering Memorandum may only be circulated to a limited number of persons in Switzerland. Therefore, no steps have been taken to register the Token Issuer and/or the Offering Memorandum as a prospectus in Switzerland.

FOR RESIDENTS OF THE UNITED KINGDOM: The Token Issuer is a collective investment scheme which is not a recognized collective investment scheme for the purposes of Section 76 of the Financial Services Act 1986 (the “UK FSA”) of the United Kingdom, and the Offering Memorandum has not been approved for the purposes of Section 57 of the UK FSA by a person authorized under the UK FSA (“authorized person”). Accordingly, the Offering Memorandum may only be issued or passed on to any person in the United Kingdom if that person is of a kind described in Article 11(3) of the UK Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 (the “Order”) or otherwise pursuant to an exemption to Section 57 of the UK FSA. In addition, no person who is an authorized person may issue or pass on the Offering Memorandum, or otherwise promote the Token Issuer, to any person in the United Kingdom unless such person is both (i) of a kind described in Article 11(3) of the Order or within

any such exemption and (ii) a person to whom such authorized person is permitted to promote the Token Issuer under Section 76(2) of the UK FSA or under regulations made under Section 76(3) of the UK FSA and by the rules of a self-regulating organization of the Financial Services Authority applicable to such authorized person.

FOR URUGUAY RESIDENTS: The Tokens offered hereby correspond to a private issue and are not registered with the Central Bank of Uruguay.

WHO MAY SUBSCRIBE

Our Offering of CCNA Tokens is limited to the first 2,000 investors. Subscribing for our Tokens involves a high degree of risk. Our Tokens are suitable only for persons having adequate resources who understand the risk factors described in this Memorandum (See “Risk Factors”).

If you cannot afford a total loss of your capital contribution, do not invest. You must be able to bear the economic risk of your entire invested principal amount for an indefinite period of time and can, at the present time, afford a total loss of the same.

For your subscription of Tokens to be considered, you will be required to represent in writing that:

- 1. You are acquiring the Tokens for your own account, and not with a view toward resale or distribution;*
- 2. Your overall commitment to invest is not disproportionate to your net worth, and your capital contribution to the Token Issuer will not cause such overall commitment to become excessive;*
- 3. You can bear the economic risk of your subscription for an indefinite period of time, and can at the present time afford a total loss of your investment;*
- 4. You have thoroughly read and understand the terms of this Memorandum; and*
- 5. You understand and accept the risks as set forth in this Memorandum.*

In addition, you are required to either be an “Accredited Investor” as that term is defined in Rule 501(a) of Regulation D of the U.S. Securities Act of 1933, as amended. You are deemed an “Accredited Investor” if any of the following apply to you:

- 1. You are a natural person whose individual net worth (not including the value of your primary residence), or joint net worth with your spouse, presently exceeds USD \$1,000,000;*
- 2. You are a natural person who had an individual income in excess of USD \$200,000 in each of the two most recent years or joint income with your spouse in excess of USD \$300,000 in each of those years and you reasonably expect reaching the same income level in the current year;*
- 3. You are a corporation, partnership, limited liability company, or other entity in which all of the equity owners are “Accredited Investors” (each meeting at least one of these suitability requirements);*
- 4. You are a trust with total assets in excess of USD \$5,000,000 and was not formed for the specific purpose of acquiring Tokens, the trustee of which has such knowledge and experience in investing and/or financial and business matters that they are capable of evaluating the merits and risks of subscribing to the Tokens;*
- 5. You are either a bank, savings and loan association or other financial institution; a registered securities broker or securities dealer; an insurance company; a registered investment company or business development company; a licensed Small Business Investment Company; or a private business development company;*

6. *You are a state-sponsored pension plan with total assets in excess of USD \$5,000,000;*
7. *You are an employee benefit plan which either (a) has a fiduciary that is a bank, savings and loan association, insurance company, or registered investment adviser; (b) has total assets in excess of USD \$5,000,000; or (c) is a self-directed plan and investment decisions are made solely by persons that are “Accredited Investors” (meeting at least one of the listed suitability requirements); You are a non-profit organization described in section 501(c)(3) of the U.S. Internal Revenue Code that was not formed for the specific purpose of acquiring Tokens and have total assets in excess of USD \$5,000,000; or*
8. *You are a director, executive officer, or manager of the Token Issuer or its Affiliates.*

In addition, to subscribe you must be either a Permitted U.S. Person or a non-U.S. Person. A “Permitted U.S. Person” includes a U.S. Person who is either an “Accredited Investor” or a “Qualified Purchaser” as defined under U.S. federal securities laws.

A “U.S. Person” is a person described in one or more of the following paragraphs:

1. *With respect to any person, any individual or entity that would be a U.S. Person under Regulation S of the U.S. Securities Act of 1933, as amended.*
2. *With respect to individuals, any U.S. citizen or “resident alien” within the meaning of U.S. income tax laws as in effect from time to time. Currently, the term “resident alien” is defined under U.S. income tax laws to generally include any individual who (i) holds an Alien Registration Card (a “green card”) issued by the U.S. Immigration and Naturalization Service or (ii) meets a “substantial presence” test. The “substantial presence” test is generally met with respect to any current calendar year if (i) the individual was present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual was present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.*
3. *With respect to persons other than individuals, (i) a corporation or partnership created or organized in the United States or under the law of the United States or any state, (ii) a trust where (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust and (iii) an estate which is subject to U.S. tax on its worldwide income from all sources.*

Each non-U.S. Subscriber for Tokens will be required to certify to the Token Issuer, among other things that, the Tokens are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any U.S. Person or any non-U.S. Person subject to the above restrictions. Token Subscribers are required to notify the Token Issuer immediately of any change in such information. UNLESS THE TOKEN SUBSCRIBER IS A PERMITTED U.S. PERSON IT IS THE RESPONSIBILITY OF EACH TOKEN SUBSCRIBER TO VERIFY WHETHER THEY ARE A NON-U.S. PERSON THAT WOULD NOT BE PROHIBITED FROM OWNING TOKENS ISSUED BY THE TOKEN ISSUER.

In addition, to subscribe you must represent that the funds you use to subscribe in the Offering were not and are not directly or indirectly derived from any activities that contravene U.S. federal, state or international laws and regulations, including anti-money laundering laws and regulations. U.S. federal regulations and U.S. executive orders administered by the Office of Foreign Assets Control (OFAC) of the U.S. Department of Treasury prohibit, among other things, the engagement in transactions with, and the

provision of services to, certain non-U.S. countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. In addition, the programs administered by the OFAC (the “OFAC Programs”) prohibit dealing with individuals or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list. By subscribing in the Offering you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that we may not accept your subscription if you cannot make the representation set forth in the preceding sentence. By subscribing in the Offering you agree to promptly notify the Token Issuer should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, we may be obligated to “freeze the account” of any Subscriber, either by prohibiting additional subscriptions from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and that we may also be required to report such action and to disclose your identity to the OFAC. Also, by subscribing in the Offering you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with your subscription is a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure (as those terms are defined by law or regulations) of a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Also, if you are affiliated with a non-U.S. banking institution (a “Foreign Bank”), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Token Issuer that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

We shall rely upon the accuracy of your representations as to each of the above items. We may, but under no circumstances shall we be obligated to, require additional evidence you meet the standards set forth above at any time prior to acceptance of a subscription. You are not obligated to supply any information requested by us, but we may reject a subscription from you or any person who fails to supply such information.

These general standards represent the minimum requirements for you to become a Token Subscriber of the Token Issuer and do not necessarily mean if you meet all of these requirements that you are qualified to subscribe in the Offering. Moreover, we reserve the right to modify our suitability standards on a case-by-case basis in view of your financial circumstances or experience in such matters or for any or no reason in our sole discretion. We also reserve the right to reject your subscription for any or no reason, in our sole discretion.

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SUMMARY OF THE OFFERING

*NOTE: This term sheet is a summary of the principal terms and conditions for subscribing to the Tokens of CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, a Delaware company (“we”, “our”, “us”, or the “Token Issuer”). The terms and conditions set forth hereafter are qualified in their entirety by their more thorough treatment in the Memorandum. Please read the full Memorandum.

Token Issuer

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, a Delaware company (“we”, “our”, “us”, or the “Token Issuer”). In January of 2023, the Token Issuer was formed, and we believe that the success of our products and services, which we intend to capitalize and fund through this Offering, will help promote CCNA Tokens as an international digital security token. We are a financial entity set up to support the North American efforts of Convertible Concepts Corporation (“CCC”) and its affiliated project companies (the “Affiliated Project Companies”). CCC and its Affiliated Project Companies seek to provide innovative convertible-style freight services that have the ability to haul multiple product types and reduce the “turn and burn” of otherwise empty automotive carrier runs. To accomplish this goal, we would like to expand our engineering team and acquire assembly/service facilities. In addition, significant expenditures would go toward building out sales and logistics management and personnel, as well as further development of our proprietary logistics platform. (See “Use of Proceeds”).

There can be no assurance our objectives may be achieved. (See “Risk Factors”).

Our administrative office is located at 3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2. Our main telephone number is +1-866-863-3090 . You may send inquiries via e-mail to: support.convertibleconcepts@inx.co

CCNA Cryptocurrency Market Overview

The CCNA Token is a digital security token with the vision to provide innovative automotive and freight transportation solutions to the North American market that will transform the way freight carriers operate and goods are moved. Convertible Concepts North America, LLC is wholly owned by Convertible Concepts Corporation, which has created a proprietary freight system that allows for massive increases in profitability by eliminating the current “turn and burn” way of operating. This term refers to road, rail, and ocean transportation assets that currently run empty, which creates approximately \$100B in annual losses worldwide. Through the use of Convertible Trailers, the AutoBox, and our proprietary logistics platform CLIC, our product solutions seek to eliminate this problem for increased revenue and environmental responsibility. This digital security token seeks to glean the benefits of cutting-edge technology combined with the need to ship goods via land and sea while inciting increased sustainability to the environment and increased profits for all stakeholders in the North American market.

CCNA Token

CCNA Token is an ERC-1404 digital security token built on the Ethereum network. ERC stands for Ethereum Request for Comment, and 1404 is the number that was assigned to this request. The ERC-1404 is an extension of ERC-20 standard and it allows the issuance of Security Tokens with transfer restrictions to fulfill compliance requirements. For example, it allows the implementation of a whitelist, so the issuer can selectively control who is able to buy and own the token.

* Note: This summary alone does not constitute an offer to sell Tokens by the Token Issuer. An offer may be made only by an authorized representative of the Token Issuer and the recipient must receive a complete, original Memorandum, including all Exhibits.

Offering

We are offering subscriptions to our Tokens to “Accredited Investors” only on a “best efforts” basis (the “Offering”). The Offering is being conducted in accordance with Rule 506(c) of the U.S. Securities Act and Regulation D promulgated thereunder, or to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states

and other jurisdictions where the Offering will be made. The Tokens are not available to the general public. With limited exceptions, the Tokens are not available to persons who are not “Accredited Investors”. The Offering shall be limited to the first 2,000 investors.

CCNA Tokens

The Subscription Agreement grants the Subscriber one or more CCNA Tokens as described in this Memorandum. The Tokens and our overall strategy and business model are more fully described in the Token Issuer’s Deck and Business Plan attached and incorporated into this Memorandum as Exhibit A. The form of our Subscription Agreement is attached and incorporated into this Memorandum in Exhibit C.

Token Allocation and Plan of Distribution

We expect that USD \$23,666,917 or more in value of CCNA Tokens may be issued and distributed pursuant to the Tokens subscribed for in the Offering and/or subsequent to this Offering on the same or alternative or materially different terms in our sole discretion.

There is a pre-determined number of CCNA Tokens.

There is a total of 200,000,000 CCNA Tokens in existence. The max cap of CCNA Tokens is 200,000,000. All of such Tokens are under the Token Issuer’s control.

47,333,834 CCNA Tokens held by the Token Issuer will be available for sale to accredited investors in the US and to qualified non-US investor Subscribers through this Offering. The Executive Management Team has further determined that in the event that the 47,333,834 CCNA Tokens are successfully sold, the Board may increase the offering up to 88,000,000 CCNA Tokens price.

Seven and a half percent (7.5%) and therefore 15,000,000 CCNA Tokens will be held by the Token Issuer and issued to our founders, team, advisors,

employees, partners, contractors, and Affiliates in the sole discretion of the Token Issuer.

The balance of the CCNA Tokens held by the Token Issuer shall be used for (i) subsequent capital raises; (ii) retained as contingency reserves; (iii) utilized for marketing, business investments, or business operations; (iv) contributed toward charitable causes; (v) awarded to early investors or contributors or developers; and/or (vi) utilized in other areas or for other purposes in the Token Issuer’s sole and absolute discretion.

This estimated and forecasted Token allocation and distribution is illustrated in the following table which uses approximate numbers and is subject to material change:

CCNA Total Token Count	200,000,000
Reserved for CONVERTIBLE CONCEPTS NORTH AMERICA, LLC	15,000,000
Regulation D/S Token Offering to Investors	47,333,834
(Optional Executive Management Team Discretion Increase)	40,666,166
Balance of CCNA Tokens	97,000,000 to 137,666,166

CCNA Token Holder Benefits

CCNA Token holders shall participate in the potential future profits of CONVERTIBLE CONCEPTS NORTH AMERICA, LLC as follows:

CCNA Token holders will receive a pro-rated share of a 40/60 (Holder/Company) split on potential future profits of CCNA.

Payments to CCNA Token holders shall be made at times scheduled by the Token Issuer and will be

contingent upon holding the CCNA Tokens at the time of scheduled payouts.

Token Subscriptions and “Threshold Discounts”

The Subscription Price of the CCNA Token is equal to USD \$0.50 per CCNA Token. However, Subscribers that subscribe in any of the following threshold amounts will receive the associated discount as outlined in the following table.

Level of Investment (\$)	Discount on Base Token Price
\$250,000 - \$499,999	1%
\$500,000 - \$999,999	2%
\$1,000,000- \$1,999,999	4%
\$2,000,000 - \$2,999,999	8%
\$3,000,000 - \$3,999,999	12%
\$4,000,000 - \$4,999,999	16%
> \$5,000,000	20%

*Subscribers that would like to take advantage of investment via the Threshold Discount structure above should contact CCNA directly at:

**CONVERTIBLE CONCEPTS NORTH
AMERICA, LLC**

3115 12th Street NE, Suite #104, Calgary, Alberta,
Canada T2E 7J2
+1-866-863-3090

E-mail: support.convertibleconcepts@inx.co

Forms of Subscription Payment

Subscriptions may be received in U.S. dollars (USD), USDC, Ethereum, and other cryptocurrencies. The Tokens shall be valued in U.S. dollars, and payments in Ether and other cryptocurrencies shall be valued in U.S. dollars at an exchange ratio equivalent to the volume-weighted average hourly price of Ether and other cryptocurrencies across exchanges in the one hour preceding the entry of your Subscription; *provided, however,* that in the event that such exchanges experience technical issues in such period that affect the accuracy of the volume-weighted average price, the Token Issuer will use its reasonable best efforts to determine the volume-weighted average price of cryptocurrencies for such period. We

reserve the right to change what currencies, tokens, or other consideration will be accepted without additional notice.

Estimated Use of Proceeds

Our current estimated use of proceeds from the Offering, subject to substantial and material change in our sole discretion, may be allocated in our sole discretion to fund a multitude of projects and ventures being pursued by CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, including, but not limited to financial infusion to CCNA's holding company, Convertible Concepts Corp ("CCC"), and/or its North American Affiliated Project Companies and their respective operations or projects which may be deemed by our management as beneficial to us. Such projects or entities shall be engaged in U.S. and Canadian operations, research and development, engineering, production, licensing, employees and employee benefits, computer hardware and software purchase and development, legal fees, office space, and acquisition of real estate. A large portion of the monies raised would be allocated into the North American branches of the two main operating companies of Convertible Concepts Corporation: Convertible Trailer Manufacturing Worldwide Ltd. ("CTM") and Convertible Logistics Corp ("CLC"). For CTM, capital would provide for a significant expansion of the engineering team, as well as the acquisition of assembly/service facilities. For CLC, significant expenditures would be used to build out sales and logistics management teams, as well as further development of our proprietary logistics platform: Convertible Logistics Intelligence Centre ("CLIC"). We may also utilize the proceeds of the Offering for any other business-related expenses including, but not limited to, Offering expenses, legal, accounting, due diligence, overhead, marketing expenses, retirement of debt, settlements, interest payments, redemptions, etc. Please see "Use of Proceeds" for more detail.

Risk Factors	The Tokens are not without risk. See “Risk Factors”.
Short-Term Investments	Amounts held by the Token Issuer pending investment, reinvestment, or distribution may be placed in conservative, short-term flexible instruments.
Management Team	See “Executive Management Team”. We may also employ other persons to manage our activities, including but not limited to, traders, analysts, investment advisors, accountants, attorneys, risk managers, statisticians, computer technicians, investment banking consultants, etc. We may also enlist the services of other professionals if deemed in the best interest of the Token Issuer.
Closing of Offering	Applications to subscribe for Tokens may be received until such closing date as may be established by the Token Issuer.
Transfer of Tokens	Tokens may not be transferred without the prior written consent of the Token Issuer and/or without having satisfied Rule 144 of the U.S. Securities Act or other exemptions, if applicable (examples of potentially available exemptions may include Section 4(a)(7) of the U.S. Securities Act, Sections 4(a)(1) and 4(a)(2) of the same, and/or Rule 144 of Regulation D of the same or to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made, for one or more CCNA Tokens as described in this Memorandum. Please consult with your own securities counsel as to such matters). Each Token Subscriber will be required to agree that they will not make a market in the Tokens and that they will not affect the transfer of the Tokens on an established securities market, a

secondary market or the substantial equivalent thereof.

Retraction

We may compulsorily redeem the Tokens of any Subscriber to ensure compliance with securities laws or for any or no reason in Our sole discretion.

Expenses

The associated costs of the Offering and marketing of our Tokens will be paid for by the Token Issuer. We will also pay certain expenses in connection with our operations, including the fees of our functionaries, accounting, legal, and other professional costs and out-of-pocket expenses of our Token Issuer, some or all of whom may be Affiliates (See “Compensation” and “Conflicts of Interest”).

How to Subscribe

To subscribe, please review and read our Memorandum, and go to <https://one.inx.co/invest/convertibleconcepts> and complete the registration process.:

1. Complete the Investor and Disclosure Attestation

AND

2. A subscription agreement with the amount you want to invest and the payment type.

If your subscription is accepted, you will receive a countersigned copy of your Subscription Agreement effective as of the date of receipt of your funds (the “Effective Date”) via email. If rejected, all monies

tendered will be returned to you in full without interest or further obligation.

*Notice

The foregoing summary is qualified in its entirety by the CONVERTIBLE CONCEPTS NORTH AMERICA, LLC (“we”, “our”, “us”, or the “Token Issuer”) Offering Memorandum as may be amended or supplemented from time to time (the “Memorandum”) which contains more complete information including risk factors. This summary also contains forward-looking statements and hypothetical economic forecasts that may not be realized. By receiving or viewing this summary, you acknowledge and agree not to rely upon it in making an investment decision. Please read the Memorandum. By receiving or viewing this summary, you acknowledge and agree that (i) all of the information contained herein is subject to confidentiality between yourself and the Token Issuer and/or its Affiliates; (ii) you will not copy, reproduce or distribute this summary or the Memorandum, in whole or in part to any person or party without the prior written consent of the Token Issuer and/or without having satisfied Rule 144 of the U.S. Securities Act, if applicable; (iii) in the event you do not invest you will return this summary and the Memorandum as soon as practicable to the Token Issuer, together with any other summary relating to the Token Issuer or its Affiliates in your possession. This summary does not constitute or form a part of any offer to sell or solicitation to buy securities nor shall it or any part of it form the basis of any contract or commitment whatsoever. Without limiting the foregoing, this summary does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not permitted under applicable law or to any person or entity who is not an “Accredited Investor” as defined under Rule 501(a) of the U.S. Securities Act of 1933, as amended, or who does not possess the qualifications described in the Memorandum. PLEASE READ THE MEMORANDUM.

FOR MORE INFORMATION, PLEASE CONTACT US:

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
+1-866-863-3090 E-mail: support.convertibleconcepts@inx.co

* * * * *

SOURCES OF INFORMATION

This Memorandum contains summaries of and references to certain documents which are believed to be accurate and reliable. Complete information concerning these documents is available for your inspection or your duly authorized financial consultants and advisors. All documents relating to the Token Issuer will be made available to you or your representatives at our administrative offices in Alberta, Canada, or via electronic file share in our Token Issuer's sole discretion. In some cases, a confidentiality and non-circumvention agreement must be signed. The officers, directors, or managers of our Token Issuer are available by telephone or by appointment to provide answers to questions concerning the Token Issuer and the Tokens. **NO REPRESENTATIVE HAS BEEN AUTHORIZED TO GIVE YOU ANY INFORMATION OTHER THAN THAT SET FORTH IN THIS MEMORANDUM.**

This Memorandum has been prepared to provide you with information concerning the risk factors, terms and proposed activities of the Token Issuer and to help you make an informed decision before subscribing. However, neither the delivery of this Memorandum to you nor any sales made hereunder shall create any implication that there has been no change in our affairs since the date on the cover of this Memorandum. Also, there are terms used throughout this Memorandum which may be unfamiliar to some readers. Please refer to the Definitions section of this Memorandum.

This Memorandum does not constitute an offer or solicitation to anyone in any state or jurisdiction in which such an offer or solicitation is not authorized. Any reproduction or distribution of this Memorandum in whole or in part or the divulgence of any of its contents without our prior written consent is strictly prohibited.

We reserve the right to proceed with our objectives at any time. The Token Issuer need not receive subscriptions of any minimum amount to commence utilizing funds. Such funds will not be escrowed and shall become available for our immediate use. We reserve the right to obtain financing and capitalization from Affiliates, employees, principals, industry participants, private partners, or to others on terms other than those outlined in this Memorandum. We reserve the right to offer back-end participation on specific projects to interested investors as part of a negotiation for the purchase of CCNA Tokens. In addition, we reserve the right to terminate the Offering without notice at any time.

The Tokens are offered in reliance upon exemptions from registration under the U.S. Securities Act of 1933, as amended, and applicable exemptions in U.S. states and/or other non-U.S. jurisdictions. Accordingly, the Tokens are deemed "restricted securities" as such term is defined under U.S. federal and U.S. state securities laws and other applicable jurisdictions and cannot be subsequently sold or transferred without registration or reliance, to the satisfaction of counsel for the Token Issuer, that an exemption from registration is available. You should be aware that no market for our Tokens presently exists and there can be no assurance that a market will ever materialize.

The Tokens offered hereby are not registered under the U.S. Trust Indenture Act of 1939, as amended (the “TIA”), pursuant to an exemption claimed under Section 304(b) of the TIA. Consequently, our business plan may not contain all of the provisions required by the TIA to the extent the TIA is applicable if at all. The TIA would provide for oversight and substantive government review that will not be present under the terms of the present Offering. We are not registered as an “investment company” as such term is defined under the U.S. Investment Company Act of 1940, as amended (the “ICA”), but claim an exemption therefrom pursuant to Section 3(c)(1) and/or 3(c)(7) thereunder in the event the ICA is applicable to us if at all.

We are not currently subject to ongoing information disclosure requirements of the U.S. Securities and Exchange Act of 1934, as amended, and most likely will not be subject to such requirements after the completion of the Offering. Accordingly, we are not required to provide quarterly or annual reports to Subscribers, although we intend to issue updates on our progress as warranted.

Throughout this Memorandum reference is made to certain information not contained in this document. If you wish to read the referenced material, we will attempt to provide it for you so long as procuring such information is not unduly expensive or burdensome. Please call us at +1-866-863-3090 or E-mail: support.convertibleconcepts@inx.co to inquire about referenced information.

Any clerical mistakes or errors in this Memorandum are ministerial in nature and are not a material factual misrepresentation or a material omission of fact and may be corrected or clarified at any time without notice.

A WARNING ABOUT FORWARD-LOOKING STATEMENTS

Some of the statements in this Memorandum, expressly including “Risk Factors” in this Memorandum as well as those statements using words such as “aim”, “anticipate”, “assume”, “believe”, “estimate”, “expect”, “intend”, “plan”, “predict”, “project”, “seek”, “will”, “shall”, and comparable terms, are forward-looking statements. You should exercise extreme caution with respect to all forward-looking statements made in this Memorandum. Forward-looking statements are not statements of historical fact, and they reflect our views and assumptions as of the date of this Memorandum regarding future events and operating performance. All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are important factors that could cause our actual results to differ materially from those indicated in these statements. We believe that these factors, include, but are not limited to, those described under “Risk Factors” in this Memorandum and the following:

- Statements regarding the blockchain-related or cryptocurrency industry and the opportunity to profit within such industry;
- Competition, pricing, level of production or the regulations that may affect the profitability and ownership of our Tokens;
- Statements regarding our plans and objectives including, without limitation, the size and nature of the costs we expect to incur and persons and services we may employ; and
- Any statements of other than historical fact.

This list of factors is not exhaustive and should be read with the other cautionary statements that are included in this Memorandum. Market data, if used in this Memorandum, were obtained from industry sources as well as from research reports prepared for other purposes. We have not independently verified the data obtained from these sources and we cannot assure you of the accuracy or completeness of the data. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this Memorandum. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this section. You should specifically consider the factors identified in this Memorandum that could cause actual results to differ from those discussed in the forward-looking statements before making an investment decision. We do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future events or otherwise.

RISK FACTORS

A subscription in the Offering involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Memorandum and the Subscription Agreement, before making a decision to subscribe. The following risks entail circumstances under which, our business, financial condition, results of operations and prospects could suffer.

RISKS ASSOCIATED WITH OUR TOKENS

We may incur liabilities that may exceed our available capital or resources.

There is the possibility that, due to factors beyond our ability to predict or control, our obligations to users of our Tokens or consumers of the value propositions, products and/or services of our company or associated partnerships or companies may exceed our available capital or that we may become insolvent or otherwise fail in our objectives. There is also the possibility of systemic failures in the blockchain ecosystem and/or failure of adoption of the value propositions, products and/or services of one or more of our Affiliated Project Companies despite our best efforts to predict and protect against such downside risks. No token, including our CCNA Token, is “bulletproof” or not susceptible to being overrun or compromised. Any such events could have a material adverse effect upon the utility or value of the Token and/or cause our company to become insolvent and fail in its designed purposes.

Our Token may not be widely adopted and may have limited users.

It is possible that our Token will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in CCNA Tokens. Such a lack of use or interest could negatively impact the value and potential utility of our Tokens.

Alternative networks may be established that compete with or are more widely used than our Tokens.

It is possible that alternative cryptocurrencies could be established that utilize the same or similar open-source code and protocol underlying our Tokens and attempt to facilitate services that are materially similar to our Tokens. Our Token may compete with these alternatives, which could negatively impact the value and utility of the Tokens.

The open-source structure of our Tokens protocol means that our Tokens may be susceptible to developments by users or contributors could damage our Tokens and our reputation and could affect the utilization of our Tokens.

Our Tokens will operate based on an open-source protocol maintained by us and other contributors. As an open-source project, our Tokens will not be represented, maintained or monitored by an official organization or authority. The open-source nature of our Tokens protocol means that it may be difficult for the Token Issuer or contributors to maintain or develop the integrity of the Token and the Token Issuer may not have adequate resources to address emerging issues or malicious programs adequately or in a timely manner. Third parties not affiliated with the Token Issuer may introduce weaknesses or bugs into the core infrastructure elements of our Tokens and open-source code which may negatively impact our Tokens. Such events may result in a loss of trust in the security and operation of our Tokens and a decline in user activity and could negatively impact the value or utility of the Tokens.

Our Token protocol may be the target of malicious cyberattacks or may contain exploitable flaws in its underlying code, which may result in security breaches and the loss or theft of Tokens. If our Token protocol's security is compromised or if our Token protocol is subjected to attacks that frustrate or thwart our users' ability to access our Token protocol, their Tokens or the Token protocol products and services, users may cut back on or stop using our Token protocol altogether, which could seriously curtail the utilization of the Tokens and cause a decline in the value and utility of the Tokens.

Our Token protocol's structural foundation, the open-source protocol, the software application and other interfaces or applications built upon our Token protocol are still in an early development stage and are unproven, and there can be no assurances that our Token protocol and the creating, transfer or storage of

the Tokens will be uninterrupted or fully secure which may result in a complete loss of users' Tokens or an unwillingness of users to access, adopt and utilize our Token protocol. Further, the Token protocol may also be the target of malicious attacks seeking to identify and exploit weaknesses in the software or our Token protocol which may result in the loss or theft of Tokens. For example, if our Token and our Token protocol are subject to unknown and known security attacks (such as double-spend attacks, 51% attacks, or other malicious attacks), this may materially and adversely affect the Token protocol. In any such event, if our Token protocol is not widely adopted, Subscribers may lose all of their investment.

RISKS RELATED TO BLOCKCHAIN TECHNOLOGIES AND DIGITAL ASSETS

The regulatory regime governing blockchain technologies, cryptocurrencies, tokens and token offerings such as our Tokens is uncertain, and new regulations or policies may materially and adversely affect the development of our Token protocol and the utility of the Tokens.

Regulation of tokens (including our Tokens) and token-related offerings such as the Offering, cryptocurrencies, digital security tokens, blockchain technologies, cryptocurrency exchanges and digital securities exchanges currently are undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of our Token protocol and the adoption and utility of the Tokens. Failure by the Token Issuer, our Affiliates, or certain users of our Token protocol to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

As blockchain networks and blockchain assets have grown in popularity and in market size, U.S. federal and state agencies, as well as non-U.S. financial regulators and government authorities, have begun to take interest in, and in some cases regulate, their use and operation.

In the case of virtual currencies, U.S. state regulators like the New York Department of Financial Services have created new regulatory frameworks. Others, as in the U.S. state of Texas, have published guidance on how their existing regulatory regimes apply to virtual currencies. Some U.S. states, like New Hampshire, North Carolina, and Washington, have amended their state's statutes to include virtual currencies into existing licensing regimes. Treatment of virtual currencies continues to evolve under U.S. federal law as well. The U.S. Department of the Treasury, the U.S. Securities Exchange Commission ("SEC"), and the U.S. Commodity Futures Trading Commission ("CFTC"), for example, have published guidance on the treatment of virtual currencies. The U.S. Internal Revenue Service ("IRS") has released guidance treating virtual currency as property that is not "currency" for U.S. federal income tax purposes, although there is no indication yet whether U.S. courts or U.S. federal or state regulators will follow this classification. Both U.S. federal and state agencies have instituted enforcement actions against those violating their interpretation of existing laws. The regulation of non-currency use of blockchain assets is also uncertain. The CFTC has publicly taken the position that certain blockchain assets are commodities, and the SEC has issued a public report stating federal securities laws require treating some blockchain assets as securities. To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a blockchain network or asset, our Tokens may be materially and adversely affected. Blockchain networks also face an uncertain regulatory landscape in many non-U.S. jurisdictions such as the European Union, China and Russia. Various non-U.S. jurisdictions may, in the near future, adopt laws, regulations or directives that affect our Token protocol. Such laws, regulations or directives may conflict with those of the United States or may directly and negatively impact our business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the

development and growth of our Token protocol and the adoption and utility of the Tokens. New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the currency in which the Tokens may be exchanged, the liquidity of the Tokens, the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens.

The Issuance of Tokens May Constitute the Issuance of a “Security” Under U.S. Federal Securities Laws.

On July 5, 2017, the U.S. Securities and Exchange Commission (“SEC”) issued a Report of Investigation under Section 21(a) of the Securities Exchange Act of 1934 (the “*Exchange Act*”) describing an SEC investigation of an ICO issuer and its use of distributed ledger or blockchain technology to facilitate the offer and sale of tokens to raise capital. The SEC applied existing U.S. federal securities laws to this new paradigm, determining that the tokens were securities. The SEC stressed that those who offer and sell securities in the U.S. are required to comply with federal securities laws, regardless of whether those securities are purchased with virtual currencies or distributed with blockchain technology. If our Tokens are “securities” under U.S. federal securities laws, then we are required to either register them under the U.S. Securities Act or find an applicable exemption from registration for such transactions. The registration of our Tokens under the U.S. Securities Act would result in significant delay in the issuance of Tokens and would require us to incur substantial additional expense. Therefore, we will endeavor to conduct the Offering pursuant to available exemptions from registration under existing U.S. federal and state securities laws and available exemptions in applicable non-U.S. jurisdictions. There can be no assurance we will qualify for such exemptions.

The Offering may be subject to registration under the U.S. Securities Exchange Act of 1934 (the “Exchange Act”) if the Token Issuer has assets above USD \$10 million and more than 2,000 Subscribers participate in the Offering.

Under applicable U.S. securities laws, companies with total assets above USD \$10 million and more than 2,000 holders of record of its equity securities, or 500 holders of record of its equity securities who are not accredited investors, must register that class of equity securities with the SEC under the Exchange Act. With the capital raised from the Offering, we may surpass USD \$10 million in assets as we build out our Token protocol. Furthermore, our Tokens are likely considered “securities” under U.S. securities law and because there is the possibility that the Offering may surpass 2,000 Subscribers, we may be deemed by the SEC to have more than 2,000 holders of record of our “equity securities” following the Offering. We do not believe that our Token will be considered an “equity security” even if it is a security. However, if these two conditions are met (i.e., the Token being both a “security” and an “equity security”), then we would have to register the Offering with the SEC, which would be a laborious and expensive process. If such registration takes place, much of the information regarding the Offering would become available to the public.

Token Subscribers will have no control and we may only have limited control once the Tokens are delivered.

Our Token is comprised of open-source technologies that depend on a network of computers to run certain software programs to process transactions. Because of this less centralized model, we have limited control over our Token. For example, we do not have direct access or control to the underlying code upon which HRC is based. Also, HRC Tokens may continue to be mined by cryptocurrency miners independent of the Token Issuer or its Affiliates. In addition, our Subscribers are not and will not be entitled, to vote or receive dividends or be deemed the holder of capital stock of the Token Issuer or its Affiliated Project Companies for any purpose, nor will anything be construed to confer on the Subscribers any of the rights of a stockholder of the Token Issuer or its Affiliated Project Companies or any right to vote for the election of directors or upon any matter submitted notice of meetings, or to receive subscription rights or otherwise.

There may be apparent and actual conflicts of interests.

Certain individuals involved in the development of the Token protocol may encounter potential conflicts of interest in connection with the Token protocol and the interests of the Affiliated Project Companies associated with the Token Issuer, such that said party may avoid a loss, or even realize a gain, when Subscribers in the Tokens are suffering losses. Subscribers to our Tokens pursuant to this offering will have no ownership or other interest in the Affiliated Project Companies or in the assets of the Token Issuer. Also, Subscribers to our S Tokens may also have conflicting investment, tax, and other interests with respect to their Token investments, which may arise from the terms of the Token, the Token's code or platform, or other token pre-sales, or other factors. Decisions made by the key employees of the Token Issuer on such matters may be more beneficial for some Subscribers than for others.

Subscribers may lack information.

As a Subscriber, you may not be able to obtain all information you would want regarding the Token Issuer, our Tokens, or our Token protocol, on a timely basis or at all. It is possible that you may not be aware on a timely basis of material adverse changes that have occurred with respect to your subscription. While we have made efforts to use open-source development for our Tokens and to provide adequate disclosure to you through this Memorandum, including attached Exhibits, this information may be highly technical by nature and may not be readily understood by many Subscribers. As a result of these difficulties, as well as other uncertainties, you may not have accurate or accessible information about our Token protocol, the Token Issuer, or the Tokens. If you have additional questions beyond that which we are able to reasonably answer, please consult with your own technical advisors before subscribing.

CCNA Token has a limited history.

Our Token has a limited history. The terms of our subscription agreement and Tokens should be evaluated on the basis that our assessment, or any third party's assessment, of the prospects of our Token protocol may not prove accurate, and that we will not achieve our objectives. Past performance of any similar token or Token protocol is not predictive of our future results or that of our Token or Token protocol.

If our Token protocol is unable to satisfy data protection, security, privacy, and other government- and/or industry specific requirements, its growth could be harmed.

There are a number of data protection, security, privacy and other government- and/or industry-specific requirements, including those that require companies to notify individuals of data security incidents involving certain types of personal data. Security compromises could harm our Token protocol's reputation, erode user confidence in the effectiveness of its security measures, negatively impact its ability to attract new users, or cause existing users to stop using our Token protocol.

The further development and acceptance of blockchain networks, including our Token protocol, which are part of a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of our Tokens.

The growth of the blockchain industry in general, as well as the blockchain networks with which the Token protocol will rely on and interact, is subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- Worldwide growth in the adoption and use of cryptocurrencies such as Bitcoin, and other blockchain technologies;
- Government and quasi-government regulation of cryptocurrencies such as Bitcoin, and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- The maintenance and development of the open-source software protocol of cryptocurrency networks;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- General economic conditions and the regulatory environment relating to cryptocurrencies; or
- A decline in the popularity or acceptance of cryptocurrencies such as Bitcoin or other blockchain-based tokens would adversely affect our results of operations.

The slowing or stopping of the development, general acceptance and adoption and usage of blockchain networks and blockchain assets may deter or delay the acceptance and adoption of our Token protocol and the Tokens.

The prices of blockchain assets are extremely volatile. Fluctuations in the price of digital assets could materially and adversely affect our business, and the Tokens may also be subject to significant price volatility.

The prices of blockchain assets such as Bitcoin have historically been subject to dramatic fluctuations and are highly volatile, and the value and utility of the Tokens may also be highly volatile. Several factors may influence the value and utility of the Tokens, including, but not limited to:

- Global blockchain asset supply;
- Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- Investor expectations with respect to the rate of inflation;
- Changes in the software, software requirements or hardware requirements underlying the Token protocol;
- Changes in the rights, obligations, incentives, or rewards for the various participants in the Token protocol;
- Interest rates;
- Currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which the Tokens may be traded (which may or may not include our Token protocol) and liquidity on such exchanges;
- Interruptions in service from or failures of major blockchain asset exchanges on which the Tokens may be traded (which may or may not include our Token protocol);
- Investment and trading activities of large investors, including private and registered funds, which may directly or indirectly invest in our Token protocol or Tokens or other blockchain assets;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that affect the use of blockchain assets such as the Tokens;
- The maintenance and development of the open-source software protocol of our Token protocol;
- Global or regional political, economic or financial events and situations; or

- Expectations among Token protocol or other blockchain assets participants that the value of the Tokens or other blockchain assets will soon change.

A decrease in the price of a single blockchain assets may cause volatility in the entire blockchain asset industry and may affect other blockchain assets including the Tokens. For example, a security breach that affects investor or user confidence in cryptocurrencies such as Bitcoin may affect the industry as a whole and may also cause the price of the Tokens and other blockchain assets to fluctuate.

RISKS ASSOCIATED WITH THE TOKEN ISSUER

We are dependent upon the collective skill set of our management team.

We are dependent upon the efforts and collective skill set of our management team (see “Executive Management Team”) and other personnel or contractors hired or retained by them to successfully execute our business objectives. Despite their best efforts, any failure by these persons to adequately perform for us could materially affect the value and utility of our Token and Token protocol. To the extent officers, directors, managers or consultants of the Token Issuer violate laws or other regulatory requirements in their efforts, it could also negatively impact us, and we may not be aware of the risk or occurrence. Plus, we have agreed to indemnify them against liability for all but the most serious infractions. Also, our business, by its nature, is highly technical. The officers, directors, managers of our Token Issuer may receive compensation for their time combined with performance-based bonus from time to time and most if not all of these persons are only employed or otherwise engaged by us on a part-time or limited basis and have other duties elsewhere besides the Token Issuer (See “Compensation” and “Conflicts of Interest”). Loss of any of these individuals or mistakes by them could have a material and adverse impact on the value and utility of our Token and Token protocol. If we are unable to recruit and retain a sufficient number of personnel with the appropriate skill sets to execute our business model, we could be forced to limit our growth or possibly curtail our operations or cease business altogether.

Failure to effectively manage our growth could adversely affect our business and operating results.

Any future growth will undoubtedly place additional demands on our resources, and we cannot be sure that we will be able to manage our growth effectively. To successfully manage our growth, we may need to:

- Expand and enhance our administrative and/or technology infrastructure;
- Expand or enhance our access to debt and/or equity capital; and
- Enhance our management systems, our financial and information systems, and our controls.

Uncontrolled growth could put additional emphasis on recruiting, training, managing and retaining our employees and other personnel and place a strain on our management, operations, and financial resources. We cannot assure you that our present or future infrastructure, facilities, offices and personnel will be adequate to support our future operations or to effectively adapt to future growth. If we cannot manage our growth effectively, our results of operations may be materially and adversely affected.

We may incur unrecoverable legal costs.

We may incur legal and court costs related to litigation and/or other regulatory action. Costs associated with litigation and/or regulatory matters are often difficult to collect even when one prevails. In the event we incur such costs we will likely not recover such costs.

If we fail to comply with applicable government laws, it could result in the suspension or termination of our ability to conduct business.

We may be regulated under various U.S. federal and state laws and regulations and/or that of other non-U.S. jurisdictions. National government regulators (such as the SEC in the United States) have broad authority to investigate, recommend enforcement actions, and seek monetary penalties. State and provincial regulatory authorities often have similar powers. In addition, we expect to work extensively with both bankers, brokers and lawyers. Such professionals are subject to regulation by their respective licensing and regulatory bodies. Failure to comply with applicable laws, regulations, and professional or ethical rules of conduct could result in further investigations and enforcement actions, and we could be subject to fines as well as the suspension or termination of our ability to conduct business which would have a material and adverse effect on our financial position and the results of operations. In addition, new U.S. federal, state or non-U.S. laws or regulations in the jurisdictions in which we intend to operate, or changes in the ways these rules or laws are interpreted or enforced, could limit our activities, or the activities of our personnel, in the future or significantly increase the cost of regulatory compliance.

We are subject to conflicts of interest.

There are conflicts of interest inherent in our activities. We are owned and/or controlled by our key personnel or consultants (See “Executive Management Team”) who may engage in the business of buying cryptocurrencies for their own account or on behalf of other Subscribers. Such persons and/or their Affiliates may own or manage other blockchain-related ventures and/or related concerns or related assets on their own behalf and on behalf of others. Also, such persons will spend a materially significant amount of time on projects and ventures of the Token Issuer and to obligations both personal and professional outside the activities of the Token Issuer, including, but not limited to other business responsibilities to entities other than the Token Issuer, family responsibilities, and/or other entities or projects which may be deemed by our management as beneficial to the Token Issuer. Any additional responsibilities taken on by our key personnel or consultants or their affiliates may cause them to devote less time to the business of the Token Issuer and our Token protocol than is necessary for optimal performance. In addition, our key personnel or consultants or their affiliates may subscribe for Tokens themselves, may loan money to and/or borrow money from the Token Issuer, etc. The Token Issuer may also reimburse, lend money to and/or invest capital into affiliates. While in such cases we will endeavor to make such loans or investments on commercially reasonable terms, there can be no assurance of this. Such loans or investments may not be secured by the assets of the borrower, may not be backed with sufficient collateral, may be subordinate to senior lenders, and/or may be difficult to collect in the event of default.

Certain services to be provided to the Token Issuer, such as legal, accounting, marketing, consulting, advisory and technical services, may be performed by our affiliates or related parties under common control or with common interests or objectives. There is the possibility that if the value or utility of our Tokens or Token protocol declines, our Affiliates or related parties may still realize a profit even though you do not.

Conflicts of interest for the individual members of our key personnel, affiliates, consultants and/or others associated with the Token Issuer by way of contract may also arise. Our affiliates may retain or own intellectual property rights associated with our Tokens and Token protocol. Also, there may be intellectual property rights owned by our personnel that are either not claimed or claimable by us. Such interests have not been pledged as collateral or surety for the Tokens in any way, shape, or form. In addition, such interests may be sold, transferred or conveyed, in whole or in part, directly or indirectly, to others including our key personnel, affiliates, consultants and/or service providers without notice to Token Subscribers. In addition, such individuals, either directly or indirectly, may provide services to other related concerns and may engage in blockchain-related ventures for their own account and/or the account of others without accounting to the Token Issuer or Token Subscribers.

In addition, certain of our Executive Management Team and/or their affiliates may be presently engaged in the blockchain-related ventures or other concerns independent of the Token Issuer. Such persons may also be involved with other aspects of the blockchain or cryptocurrency industry which may or may not compete directly or indirectly against the interests of the Token Issuer. All of the foregoing activities or relationships may result in conflicts of interest.

You should seek out independent technical, legal, professional, tax, and financial advice

This Memorandum is not technical, legal, professional, tax, or financial advice. You agree that no question-and-answer sessions or other communications with the Token Issuer, our Affiliates or Executive Management Team shall be considered technical, legal, professional, tax, or financial advice. None of our Executive Management Team, Affiliates or key personnel, consultants, advisors, counsel, accountants, engineers, etc., have given nor shall they give you technical, legal, professional, tax, or financial advice despite the fact they may also happen to be attorneys, engineers, accountants, or other licensed professionals. None such persons shall be deemed to have given you any technical, legal, professional, tax, or financial advice or counsel whatsoever. We strongly recommend you consult with your own technical, legal, professional, tax, and financial advisors regarding the inherent risks of the Token Issuer before subscribing to the Tokens.

Few forums currently exist to trade blockchain-based security tokens.

Currently only a small number of SEC-registered ATs have the technological capabilities to permit the trading of security tokens like the CCNA Token, and they are all in an early stage of operation. Because the CCNA Token will be considered a security, they cannot trade on cryptocurrency exchanges like Coinbase. If we are unable to list on an SEC-registered AT that is capable of handling blockchain tokens or place them on a compliant peer-to-peer network, liquidity of the CCNA Token will be limited, and the holders may be unable to resell them easily or at acceptable prices during the Term.

Our forecasts are reliant upon hypothetical assumptions and lack independent review.

Financial projections or economic forecasts, if any, contained in this Memorandum or otherwise utilized by the Token Issuer or its Affiliated Project Companies are based on assumptions believed to be reasonable. However, such projections or forecasts, if any, are strictly hypothetical in nature. There is no assurance or guarantee expressed or implied that results of our operations will be similar to such projections, if any. There has been no independent economic review made of the merits of a subscription to the Token Issuer, our Tokens, Token protocol, affiliated companies, affiliates, etc. You will subscribe without independent evaluation of our hypothetical projections and their underlying assumptions. Consequently, you will assume the risk that the actual results of our activities may be significantly different than those shown in projections, if any, and the risk that you may lose your entire subscription funds. This is materially magnified by the fact that you will not have any debt, equity, or other kinds of interest in the Token Issuer or in any of our Affiliated Project Companies or their associated assets or affiliates.

The Offering is not registered under state and federal securities laws.

The Offering has not been registered under the U.S. Securities Act of 1933, as amended, nor registered under the securities laws of any U.S. state or other jurisdiction. We do not intend to register the Offering at any time in the future. Thus, you will not enjoy any benefits that may have been derived from such a registration and corresponding review by regulatory officials. You or your representatives must make your own decision as to subscribing to our Tokens with the knowledge that regulatory officials have not

commented on the adequacy of the disclosures contained in this Memorandum or on the fairness of our Offering. The lack of registration of the Offering also significantly restricts the transferability of the Tokens.

We could incur securities regulatory action.

While we believe the Offering will be conducted in compliance with existing U.S. federal and state securities laws and exemptions from registration, and believe prior or other Token placements have likewise been done in compliance, such placement(s) could be found by the SEC and/or one or more U.S. state securities regulatory agencies to have not been conducted in accordance with the requirements of available exemptions which finding could lead to a disallowance of exemptions from registration.

Our research, forecasts and assumptions lack independent review.

Although our analysis of and conclusions about the viability of our business model are believed to be reasonable, there is no assurance or guarantee, expressed or implied, that we will be successful in our objectives or will be able to meet its obligations in connection with the issuance of Tokens. Moreover, there has been no independent economic review of our business plan.

We may lack sufficient capitalization.

We are not required to maintain any minimum level of permanent working capital reserves. To the extent that expenses increase or unanticipated expenses arise and accumulated reserves are insufficient to meet such expenses, we would be required to obtain additional funds through raising equity capital or additional borrowing, if available. Due to our limited capitalization prior to the Offering and the fact that the resources of our Token Issuer are limited, there would be limited resources to pursue in the event that we were unable to honor our commitments to Subscribers or to others. The ability of the Token Issuer to repay any indebtedness incurred in connection with our business operations, or subsequent refinancing, will depend upon the sale, refinancing or other disposition or monetization of assets prior to the date such amounts become due. There can be no assurance that any such sale or monetization or refinancing can be accomplished at a time or on such terms and conditions as will permit the Token Issuer to repay any indebtedness. Also, financial market conditions in the future may affect the availability of loans, making financing difficult or costly to obtain. In the event the Token Issuer is unable to sell or refinance assets prior to the maturity date of any such indebtedness, or sell Tokens whether through the Offering or otherwise, the Token Issuer may be required to obtain the necessary funds through additional borrowings, if available. If additional funds are not available from any source, the Token Issuer will be subject to the risk of defaulting and/or losing the pledged assets through foreclosure which could have a material adverse effect upon our Tokens, Token protocol, etc.

The value of the Tokens may be influenced by many unpredictable factors.

Although no secondary market for our Tokens exist, the value or utility of the Tokens issued by the Token Issuer may fluctuate. Several factors, many of which are beyond our control, will influence the value of such instruments. We expect that generally the viability and utility of our Tokens and Token protocol will affect the value of such instruments more than any other fact.

Other factors potentially affecting the value of the Tokens include:

- Supply and demand for cryptocurrencies and blockchain-related ventures and/or related assets;
- Economic, financial, political, regulatory, geographical, technical or legal events that affect our business; and
- Creditworthiness of the Token Issuer.

Risks associated with the Token Issuer and our Affiliated Project Companies may adversely affect the value of the Tokens.

Because the Tokens issued by the Token Issuer will be linked to the overall financial health and stability of the Token Issuer and/or the value propositions, products, and/or services of our Affiliated Project Companies and the adoption of our Tokens and Token protocol, any adverse event affecting the same may adversely affect your subscription.

We have limited operating history.

Our Executive Management Team has limited experience in the cryptocurrency or blockchain-related ecosystem, and the Token Issuer lacks an operating history. As a result, we, together with all of our Affiliated Project Companies, each of which have their own respective business models, are subject to all the risks and uncertainties characteristic of a new business enterprise, including the substantial problems, expenses and other difficulties typically encountered in the course of establishing a business, organizing operations and procedures, and engaging and training new personnel. The likelihood of our success must be considered in light of these and other potential problems, expenses, complications, and delays.

We cannot forecast or predict the outcome of our activities.

We are dependent upon proceeds of the Offering to fund our Affiliated Project Companies' business plans and operations. There is no information at this time upon which to base an assumption that our plans will materialize or prove successful. There can be no assurance that our planned endeavors will result in any value or utility in the future, especially if our Tokens or Token protocol are not accepted by the marketplace. This, coupled with our limited operating history, makes prediction of our future operating results difficult, if not impossible. Because of these reasons, you should be aware that your entire investment capital in the Tokens is at risk.

Transferability will be restricted.

The Tokens offered by way of this Memorandum have not been registered with the SEC or any government's securities authority and will be restricted and therefore cannot be resold unless they are also registered or unless an exemption from registration is available.

The Offering price and Subscription Amount are arbitrary and variable.

The price per Token bears no relationship to our current assets, current net worth, or that of our Affiliated Project Companies, or any recognized criteria of value and should not be considered to be an indication of the actual current value of the Token, or any asset of the Token Issuer, etc.

We may require future capital to continue our operations.

Any amounts utilized from the proceeds of the Offering may prove to be inadequate for us. We may, therefore, permit or request significant additional capital from others on terms different from those set forth in the Offering, or from other sources. This may or may not have a subordinating or dilutive effect on your subscription.

Credit Risk of a Financial Institution

Credit risk is the risk to earnings or capital arising from an obligor's failure to meet the terms of any contract with CCNA and/or its Affiliated Project Companies, as a financial institution. Credit risks found in all activities where success depends on counterparty, issuer, or borrower performance. Risk arises any time CCNA and/or its Affiliated Project Companies' funds are extended, committed, invested, or otherwise exposed through actual or implied contractual agreements, whether reflected on or off the balance sheet.

Credit risk is the most recognizable risk associated with CCNA as a financial institution. This definition, however, encompasses more than the traditional definition associated with lending activities. Credit risk also arises in conjunction with a broad range of bank activities, including selecting investment portfolio products, derivatives trading partners, or foreign exchange counterparties. Credit risk also arises due to country or sovereign exposure, as well as indirectly through guarantor performance.

Interest Rate Risk of a Financial Institution

Interest rate risk is the risk to earnings or capital arising from movements in interest rates. The economic perspective focuses on the value of the bank in today's interest rate environment and the sensitivity of that value to changes in interest rates. Interest rate risk arises from differences between the timing of rate changes and the timing of cash flows (repricing risk); from changing rate relationships among different yield curves affecting CCNA and/or its Affiliated Project Companies' activities (basis risk); from changing rate relationships across the spectrum of maturities (yield curve risk); and from interest related options embedded in CCNA and/or its Affiliated Project Companies' products (options risk). The evaluation of interest rate risk must consider the impact of complex, illiquid hedging strategies or products, and also the potential impact on fee income which is sensitive to changes in interest rates. In those situations where trading is separately managed this refers to structural positions and not trading portfolios.

The assessment of interest rate risk should consider risk from both an accounting perspective (i.e., the effect on CCNA's and/or its Affiliated Project Companies' accrual earnings) and the economic perspective (i.e., the effect on the market value of CCNA's and/or its Affiliated Project Companies' portfolio equity). In some financial institutions, interest rate risk is captured under a broader category of market risk. In contrast to price risk, which focuses on the mark-to-market portfolios (e.g., trading accounts), interest rate risk focuses on the value implications for accrual portfolios (e.g., held-to-maturity and available-for-sale accounts).

Liquidity Risk of a Financial Institution

Liquidity risk is the risk to earnings or capital arising from CCNA's and/or its Affiliated Project Companies' inability to meet its obligations when they come due, without incurring unacceptable losses. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources. Liquidity risk also arises from the company's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value.

As with interest rate risk, many financial institutions capture liquidity risk under a broader category of market risk. Liquidity risk, like credit risk, is a recognizable risk associated with financial institutions.

Price Risk of a Financial Institution

Price risk is the risk to earnings or capital arising from changes in the value of portfolios of financial instruments. This risk arises from market-making, dealing, and position-taking activities in interest rate, foreign exchange, equity, and commodity markets.

Many financial institutions use the term price risk interchangeably with market risk. This is because price risk focuses on the changes in market factors (e.g., interest rates, market liquidity, and volatilities) that affect the value of traded instruments.

The primary accounts affected by price risk are those which are revalued for financial presentation (e.g., trading accounts for securities, derivatives, and foreign exchange products).

Foreign Exchange Risk for a Financial Institution

Foreign Exchange risk is the risk to earnings or capital arising from movement of foreign exchange rates. This risk is found in cross-border investing and operating activities. Market-making and position-taking in foreign currencies should be captured under price risk. Foreign exchange risk is also known as translation risk and it is sometimes captured as a component of market risk. Foreign exchange risk arises from accrual accounts denominated in foreign currency, including loans, deposits, and equity investments (i.e., cross-border investing). Accounting conventions require quarterly revaluation of these accounts at current spot rates. This revaluation translates the foreign denominated accounts into U.S. dollar terms.

Transaction Risk of a Financial Institution

Transaction risk is the risk to earnings or capital arising from problems with service or product delivery. This risk is a function of internal controls, information systems, employee integrity, and operating processes. Transaction risk exists in all products and services. Transaction risk is also referred to as operating or operational risk. This risk arises on a daily basis in all financial institutions as transactions are processed.

Compliance Risk

Compliance risk is the risk to earnings or capital arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices, or ethical standards. Compliance risk also arises in situations where the laws or rules governing certain financial transactions may be ambiguous or untested. Compliance risk exposes the institution to fines, civil money penalties, payment of damages, and the voiding of contracts. Compliance risk can lead to a diminished reputation, reduced franchise value, limited business opportunities, lessened expansion potential, and lack of contract enforceability.

Compliance risk is often overlooked as it blends into operational risk and transaction processing. A portion of this risk is sometimes referred to as legal risk. This is not limited solely to risk from failure to comply with consumer protection laws; it encompasses all laws as well as prudent ethical standards and contractual obligations. It also includes the exposure to litigation from all aspects of traditional and nontraditional financial institutions.

Strategic Risk

Strategic risk is the risk to earnings or capital arising from adverse business decisions or improper implementation of those decisions. This risk is a function of the compatibility of an organization's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, and the quality of implementation. The resources needed to carry out business strategies are both tangible and intangible. They include communication channels, operating systems, delivery networks, and managerial capacities and capabilities. Strategic risk focuses on more than an analysis of the written strategic plan. It focuses on how plans, systems, and implementation affect the bank's franchise value. It

also incorporates how management analyzes external factors that impact the strategic direction of the company.

CERTAIN U.S. INCOME TAX CONSIDERATIONS

Set forth below is a discussion, in summary form, of certain U.S. federal income tax consequences relating to a subscription to a Token and the acquisition, ownership and disposition of Tokens issued pursuant to a Subscription Agreement. This summary does not attempt to present all aspects of the United States federal income tax laws or any state, local or foreign laws that may affect a subscription in Tokens. In particular, non-U.S. Subscribers, financial institutions, insurance companies, tax-exempt entities, Subscribers subject to the alternative minimum tax and other Subscribers of special status must consult with their own professional tax advisors regarding a prospective subscription to a Token. This summary is by nature general in nature and should not be construed as tax advice to any prospective Subscriber. No ruling has been or will be requested from the U.S. Internal Revenue Service (the “IRS”) and no assurance can be given that the IRS will agree with the tax consequences described in this summary. The following discussion assumes that each prospective Subscriber will acquire Tokens as a capital asset (generally, property held for investment).

Neither we nor our Executive Management Team, advisors, lawyers, accountants, or other representatives make any representation or otherwise provide any tax advice concerning subscribing for our Tokens. By subscribing to the terms of the Offering, you represent and warrant that you have consulted your own tax advisor concerning the same and you are not relying upon us or any of the other persons listed in this paragraph, above.

This description is based on the U.S. Internal Revenue Code of 1986, as amended, (the “Code”), existing, proposed and temporary U.S. Treasury Regulations and judicial and administrative interpretations thereof, in each case as available on the date hereof. All of the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below.

The following discussion is limited to prospective Subscribers who are “United States Persons” (U.S. Persons) within the meaning of the Code.

Each prospective Subscriber should consult with its own tax adviser in order to fully understand the U.S. federal, state, local and foreign income tax consequences of a subscription in Tokens. No formal or legal tax advice is hereby given to any prospective Subscriber. Transactions involving a Token and similar instrument, as well as Initial Coin Offerings (“ICOs”) and Token transactions, are relatively new and it is more than likely that the IRS will issue guidance, possibly with retroactive effect, impacting the taxation of Subscribers to a Token, participants in an ICO, and holders of Tokens. Future tax guidance from the IRS (or guidance resulting from future judicial decisions) could negatively impact Subscribers of Tokens.

Treatment of Token Sale

The Token Issuer intends to issue Tokens to each holder of a Token pursuant to the terms of the applicable Subscription Agreement. The issuance of Tokens to a Subscriber under a Subscription Agreement will be treated as a taxable sale of property by the Token Issuer to the Subscriber. A Subscriber should not be taxed upon the acquisition of Tokens pursuant to the Subscription Agreement. A Subscriber should generally have a tax basis for U.S. federal income tax purposes in the Tokens it acquires from the Token Issuer equal to the amount of money such Subscriber advanced under the Subscription Agreement. The Subscriber’s holding period in the Tokens should begin on the date the Subscriber’s subscription to the Token becomes effective; the token becomes effective upon issuance (See Section 1223 of the Code).

Disposition of Tokens

A Subscriber who sells, exchanges, or otherwise disposes of the Tokens for cash or other property (including pursuant to an exchange of such Tokens for other convertible virtual currency) should, pursuant to Internal Revenue Service Notice 2014-21, recognize capital gain or loss in an amount equal to the difference between the fair market value of the property received in exchange for such Tokens and the Subscriber's adjusted tax basis in the Tokens. This capital gain may be long-term if the Subscriber has held its Tokens for more than one year prior to disposition.

Treatment of Conversion of Token Upon Failure of our Token Protocol or Affiliated Project Companies

In the event of a Token protocol failure, or failure of one or more of its Affiliated Project Companies, the Token Issuer may wind up its operations and distribute its assets to investors, creditors, or others, including Tokens Subscribers. A Subscriber who receives Token Issuer assets in exchange for their rights under the Subscription Agreement generally should recognize taxable gain or loss in an amount equal to the difference between the fair market value of the assets the Subscriber receives and its adjusted tax basis in their Tokens (which will generally equal the amount of cash it advanced under the Subscription Agreement).

EACH SUBSCRIBER SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF THEIR OWN TAX ADVISOR WITH RESPECT TO THEIR SUBSCRIPTION, AND EACH SUBSCRIBER IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO A SUBSCRIBER. SUBSCRIBERS SHOULD BE AWARE THAT THE U.S. INTERNAL REVENUE SERVICE MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY THE Token ISSUER AND THAT CHANGES TO THE U.S. INTERNAL REVENUE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR U.S. COURT DECISIONS AFTER THE DATE OF THIS MEMORANDUM MAY CHANGE THE ANTICIPATED TAX TREATMENT TO A SUBSCRIBER. THE Token ISSUER WILL NOT OBTAIN ANY RULING FROM THE U.S. INTERNAL REVENUE SERVICE WITH REGARD TO THE U.S. TAX CONSEQUENCES OF A SUBSCRIPTION TO THE TOKENS.

TO ENSURE COMPLIANCE WITH U.S. TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE SUBSCRIBERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY SUBSCRIBERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH SUBSCRIBERS UNDER THE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING OF AN OFFERING BY THE Token ISSUER; AND (C) PROSPECTIVE SUBSCRIBERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THE TAX TREATMENT OF THE SUBSCRIPTION AGREEMENT, THE PURCHASE RIGHTS CONTAINED THEREIN AND THE PLANNED Token DISTRIBUTION IS UNCERTAIN AND THERE MAY BE ADVERSE TAX CONSEQUENCES FOR SUBSCRIBERS UPON CERTAIN FUTURE EVENTS. AN INVESTMENT PURSUANT TO THE SUBSCRIPTION AGREEMENT AND THE PURCHASE OF TOKENS PURSUANT THERETO MAY RESULT IN ADVERSE TAX CONSEQUENCES TO SUBSCRIBERS, INCLUDING WITHHOLDING TAXES, INCOME TAXES AND TAX REPORTING REQUIREMENTS. EACH SUBSCRIBER SHOULD CONSULT WITH AND MUST RELY UPON THE ADVICE OF THEIR OWN PROFESSIONAL TAX ADVISORS WITH RESPECT TO THE U.S. AND/OR NON-U.S.-TAX TREATMENT OF A SUBSCRIPTION TO THE Token AND THE RIGHTS CONTAINED THEREIN.

ESTIMATED USE OF PROCEEDS

It is impossible to predict exact costs and the expenses necessary to conduct the business of the Token Issuer. Actual expenditures could vary substantially and materially from any estimated use of proceeds. We reserve the right to materially modify any proposed allocation at any time in light of changing facts and circumstances or market conditions in its sole and absolute discretion. Our current estimated use of proceeds from the Offering, subject to substantial and material change in our sole discretion, may be allocated in our sole discretion to fund a multitude of projects and ventures being pursued by CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, including, but not limited to other entities or projects which may be deemed by our management as beneficial to us. Such projects or entities shall be engaged in U.S. and Canadian operations, research and development, engineering, production, licensing, employees and employee benefits, computer hardware and software purchase and development, legal fees, domestic and international marketing, office space, and acquisition of real estate. A large portion of the monies raised would be allocated into the two main operating companies of Convertible Concepts Corporation: Convertible Trailer Manufacturing Worldwide Ltd. (“CTM”) and Convertible Logistics Corp. (“CLC”). For CTM, capital would provide for a significant expansion of the engineering team, as well as the acquisition of assembly/service facilities. For CLC, significant expenditures would be used to build out sales and logistics management teams, as well as further development of our proprietary logistics platform: Convertible Logistics Intelligence Centre (“CLIC”). We may also utilize the proceeds of the Offering for any other business-related expenses including, but not limited to, Offering expenses, legal, accounting, due diligence, overhead, marketing expenses, retirement of debt, settlements, interest payments, redemptions, etc.

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC	
Reg D/S Offering - \$23,666,917 – PROJECTED USE OF FUNDS	
GENERAL AND ADMINISTRATION (Including, but not limited to: legal, accounting, insurance, general operating costs, administrative management and personnel)	\$1,480,686.00
SALES AND MARKETING (Including, but not limited to: Sales and marketing management positions, administrative staff)	\$642,273.00
RESEARCH AND DEVELOPMENT (Including, but not limited to: Engineering and CLIC DEVELOPMENT (Proprietary Logistics Software Platform))	\$752,203.00
COGS (Including, but not limited to: Patent maintenance fees, prototypes, parts and raw materials)	\$15,788,270.00
EQUIPMENT FINANCING	\$4,070,649.00
ASSEMBLY/SERVICE FACILITIES	\$932,837.00
TOTAL	\$23,666,917.00
*The above Proposed Use of Funds may change in the sole discretion of Convertible Concepts North America, LLC management.	
*Our Use of Proceeds do not reflect the potential for part or all of the Offering being subscribed within the Threshold Discount structure. Any reduction in total proceeds due to Threshold Discounts shall be applied on a pro rata basis to the line items described above.	

THE FOREGOING OVERVIEW DOES NOT PURPORT TO BE COMPLETE. FOR MORE INFORMATION REGARDING OUR TOKENS AND THE BUSINESS OBJECTIVES OF OUR AFFILIATED PROJECT COMPANIES, PLEASE SEE EXHIBIT A OF THIS MEMORANDUM AND/OR PLEASE CONTACT US.

Token Issuer

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, a Delaware company (“we”, “our”, “us”, or the “Token Issuer”). In January of 2023, the Token Issuer was formed, and we believe that the success of our products and services, which we intend to capitalize and fund through this Offering, will help promote CCNA Tokens as an international digital security token. We are a financial entity set up to support the North American efforts of Convertible Concepts Corporation (“CCC”) and its Affiliated Project Companies. CCC and its Affiliated Project Companies seek to provide innovative, full-service solutions to address the massive problem in the transportation industry. Our Convertible hardware and software solutions have the ability to reduce the current “turn and burn” methods of empty automotive carrier runs and haul both vehicles and freight of all kinds with our patented Convertible designs. Paired with our proprietary software platform, we can offer full route planning optimization. To accomplish this goal, we would like to expand our engineering team and acquire assembly and service facilities. In addition, significant expenditures would go toward building out sales and logistics management and personnel, as well as further development of our proprietary logistics platform. (See “Use of Proceeds”).

There can be no assurance our objectives may be achieved. (See “Risk Factors”).

Our administrative office is located at 3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2. Our main telephone number is +1-866-863-3090 . You may send inquiries via e-mail to: support.convertibleconcepts@inx.co

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC is 100% owned by Convertible Concepts Corporation. Bill Pawluk is the sole Manager of CONVERTIBLE CONCEPTS NORTH AMERICA, LLC.

CCNA Token Market Overview

CCNA Token is a digital security token with the vision to provide innovative freight solutions that will transform the way both automotive and freight carriers operate and provide new opportunities for how goods are moved. Convertible Concepts North America, LLC is wholly owned by Convertible Concepts Corporation, which has created a proprietary freight system that allows for massive increase in profitability by eliminating the current “turn and burn” methods of automotive transportation. This term refers to road, rail, and ocean transportation vehicles running empty, which creates around \$100B in annual losses worldwide. Use of Convertible Trailers, as well as the AutoBox, aims to eliminate this problem and in turn create increased revenues and environmental responsibility. This digital security token seeks to glean the benefits of cutting-edge technology combined with the need to ship goods via land and sea while inciting increased sustainability to the environment and increased profits for all stakeholders in the North American market.

CCNA Token

CCNA is an ERC-1404 digital security token built on the Ethereum network. ERC stands for Ethereum Request for Comment, and 1404 is the number that was assigned to this request. The ERC-1404 is an extension of ERC-20 standard and it allows the issuance of Security Tokens with transfer restrictions to fulfill compliance requirements. For example, it allows the implementation of a whitelist, so the issuer can selectively control who is able to buy and own the token.

EXECUTIVE MANAGEMENT TEAM

The day-to-day affairs of the Token Issuer are controlled and directed by our Executive Management Team. In the event of the resignation or incapacity of any such persons, the ability of the Token Issuer to abide by our obligations to Token Subscribers may be materially and adversely affected.

Token Subscribers have no voting rights nor equity in the Token Issuer. They do not have any degree of control whatsoever over management of our business affairs or operations. All rights of Subscribers are determined by the express terms of the Token to which they subscribe.

Our Executive Management Team shall exercise their best efforts and their ordinary and customary business judgment and practices in managing the affairs of the Token Issuer. Our Token Issuer and our Executive Management Team are Indemnitees and shall not be liable or obligated to our Token Subscribers or any other Persons for any mistake of fact or judgment made by them individually or collectively or by their agents in operating the business of the Token Issuer which result in any loss to the Token Issuer or our Token Subscribers.

Our Token Issuer and our Executive Management Team and consultants do not in any way guarantee any return of subscriptions from the operations of the Token Issuer or the Tokens, nor shall any of our Executive Management Team or Affiliates be personally or corporately responsible to any Token Subscriber because of a loss of their capital or subscription to the Tokens.



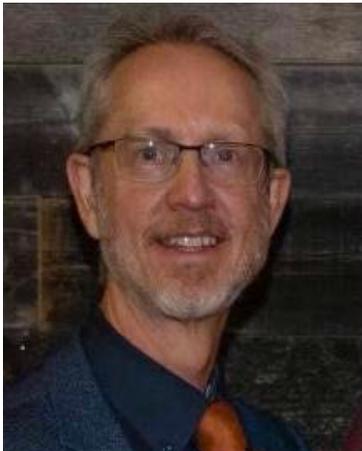
Bill Pawluk, CEO:

For more than 25 years, Bill has been focused on the transportation sector and specifically, the auto carrier industry. A visionary problem solver, Bill first founded Convertible Trailer Manufacturing and developed the equipment and methods necessary to capture a major opportunity and solve a significant global problem for this industry. In addition to bringing a broad range of experience to the Convertible project including recruiting and negotiating with multi-national suppliers, managing various patent processes, founding overseas subsidiaries, raising capital and successfully bringing the enterprise to its current state of readiness, Bill also has over 25 years of experience as a professional firefighter, EMT and rescue worker. His ongoing passion and vision are to continuously improve methods of managing the world's finite resources and finding new and better ways of using them wisely while improving profitability.



Jennifer Helmstaedt, Chief Operating Officer

Jennifer joined the Convertible team in 2013 and has been working in a growing capacity from the onset. As Chief Operating Officer, Mrs. Helmstaedt assists in the management of various aspects of the entire Convertible Project overseeing many of the day-to-day operations, including guidance of the Convertible Team and HR management. Her role includes business and contract development, assisting with and guiding the development of investment offerings and overall investor relations and communications. Through all of this, Jennifer continues to coordinate company involvement and attendance at automotive logistics conferences and other promotional events around the world.



Jonathan Crapo, Chief Financial Officer

Jonathan is a Chartered Professional Accountant with over 35 years of financial accounting and management experience across multiple industries, working in both Canada and Germany. Jonathan spent 14 years as a member of a leadership team operating a Canada-wide business with an annual turnover exceeding \$1B. During his career he has gained significant experience, becoming a successful financial leader with strong business acumen, accountable for steering business performance to achieve and exceed financial and performance targets. He is a seasoned strategic business partner with a proven track record of proactively delivering results to customers and shareholders. His experience also includes financial evaluations and successful acquisition of strategic assets. Jonathan has brought a wealth of experience to the Convertible project since joining the team as CFO in January of 2022.



Allan Jensen, Eng, Partner, Director:

For more than 18 years, Allan has been a diligent supporter for CCC in its endeavors in several ways. Along with his financial investments, he has acted as advisor and consultant throughout many of the obstacles and issues that were encountered on the journey. Allan has also served the petroleum industry for more than a generation in many different capacities, gaining a wealth of knowledge and experience. A mechanical engineer and business owner for over fifteen years, Allan's principal occupations over the past decade have been in oilfield consulting, as well as sustaining and managing the operations of his 1000-acre farmland in Alberta. He is driven by the potential of Convertible Concepts and by being a part of the solutions to the large issues in the transport industry today.



Stephen Harley, CEO, Convertible Logistics Corp., Global

Stephen has more than 40 years' experience within the automotive logistics sector. His career spans five decades culminating at the Ford Motor company as Executive Director Global MP&L and PS&L. After moving on from Ford, Stephen began a role as Managing Director, Asset Businesses with Laing O'Rourke for more than 4 years. Stephen joined the Convertible team in March of 2019 and along with helping guide the overall development of the entire project, he will also be working closely with the rest of the CLC team to ensure Convertible Logistics is achieving its fullest potential throughout the industry.



Dennis Manns, Automotive Logistics Expert & Advisor, Board Member

Dennis Manns served as the executive leader for North Motors Group – a diverse automotive advisory group leading OEM's and automotive supplier groups. In addition, Dennis completed his term on the Board of Directors for AMPORTS: the industry's largest automotive port services provider. Most recently, Mr. Manns served as the CCO for Road & Rail Services where he implemented a tiered marketing strategy to help the organization better integrate and expand within the various automotive, rail and commodities industries they represent. Dennis has an extensive background in the automotive and logistics industries including a 31-year career at American Honda in both sales and operations. His most recent position with Honda was as the Assistant VP of North American Sales and Logistic Planning. Among several key accomplishments Mr. Manns provided in this position were the design and development of the Honda de Mexico (HDM) distribution center in Celaya, Mexico. This distribution center is the largest in Mexico and the second largest in North America. Dennis joined the CLC team in the latter part of 2021 and is eager to put his experience and connections to work now within the Convertible initiative.



Steve Tripp, Automotive Logistics Expert & Advisor, Board Member

Steve has over 40 years' experience in the logistics sector and he began this career with Ford and later moved to Chrysler, then Fiat Chrysler Automobiles (FCA), (and since then, is now Stellantis). At FCA he held numerous senior level positions in Logistics and Supply Chain departments such as Assembly Production Control and Material Handling Engineering. He led FCA's Inbound (Parts) network, International Logistics network and was the Head of Worldwide Vehicle Transportation. In those positions he was responsible for all aspects of the networks – network design, transportation procurement and network operations. He has significant experience dealing with all modes of transportation including rail, truck, ocean, LTL and parcel. He has also held leadership positions in the Automotive Logistics industry as Chair of the Reload Committee in the Automotive Industry Logistics Steering Committee (AILSC) and Chair of the AILSC Executive Committee. He is a frequent speaker at Automotive Logistics conferences and has

presented at the Council of Supply Chain Management Professionals (CSCMP), rail shipper conferences (Southeast Association of Rail Shippers), ILOS Forum International and other venues. Steve joined the Convertible project in January of 2019 and is excited to help develop and expand the CLC team and to get Convertible Logistics working worldwide.

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DESCRIPTION OF PROPERTY

As of the date on the cover of this Memorandum we own no real estate. We currently operate out of facilities owned or controlled by our Executive Management Team or their affiliates and legal counsel.

COMPENSATION

Our Executive Management Team and Token Issuer will be paid in connection with their execution, management or administration of Token Issuer affairs or objectives. Such persons are also eligible for reimbursement for general and administrative costs and expenses, due diligence, market research, and costs in connection with the pursuit of our objectives (See “Estimated Use of Proceeds”). Affiliates of the Token Issuer may receive salaries, Tokens, or other forms of compensation out of the proceeds of the Offering or our revenue, capital, or other assets for services performed on behalf of the Token Issuer. Such services may include, but are not limited to, due diligence, marketing, legal, compliance, accounting, bookkeeping, administrative, printing, Offering, and/or other non-accountable expenses incurred in connection with the Offering (See “Estimated Use of Proceeds”) or compensation to our Executive Management Team and/or their Affiliates in connection with their management of Token Issuer affairs. See “Conflicts of Interest” and “Token Allocation and Plan of Distribution”.

CONFLICTS OF INTEREST

General

Conflicts of interest are inherent in the business of the Token Issuer. Transactions may be entered into without arms-length negotiation. Your interests as a Token Subscriber and those of the Token Issuer and/or its Affiliates may be inconsistent in some respects or in certain instances our actions may not be the most advantageous to you. The following discussion describes certain possible conflicts of interest that may arise. For some conflicts of interest, but not all, certain limitations are implemented in order to reduce the effect of such conflicts to the extent possible. Other than these limitations we have not established procedures to resolve a conflict of interest. The discussion below is not intended to be all-inclusive. Other transactions or dealings may arise in the future that could result in conflicts of interest for the Token Issuer and its Affiliates.

Conflicts Regarding Financing Companies with Ownership Interest

As a company 100% owned by Convertible Concepts Corporation, there are inherent conflicts of interests within CCNA, as Convertible Concepts North America exists as a financial institution to provide funding for companies in which executives, directors, employees, or affiliates have or may have ownership interest.

Conflicts Regarding Transactions with Affiliates.

There are conflicts of interest inherent in our activities. We are owned and/or controlled by our key personnel or consultants (See “Executive Management Team”) who may engage in the business of buying cryptocurrencies for their own account or on behalf of other Subscribers. Such persons and/or their Affiliates may own or manage other blockchain-related ventures and/or non-blockchain-related ventures and/or related concerns or related assets on their own behalf and on behalf of others. Also, such persons will spend a materially significant amount of time on projects and ventures sponsored by affiliates of the Token Issuer and/or other entities or projects which may be deemed by our management as beneficial to the Token Issuer. Any additional responsibilities taken on by our key personnel or consultants or their affiliates may cause them to devote less time to the business of the Token Issuer and our Token protocol than is necessary for optimal performance. In addition, our key personnel or consultants or their affiliates may subscribe for Tokens themselves, may loan money to and/or borrow money from the Token Issuer, etc. The Token Issuer may also reimburse, lend money to and/or invest capital into Affiliates. While in such cases we will endeavor to make such loans or investments on commercially reasonable terms, there can be no assurance of this. Such loans or investments may not be secured by the assets of the borrower, may not be backed with sufficient collateral, may be subordinate to senior lenders, and/or may be difficult to collect in the event of default.

Certain services to be provided to the Token Issuer, such as legal, accounting, marketing, consulting, advisory and technical services, may be performed by our Affiliates or related parties under common control or with common interests or objectives. There is the possibility that if the value or utility of our Tokens or Token protocol declines, our Affiliates or related parties may still realize a profit even though you do not.

Conflicts of interest for the individual members of our key personnel, Affiliates, consultants and/or others associated with the Token Issuer by way of contract may also arise. Our Affiliates may retain or own intellectual property rights associated with our Tokens and Token protocol. Also, there may be intellectual property rights owned by our personnel that are either not claimed or claimable by us. Such interests have not been pledged as collateral or surety for the Tokens in any way, shape, or form. In addition, such interests may be sold, transferred or conveyed, in whole or in part, directly or indirectly, to others including our key personnel, Affiliates, consultants and/or service providers without notice to Token Subscribers. In addition, such individuals, either directly or indirectly, may provide services to other related concerns and may engage in blockchain-related ventures for their own account and/or the account of others without accounting to the Token Issuer or Token Subscribers.

In addition, certain of our Executive Management Team and/or their affiliates may be presently engaged in the blockchain-related ventures or other concerns independent of the Token Issuer. Such persons may also be involved with other aspects of the blockchain or cryptocurrency industry which may or may not compete directly or indirectly against the interests of the Token Issuer. All of the foregoing activities or relationships may result in conflicts of interest.

Conflicts Regarding Other Activities of the Token Issuer

Our Executive Management Team will be required to devote to the Token Issuer only such time and attention which they consider necessary for the proper management of our activities. Such persons may continue to manage other business concerns. Thus, they may have conflicts of interest in allocating management time, services and other activities. We will determine the allocation of time, services and other functions on an as needed, if-needed basis.

Lack of Independent Underwriter and Due Diligence Investigation

The terms of the Offering, the Subscription Agreement, the Tokens, and other agreements were and are determined by the Token Issuer without arms' length negotiations. You may have benefitted more through utilizing independent legal counsel who might have negotiated more favorable terms for you in the Offering and such agreements.

Also, there has not been any in-depth "due diligence" investigation of the existing and proposed business activities of the Token Issuer, our Affiliated Project Companies, or the Tokens which would be provided by independent underwriters.

Conflicts Concerning Legal Counsel

It is anticipated that legal counsel to the Token Issuer will also serve as legal counsel to our Affiliates and that this dual representation will continue in the future. What's more, legal counsel to the Token Issuer may also be a control person of Affiliates of the Token Issuer and themselves be an Affiliate.

DESCRIPTION OF INVESTMENT CONTRACTS

Our Subscription Agreement grants the Subscriber one or more CCNA Tokens (the "Tokens") as described in this Memorandum. CCNA is an ERC-1404 digital security token built on the Ethereum network. ERC stands for Ethereum Request for Comment, and 1404 is the number that was assigned to this request. The ERC-1404 is an extension of ERC-20 standard and it allows the issuance of Security Tokens with transfer restrictions to fulfil compliance requirements. For example, it allows the implementation of a whitelist, so the issuer can selectively control who is able to buy and own the token.

The Tokens and our overall strategy and business model are more fully described in the Token Issuer's Deck and Business Plan attached and incorporated into this Memorandum as Exhibit A. The form of our Subscription Agreement is attached and incorporated into this Memorandum in Exhibit C. There can be no assurance our objectives may be achieved. (See "Risk Factors").

TOKEN ALLOCATION AND PLAN OF DISTRIBUTION

We expect that USD \$23,666,917 or more in value of CCNA Tokens may be issued and distributed pursuant to the Tokens subscribed for in the Offering and/or subsequent to this Offering on the same or alternative or materially different terms in our sole discretion.

There is a pre-determined number of CCNA Tokens.

There is a total of 200,000,000 in existence. The max cap of CCNA Tokens is 200,000,000. All of such Tokens are under the Token Issuer's control.

47,333,834 CCNA Tokens held by the Token Issuer will be available for sale to accredited investor Subscribers through this Offering. It is anticipated that up to \$23,666,917 may be sold in the offering based upon the CCNA Token price.

The Executive Management Team reserves the right to increase the Offering to up to 88,000,000 CCNA Tokens, however, there shall be no more than 2,000 investors accepted into the Offering.

Seven and half percent (7.5%) and therefore 15,000,000 Tokens will be held by the Token Issuer for issuance to our founders, team, advisors, employees, partners, contractors, and Affiliates in the sole discretion of the Token Issuer.

The balance of the CCNA Tokens held by the Token Issuer shall be used for (i) subsequent capital raises; (ii) retained as contingency reserves; (iii) utilized for marketing, business investments, or business operations; (iv) contributed toward charitable causes; (v) awarded to early investors or contributors or developers; and/or (vi) utilized in other areas or for other purposes in the Token Issuer’s sole and absolute discretion.

This estimated and forecasted Token allocation and distribution is illustrated in the following table which uses approximate numbers and is subject to material change:

CCNA Token Count Total	200,000,000
Reserved for CONVERTIBLE CONCEPTS NORTH AMERICA, LLC	15,000,000
Regulation D and Regulation S Token Offering to Investors	47,333,834
(Optional Executive Management Team Discretion Increase)	40,666,166
Balance of the CCNA Tokens	97,000,000 to 137,666,166

CCNA Token holders shall participate in the profits of CONVERTIBLE CONCEPTS NORTH AMERICA, LLC as follows:

1. CCNA token holders will receive a pro-rated share of a 40/60 (Holder/Company) split on potential future profits in CCNA.
2. Payments to CCNA Token holders shall be made at times scheduled by the Token Issuer and will be contingent upon holding the CCNA Tokens at the time of scheduled payouts.

The minimum Token subscription is USD \$2,000.00, which may be waived in our sole discretion. The Offering may be extended, withdrawn, or closed at any time in our sole discretion without notice.

The Subscription Price of the CCNA Token is equal to USD \$0.50 per CCNA Token. However, Subscribers that subscribe in any of the following threshold amounts will receive the associated discount as outlined in the following table:

Level of Investment (\$)	Discount on Base Token Price
\$250,000 - \$499,999	1%
\$500,000 - \$999,999	2%
\$1,000,000- \$1,999,999	4%
\$2,000,000 - \$2,999,999	8%
\$3,000,000 - \$3,999,999	12%
\$4,000,000 - \$4,999,999	16%
> \$5,000,000	20%

*Subscribers that would like to take advantage of investment via the Threshold Discount structure above should contact CCNA directly at:

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
Telephone: +1-866-863-3090
E-mail: support.convertibleconcepts@inx.co

RESTRICTIONS ON TRANSFERS

No Token Subscriber may sell, assign, transfer, encumber or otherwise dispose of their Tokens without the express prior written consent of the Token Issuer and/or without having satisfied exemptions from registration under of the U.S. Securities Act, if applicable. Any such prohibited transfer, if made, shall be void and without force or effect. Examples of potentially available exemptions may include Section 4(a)(7) of the U.S. Securities Act, Sections 4(a)(1) and 4(a)(2) of the same, and/or Rule 144 of Regulation D of the same or holding periods allowed to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made, for one or more Tokens as described in this Memorandum. Please consult with your own securities counsel as to such matters. Please consult with your own securities counsel as to such matters.

LEGAL PROCEEDINGS

As of the date of this Memorandum, we are not a party to any litigation. We may be or become parties to litigation in the normal course of business or may be or become subject to government oversight, investigations or administrative proceedings from time to time.

EXPERTS

The unaudited financial information found in the Exhibit section of this Memorandum was prepared by our Token Issuer and has not been subjected to audit or independent review.

SALES LITERATURE

We may utilize various literature (e.g., executive summary in bullet format, flipcharts, slide presentations, white paper, financial forecasts, etc.) summarizing certain aspects of the Token Issuer and/or the Tokens. Such material, if used, is qualified in its entirety by the information set forth in this Memorandum. The Offering of Tokens will be made only by means of this Memorandum.

SELECT DEFINITIONS

The following select definitions apply to the terms (whether capitalized or not) used in the Memorandum and/or are common terms used in our industry. This list does not purport to be exhaustive or complete.

“Act” means the U.S. Securities Act of 1933, as amended.

“Accredited Investor” means (i) a natural person whose individual net worth (not including the value of their primary residence), or joint net worth with their spouse, presently exceeds USD \$1,000,000; (ii) a

natural person who had an individual income in excess of USD \$200,000 in each of the two most recent years or joint income with their spouse in excess of USD \$300,000 in each of those years and they reasonably expect reaching the same income level in the current year; (iii) a corporation, partnership, trust, limited liability company, or other entity in which all of the equity owners are “Accredited Investors”; (iv) a trust with total assets in excess of USD \$5,000,000 and was not formed for the specific purpose of subscribing in the Offering, the trustee of which has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of subscribing to our Tokens; (v) a bank, savings and loan association or other financial institution, a registered securities broker or securities dealer, or an insurance company; (vi) a registered investment company or business development company, a licensed Small Business Investment Company, or a private business development company; (vii) a state-sponsored pension plan with total assets in excess of USD \$5,000,000; (viii) an employee benefit plan which either (a) has a fiduciary that is a bank, savings and loan association, insurance company, or registered investment adviser; (b) has total assets in excess of USD \$5,000,000; or (c) is a self-directed plan and investment decisions are made solely by persons that are “Accredited Investors”; (ix) a non-profit organization described in section 501(c)(3) of the U.S. Internal Revenue Code that was not formed for the specific purpose of subscribing in the Offering having total assets in excess of USD \$5,000,000; or (x) a director, executive officer, or manager of the Token Issuer.

“Affiliate” means any Person that directly or indirectly controls, is controlled by, or is under common control with the Person in question. As used in this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise, or to hold or to control the holder of 5 percent or more of the outstanding voting securities of such Person.

“Affiliated Project Companies” means the companies affiliated with Convertible Concepts North America and relationships that include: profits, use of proceeds, management, and business activities. These Affiliated Project Companies include, but are not limited to: Convertible Concepts Corporation, Convertible Trailer Patent Company, Convertible Trailer Patent Company Canada, Convertible Trailer Patent Company USA, Convertible Trailer Manufacturing Worldwide Ltd., Convertible Trailer Manufacturing Canada, Convertible Trailer Manufacturing USA, AutoBox Manufacturing Corporation, AutoBox Manufacturing Corporation Canada, AutoBox Manufacturing Corporation USA, Convertible Logistics Corporation, Convertible Logistics Corporation Canada, and Convertible Logistics Corporation USA.

“Blockchain” is a digitized, decentralized, public ledger of cryptocurrency transactions that is constantly growing as new “blocks” of data or information (e.g., the most recent transactions) are recorded and added to it in chronological order, thus allowing market participants to keep track of digital currency transactions without central recordkeeping, designed such that each node (a computer connected to the network) gets a copy of the updated blockchain as transactions occur.

“Code” means the U.S. Internal Revenue Code of 1986, as from time to time amended and in effect.

“Cryptocurrency” is a type of digital currency that uses cryptography and blockchain-related technology for security and anti-counterfeiting measures.

“Dissolution Event” means: (i) a voluntary termination of operations; (ii) a general assignment for the benefit of the Token Issuer’s creditors; or (iii) any other liquidation, dissolution or winding up of the Token Issuer, whether voluntary or involuntary. For the avoidance of doubt, a change of control or an initial public offering of the Token Issuer will not constitute a Dissolution Event.

“Effective Date” means the Token Issuer’s date of acceptance of a Subscription.

“CCNA” refers to CONVERTIBLE CONCEPTS NORTH AMERICA LLC, or otherwise referred to as “we”, “our”, “us”, or the “Token Issuer”.

“CCNA Regulated Tokens” refers to one or more CCNA Tokens, otherwise referred to as “Tokens”.

“ICO” refers to an “initial coin offering” which is a means by which funds are raised for a new cryptocurrency venture where a percentage of the cryptocurrency is sold to early backers of the project in exchange for legal tender and/or other cryptocurrencies.

“Indemnitee” means the Token Issuer, any Person who is or was an Affiliate of the Token Issuer, any Person who is or was an officer, director, employee, agent, contractor, advisor, counsel, trustee, partner, member, manager, or shareholder of the Token Issuer or any such Affiliate, or any such Person who is or was serving at the request of the Token Issuer or any such Affiliate as a director, officer, employee, partner, member, manager, agent or trustee of another Person; provided that a Person shall constitute an “Indemnitee” only with respect to acts, omissions or matters deriving from or relating to the business or operations of the Token Issuer.

“Memorandum” means the Private Placement Memorandum utilized by the Token Issuer to disclose risks, describe its proposed activities, and explain the terms of the Offering of Tokens to prospective Token Subscribers who are Accredited Investors.

“Offering” means the offering of the Token to Accredited Investors in accordance with Rule 506(c) of the U.S. Securities Act and Regulation D promulgated thereunder, or to non-U.S. Persons who are not purchasing for the account or benefit of a U.S. Person as defined under Regulation S under the U.S. Securities Act, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made, pursuant to the terms of the Memorandum.

“Person” means an individual or a corporation, limited liability company, partnership, trust, estate, unincorporated organization, association or other business enterprise.

“Price” means the price per Token to be delivered by the Token Issuer to the Subscriber at or around the time of the Initial Token Distribution Date. The Price will conform to the terms set forth in the Memorandum.

“Record Date” means the date established by the Token Issuer for determining the identity of Token Subscribers.

“Regulations” means the income tax regulations promulgated under the Code, as from time to time amended and in effect (including corresponding provisions of succeeding regulations).

“Smart Contract” means a computer protocol intended to digitally facilitate, verify, or enforce the negotiation or performance of a contract allowing for the performance of a credible transaction which is both trackable and theoretically irreversible without the involvement of third parties.

“Subscriber” means a Subscriber of one or more Tokens.

“Subscription” means the amount of legal tender and/or cryptocurrency a Subscriber has agreed to pay the Token Issuer under the terms of a subscription agreement to purchase Tokens.

Threshold Discounts” means the various investment levels that would warrant a discount to the Investor by the Token Issuer. The discount amount being applied to the offered price per Token of \$0.50.

“Token” means the cryptocurrency or other instrument issued by the Token Issuer to be used to facilitate exchanges occurring on or through the Token protocol; specifically, the “CCNA Regulated Token,” or “CCNA Token”.

“Token Distribution Event” means the Token Issuer’s offer and sale of immediately deliverable Tokens to persons other than persons who control, are controlled by, or are under common control with the Token Issuer.

“Token Issuer” means CONVERTIBLE CONCEPTS NORTH AMERICA, LLC, a Delaware company.

“CCNA Deck and Business plan” means the technical aspects of the Token, Token protocol and the Token Issuer’s business plan, the form of which is included in and attached to the Memorandum as Exhibit A.

WHERE TO OBTAIN MORE INFORMATION

Throughout this Memorandum, reference is made to certain information either not contained in this document or else attached hereto by way of exhibit. If you or your advisors would like additional information regarding the Token Issuer or the Offering, please contact us:

CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
Telephone: +1-866-863-3090
E-mail: support.convertibleconcepts@inx.co

EXHIBIT A

**CCNA INVESTMENT
DECK AND BUSINESS PLAN**



CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
Telephone: +1-866-863-3090
E-mail: support.convertibleconcepts@inx.co

This section alone does not constitute an offer to sell Tokens issued by the Token Issuer. An offer may be made only by an authorized representative of the Token Issuer and the recipient must receive a complete Memorandum, including all Exhibits.



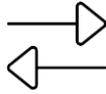
CONVERTIBLE CONCEPTS NORTH AMERICA
THE FUTURE OF AUTOMOTIVE & GENERAL FREIGHT LOGISTICS
INVESTOR PRESENTATION

\$100 Billion



Worldwide, the auto industry **wastes more than \$100B** every year on inefficient automotive transportation.

42%



Largely due to empty return trips, or backhauls, **42%** of auto transport miles are logged as **EMPTY**.

2 Billion

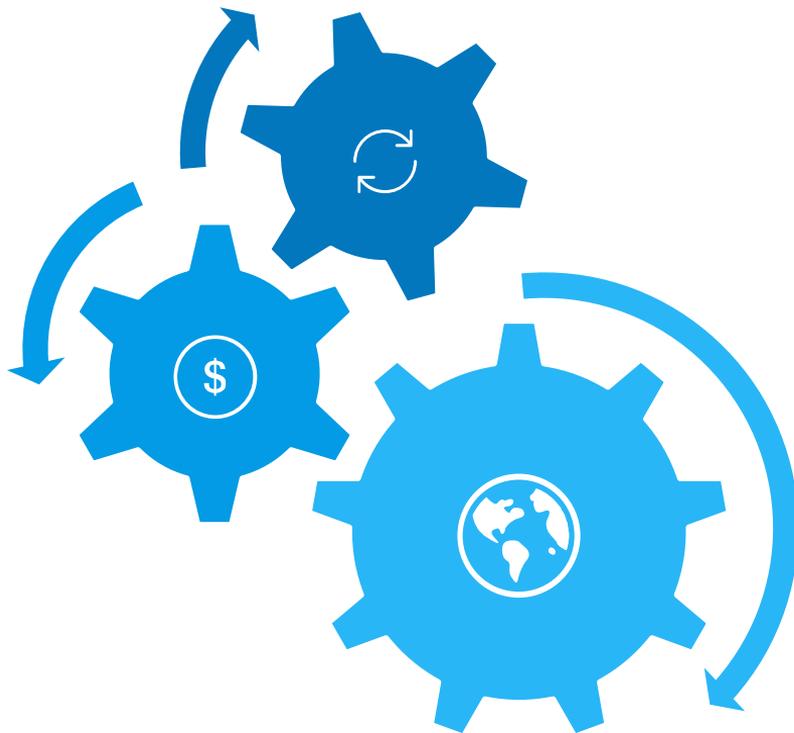


These empty backhauls result in over **2 billion gallons of wasted diesel fuel** globally every year.

22 Million



This equates to over **22 million tons of needless CO2 emitted** into the atmosphere every year.



Convertible Solutions For Automotive Transport Can Reduce or Even Eliminate Empty Miles!



INCREASED EFFICIENCIES

Realized throughout the supply chain as drivers fill their backhauls.



INCREASED PROFITS

To all stakeholders as the majority of the backhaul revenue hits the bottom line.



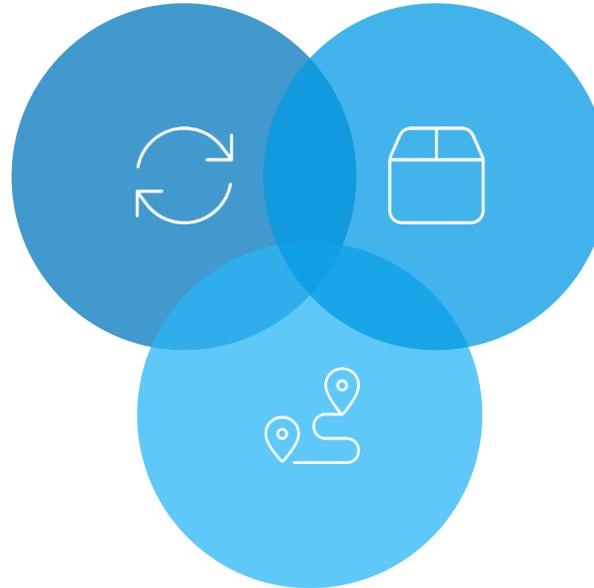
REDUCTION OF CO₂ EMISSIONS

With empty miles drastically reduced, we have the potential to eliminate 22 million tons of needless CO₂ emissions every year.

3 CORE REVENUE STREAMS

#1 - CONVERT IT. CONVERTIBLE TRAILER

Eliminates empty backhauls! Our regionally customized Convertible Trailer is capable of transforming from an auto carrier into a fully functional flat deck trailer in minutes.



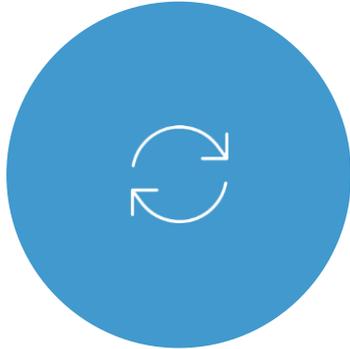
#3 - CONTROL IT. CONVERTIBLE LOGISTICS.

Now backhaul trips can be planned, organized and executed using our proprietary Convertible Logistics Intelligence Center (CLIC) Software. As a fully integrated Fourth-Party Logistics provider, Convertible Logistics will do the legwork for the drivers and carriers to ensure they are maximizing profits and filling their backhauls.

#2 - CONTAIN IT. AUTOBOX

Diversify the freight for your backhaul. The AutoBox is a new world standard-sized, collapsible, dry, intermodal, stackable, trackable, lineside ready, mini-container.



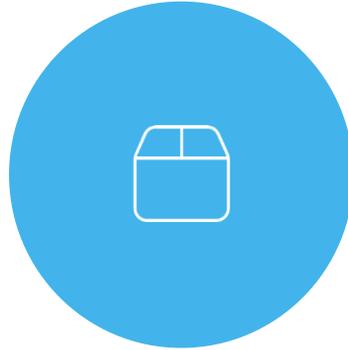


CONVERT IT. CONVERTIBLE TRAILER

Vehicles Manufactured Annually
Worldwide: 80 Million +

Road Auto Carriers Replaced Annually
Worldwide: 25,000+

Global Market Opportunity:
\$1.5-\$2B/yr*



CONTAIN IT. AUTOBOX

Revenue Opportunities
Include Selling To:

- Pooling Companies
- General Freight Transport Industry
- Other Industries (Agriculture, Construction, Military)

Global Market Opportunity:
\$5B/yr*



CONTROL IT. CONVERTIBLE LOGISTICS

Annual Monetizable Value Of Empty
Mile Capacity In Auto Carrier Assets
Globally (If We Use Convertible
Solutions): \$100 Billion

Global Market Opportunity
\$250-\$300B/yr*

***CCNA Token holders will receive 40%/60% (Investor/Company) split of potential North America profits with no cap on ROI.**

All Dollar Values Are Represented in Millions (USD)

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Revenue	\$34.60	\$318.06	\$695.03	\$1,178.83	\$1,636.47
Operating Expenses	\$49.21	\$286.69	\$622.34	\$1,062.64	\$1,489.18
EBITDA	-\$14.61	\$31.38	\$72.70	\$116.19	\$147.28

We **hold worldwide patents** on our Convertible Trailer and the AutoBox; **maximizing a defensible position** as we launch into and penetrate the market.

**The above projections are speculative and do not represent any guarantee to investors that these numbers will be achieved.*



**53' NORTH AMERICAN
CONVERTIBLE HI-MOUNT
TRAILER SYSTEM**

PROTOTYPE TRAILER IN ACTION



**53' NORTH AMERICAN
CONVERTIBLE HI-MOUNT
TRAILER SYSTEM**



**75' / 80' NORTH AMERICAN
CONVERTIBLE STINGER
TRAILER SYSTEM**



**16.5M E.U. HI-MOUNT
CONVERTIBLE TRAILER**



**16.5M E.U. HI-MOUNT
CONVERTIBLE TRAILER**

PILOT PROJECT & CASE STUDY

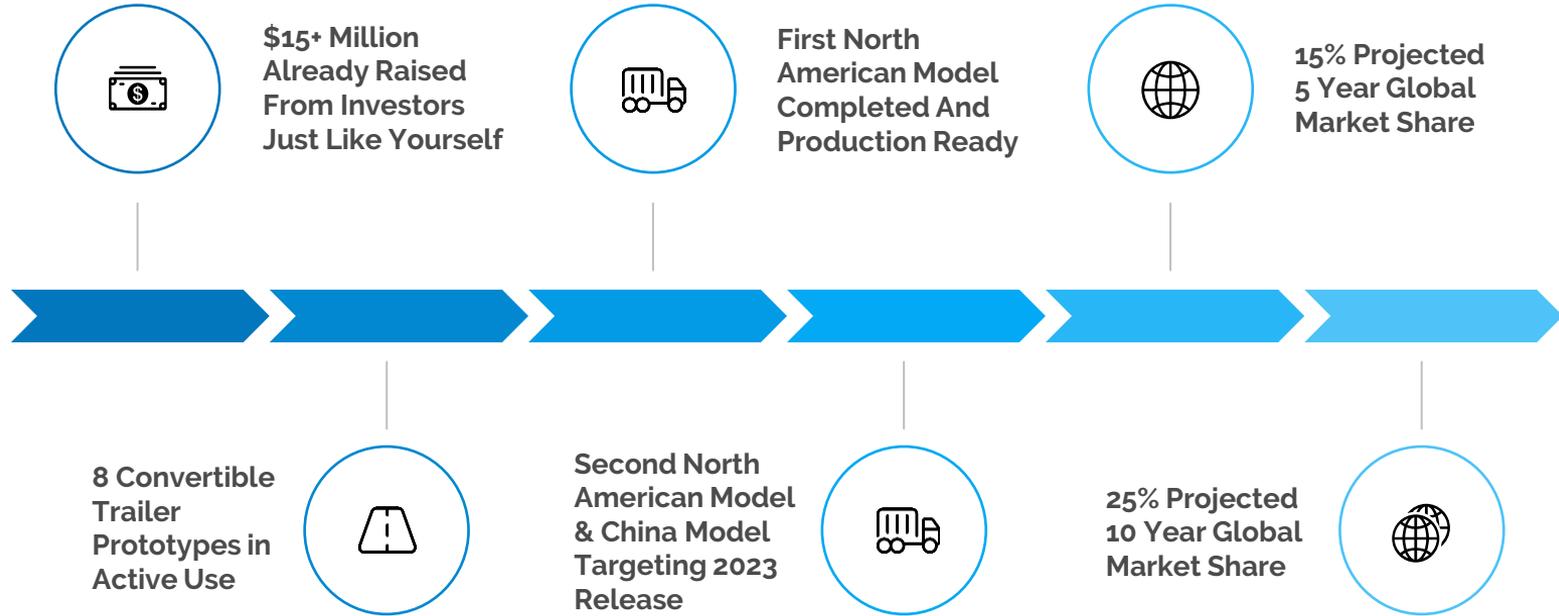
	BEFORE	AFTER
Trailer	53' Soft-Sided Semi Enclosed Trailer	53' Hi-Mount Convertible Trailer
Round Trips Per Month	2	2
Empty Backhauls	Yes	No
Avg. Monthly Miles	12,000	12,000
Revenue Per Mile	\$2.50	\$4.16
Monthly Revenue	\$30,000	\$45,000 - \$50,000
Annual Revenue	\$360,000	\$540,000 - \$600,000
Monthly Profit	\$3,000	\$15,000
Annual Profit	\$36,000	\$180,000



With no empty backhauls, the driver was able to realize a 500% increase in annual profit!

**Trailer operated between Vancouver and Montreal, Canada*

***Figures in CAD*



CEO

in



William (Bill) Pawluk

For more than 20 years now, Bill has been focused on the transportation sector and specifically, the auto carrier industry. A visionary problem solver, Bill first founded Convertible Trailers and developed the equipment and methods necessary to capture a major opportunity and solve a significant global problem for this industry. He brings a broad range of experience to the project, including recruiting and negotiating with multi-national suppliers, managing various patent processes, founding overseas subsidiaries, raising capital and successfully bringing the enterprise to its current state of readiness. His on-going passion and vision is to continuously improve methods of managing the world's finite resources and finding new and better ways of using them wisely while improving profitability.

COO

in



Jennifer Helmstaedt

As Chief Operating Officer, Mrs. Helmstaedt assists in the management of various aspects of the entire Convertible Project overseeing many of the day-to-day operations including guidance of the Convertible Team and HR management. Her role includes business and contract development, assisting with and guiding the development of investment offerings and overall investor relations and communications. Through all of this, Jennifer continues to coordinate company involvement and attendance at automotive logistics conferences and other promotional events around the world.



Stephen Harley – CEO, CLC Global

Stephen has more than 40 years experience within the automotive logistics sector. His career spans five decades culminating at the Ford Motor company as Executive Director Global MP&L and PS&L. After moving on from Ford, Stephen began a role as Managing Director, Asset Businesses with Laing O'Rourke for more than 4 years. Stephen joined our Team in March of 2019 and along with helping guide the overall development of the entire project, he will also be working closely with the rest of the CLC team to ensure Convertible Logistics is achieving its fullest potential throughout the industry.



Dennis Manns – Automotive Logistics Expert & Advisor, Board Member

Dennis served as the executive leader for North Motors Group - a diverse automotive advisory group to leading OEM's and automotive supplier groups. Dennis has an extensive background in the automotive and logistics industries including a thirty-one-year career at American Honda in both sales and operations. His most recent position with Honda was as the Assistant VP of North American Sales and Logistic Planning. Among several key accomplishments Mr. Manns provided in this position were the design and development of the Honda de Mexico (HDM) distribution center in Celaya, Mexico. This distribution center is the largest in Mexico and the second largest in North America.

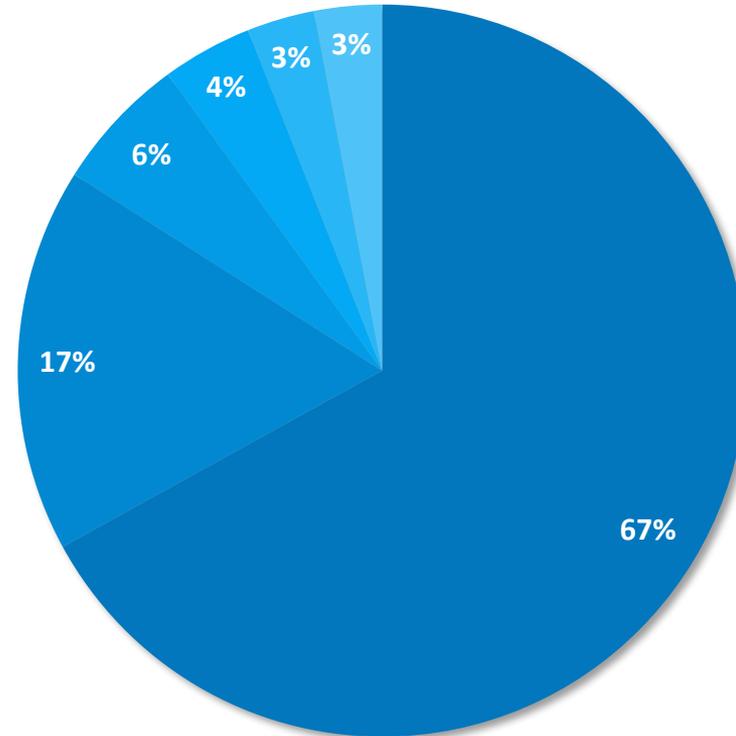


Steve Tripp – Automotive Logistics Expert & Advisor, Board Member

Steve has over 40 years experience in the logistics sector and began his career with Ford and later moved to Chrysler, then Fiat Chrysler Automobiles (FCA), (and since then, is now Stellantis). At FCA, he held numerous senior level positions in Logistics & Supply Chain departments such as Assembly Production Control and Material Handling Engineering. He led FCA's Inbound (Parts) network, International Logistics network and was the Head of Worldwide Vehicle Transportation. In those positions he was responsible for all aspects of the networks. He has significant experience dealing with all modes of transportation including rail, truck, ocean, LTL and parcel.

USE OF FUNDS

- ✓ Increase Engineering
- ✓ Logistics Platform Development
- ✓ Assembly / Service Facilities
- ✓ Office Expansion
- ✓ Sales & Support Staff



■ COGS ■ Equip. Financing ■ G&A ■ Assem./Serv Facilities ■ Sales & Marketing ■ R&D



Securities Type

Regulated Securities Token



Minimum Investment

\$2,000



Price Per Token

\$0.50



Investor Eligibility

US Accredited Investors
International Investors

What Are Regulated Securities Tokens? What Are Their Advantages Over Typical Equity Investments?

Simply put – Regulated Securities Tokens are a digital form of traditional investments, such as stocks. They offer a number of benefits to our investors over typical equity investments. A few highlights include:

- They are **asset-backed**, which provides **downside risk protection** for investors
- They provide a fixed total market supply which **eliminates your dilution risk**
- They provide **defined dividend payments** which are unaffected by majority equity shareholder discretion
- They are **regulated by the U.S. SEC**
- Lastly, they provide a **faster path to liquidity** on an Alternative Trading System (known as an ATS)



Throughout my time in the industry, empty running has been top of the list over any conversation about improving efficiency. Of course there are other issues, but empty running has always been the most problematic and the biggest win for anybody who can offer a solution.

- Mike Sturgeon, Executive Director ECG - The Association of European Vehicle Logistics



With my Convertible Trailers, I have well paid drivers and well-paid drivers are happy drivers and that gives me an edge over the competition.

- Merv Giles, Owner/Operator



Removing empty miles, along with the resulting costs, emissions and extra trips on our roadways from the finished vehicle logistics network is a win for customers, a win for suppliers, a win for drivers, and a win for America's roadways. Innovation matters.

- Sarah Amico, Executive Chairman, Jack Cooper Transport

THANK YOU

ADDRESS

3115 12th Street NE, Suite #104
Calgary, Alberta T2E 7J2
Canada

CONTACT

Bill Pawluk, CEO | Jennifer Helmstaedt, COO
investor@convertibleconcepts.com
1-866-963-3208

INVEST

invest.convertibleconcepts.com



The securities offered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Act”), or any state securities laws or blue sky laws or the laws of any non-U.S. jurisdiction, and are being offered and sold in reliance on exemptions from the registration requirements of the Act and state securities or blue sky laws. Accordingly, the securities cannot be sold or otherwise transferred except in compliance with the Act. In addition, the securities cannot be sold or otherwise transferred except in compliance with the applicable state securities or blue sky laws. The securities have not been approved or disapproved by the SEC, any state securities commission or other regulatory authority, nor have any of the foregoing authorities passed upon the merits of this offering or the adequacy or accuracy of any other materials or information made available to subscriber in connection with this offering. Any representation to the contrary is unlawful. The securities may only be purchased by persons who are “accredited investors,” as that term is defined in Section 501(a) of Regulation D promulgated under the Act.

View Private Placement Memorandum: <https://invest.convertibleconcepts.com/ppm>

Forward-Looking Statements Disclaimer

The offering materials may contain forward-looking statements and information relating to, among other things, Convertible Concepts North America, its business plan and strategy, and its industry. These forward-looking statements are based on the beliefs of, assumptions made by, and information currently available to the company’s management. When used in the offering materials, the words “estimate”, “project”, “believe”, “anticipate”, “intend”, “expect” and similar expressions are intended to identify forward-looking statements, which constitute forward looking statements. These statements reflect management’s current views with respect to future events and are subject to risks and uncertainties that could cause Convertible Concepts North America actual results to differ materially from those contained in the forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. Convertible Concepts North America does not undertake any obligation to revise or update these forward-looking statements to reflect events or circumstances after such date or to reflect the occurrence of unanticipated events.



CONVERTIBLE PROJECT BUSINESS PLAN 2023

- CONFIDENTIAL -

DISCLAIMER

Neither Convertible Concepts Corporation (“CCC” or the “Company”), nor any subsidiaries, affiliates, officers, directors, shareholders, employees, consultants, advisors, agents or other representatives (collectively, “Representatives”) of the foregoing, make any representation or warranty, express or implied, in connection with any of the information made available herein, including but not limited to, the past, present, or future value of the anticipated cash flows, income, costs, share value, expenses, liabilities and profits, if any, as described herein or with respect to any publicly available information related to any third party. Accordingly, any person, company or interested party will rely solely upon its own independent examination and assessment of the information in making any decision in connection with any investment in the Company or any other entity.

Neither the Company nor any Representatives shall have any liability to any recipient party or its respective Representatives as a result of receiving and/or evaluating any information concerning the Company (including, but not limited to, this presentation). This presentation is neither comprehensive nor all-inclusive and may not contain all of the information that an interested party may require to form the basis of any investment decision.

This presentation contains certain confidential and proprietary information of the Company. This presentation and the information contained herein may be used solely by the recipient. The information may only be disclosed to persons who have a need to know, and who have been instructed to the confidential nature of the information and have agreed to keep that information confidential.

This document contains information that constitutes “forward-looking information” or “forward-looking statements” (collectively “forward-looking information”) within the meaning of applicable securities legislation. This forward-looking information includes, among others, statements regarding: estimated manufacturing rates, estimated sales and other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance.

Undue reliance should not be placed on forward-looking information. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks which could cause actual results to vary and in some instances to differ materially from those anticipated by CCC and described in the forward-looking information contained in this presentation or otherwise. The material risk factors include, but are not limited to: the uncertainty of estimates and projections relating to manufacturing, costs and expenses; potential delays or changes in plans with respect to manufacturing projects or capital expenditures; fluctuations in interest rates; health, safety and environmental risks; changes in general economic and business conditions; and the possibility that government policies or laws may change or governmental approvals may be delayed or withheld. The foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of the Company’s management at the time the information is presented. The Company assumes no obligation to update forward-looking information should circumstances or management’s estimates or opinions change, except as required by law.

Dollar amounts are presented in USD, except where otherwise indicated.

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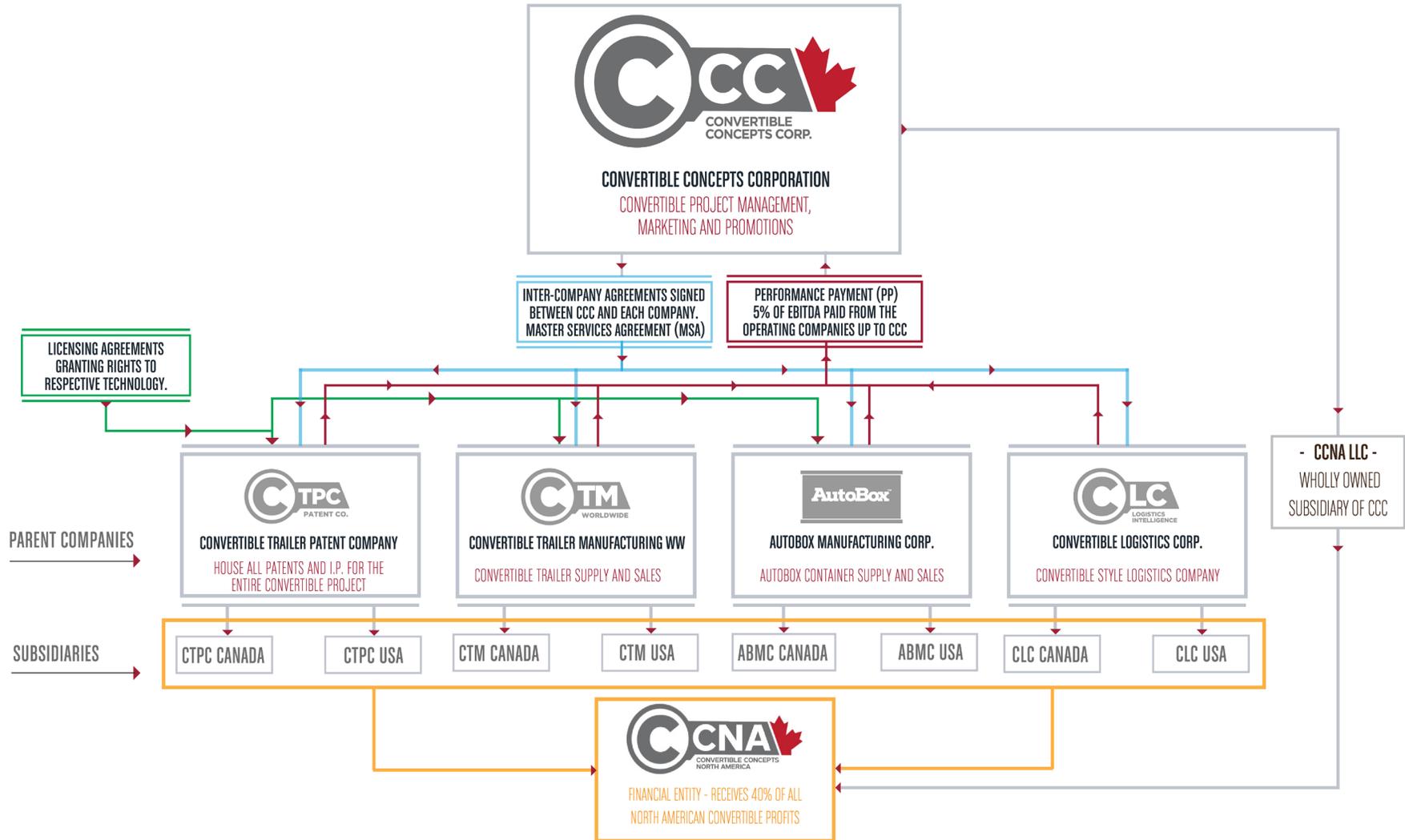
GLOSSARY

ABMC	AutoBox Manufacturing Corporation (“ABMC”)
ASP	Application Service Provider (“ASP”)
BOD	Board of Directors (“BOD”)
BSP	Business Service Provider (“BSP”)
CCC	Convertible Concepts Corporation (“CCC”). CCC acts as the management company to all of the operating companies within the Convertible project in order to maintain continuity across the branding, marketing and business development of the entire project.
CCNA	Convertible Concepts North America LLC (“CCNA”). A subsidiary of CCC and wholly owned by CCC.
CIMC	China International Marine Containers (Group) Ltd. (“CIMC”) is a world leading supplier of logistics and energy equipment, headquartered in Shenzhen of China.
CLC	Convertible Logistics Corporation (“CLC”)
CLIC	Convertible Logistics Intelligence Centre (“CLIC”) is a software module developed by INFORM as a customized application specifically for the analysis of inbound and outbound (automotive) logistical data and industry data for use with Convertible Hardware solutions and for management of Convertible-style logistics.
CLSAs	Convertible Logistics Sales Agents (“CLSAs”)
CTM WW	Convertible Trailer Manufacturing Worldwide (“CTM WW”)
CTPC	Convertible Trailer Patent Company (“CTPC”)
EPOD	Electronic Proof of Delivery (“EPOD”)
FEA	Finite Element Analysis (“FEA”) is a computer aided analysis technique using specialized software that allows designers and engineers to virtually test and predict the behavior of structures under static and dynamic loading conditions working directly from the computer model. FEA allows engineers to optimize any structural design for weight and strength before fabrication starts.
HI-MOUNT	Hi-mount style trailers can be pulled with a typical tractor having a 5th wheel mounted on the tractor frame or chassis.
IPIC	The International Physical Internet Centre (“IPIC”) aims to transform the way physical objects are moved, stored, realized, supplied and used, pursuing global logistics efficiency and sustainability and helping to reduce and eliminate empty backhauls.

GLOSSARY

ISO	International Organization for Standardization (“ISO”) is a worldwide federation of national standards bodies from some 100 countries, with one standards body representing each member country. ISO Containers are standardized shipping containers used for the intermodal transport of freight.
LTL	Less Than Load (“LTL”) is the transportation of relatively small shipments of freight.
MOTION	Motion Industries is a premier industrial solutions company for industry in North America. Motion manages our suppliers, assembly and QC for our North American production requirements.
MOU	Memorandum of Understanding (“MOU”)
NA	North America (“NA”)
OAL	Overall Length (“OAL”)
OEMs	Original Equipment Manufacturers (“OEMs”). Auto manufacturers are considered to be OEMs.
RoRo	Roll-on/Roll-off (“RoRo”) ships are vessels designed to carry wheeled cargo, such as cars, trucks, semi-trailer trucks, trailers, and railroad cars, that are driven on and off the ship on their own wheels or using a platform vehicle.
STINGER	A truck tractor semi-trailer wherein the fifth wheel is located on a drop frame located behind and below the rear-most axle of the power unit.
TMS	Transportation Management System (“TMS”)
TSPs	Transport Service Providers (“TSPs”)
TUV	Technical Inspection Association (“TUV”) is a European based testing, inspecting, auditing and certification body with high standards and broad recognition.
UBER	Uber develops, markets and operates the Uber car transportation and food delivery mobile apps. Uber drivers use their own cars, although drivers can rent a car to drive with Uber.
4PL	A fourth party logistics provider (“4PL”) is an integrator that accumulates resources, capabilities and technologies to run complete supply chain solutions. Typically a 4PL is non-asset based.

CONVERTIBLE GROUP OF COMPANIES ORG CHART



CONVERTIBLE CONCEPTS CORPORATION

Convertible Concepts Corporation (“CCC”) is a company with a clear focus: to educate the automotive and general freight industries and promote innovative and disruptive technologies and methodologies that can greatly improve the overall efficiency of the entire transportation industry. CCC was created to cohesively manage and promote all of the Convertible main operating companies and their respective solutions, which do just that.

The main operating companies include:

Convertible Trailer Patent Company (“CTPC”)

Convertible Trailer Manufacturing WW Ltd. (“CTM WW”)

AutoBox Manufacturing Corporation (“ABMC”)

Convertible Logistics Corporation (“CLC”)

CCC is presently focusing this awareness campaign through the various automotive logistics conferences it attends worldwide.* With the automotive transportation sector as our primary target, these conferences provide significant exposure for our project and our various solutions, as well as the opportunity to meet one-on-one with the executive level personnel from automotive organizations globally. With captive target audiences such as this, we are able to educate at the source on what each of our solutions can individually achieve, as well as present the full scope of attainable efficiency by utilizing all of our Convertible Solutions together.

As the project continues to develop, the CCC executive team ensures that all of the companies are aligned from their business strategies and development tactics through to collective branding and marketing fronts. Although each of these companies functions independently, their individual successes are compounded by that of the others. CCC acts as the common thread through each of them to assist in guiding the entire initiative as seamlessly as possible.

CCC intends to be the thought leader in best practice methodologies in the automotive and general freight logistics verticals around the world by supporting, fostering and developing ideas that improve logistics efficiencies. The idea of making assets versatile and multi-purpose will assist shippers around the world in supporting a more holistic approach to logistics, thereby reducing their carbon footprint. CCC welcomes all such ideas and will work towards creating an environment and atmosphere of collaboration and cooperation within the transportation and logistics industry.

*A few of the various (automotive) logistics conferences we attend/sponsor:

Ultima Media: www.ultimamedia.com

AIAG: www.aiag.org

Automotive Supply Chain: www.automotivesupplychain.org

ECG: www.ecgassociation.eu

CFLP/CALA: www.chinawuliu.com.cn

AHAA: www.autohaulersamerica.com

CONVERTIBLE CONCEPTS NORTH AMERICA LLC

Convertible Concepts North America LLC (“CCNA LLC”) is a wholly owned subsidiary of Convertible Concepts Corporation. It was formed for the purpose of capturing the development and sales specifically for the North American entities of the project. As per the org chart on page 6, this includes the CANADA and USA subsidiaries of each of the four main operating companies. Specifically:

Convertible Trailer Manufacturing CANADA (“CTM CANADA”)
Convertible Trailer Manufacturing USA (“CTM USA”)

Convertible Trailer Patent Co. CANADA (“CTPC CANADA”)
Convertible Trailer Patent Co. USA (“CTPC USA”)

AutoBox Manufacturing Corp. CANADA (“ABMC CANADA”)
AutoBox Manufacturing Corp. USA (“ABMC USA”)

Convertible Logistics Corp. CANADA (“CLC CANADA”)
Convertible Logistics Corp. USA (“CLC USA”)

For the purposes of this Offering, CCNA LLC has agreements in place with each of these eight entities that state that all revenues from the subsidiaries shall initially flow directly into CCNA LLC. These revenues will then form the basis on which all CCNA LLC token holder distributions are assessed from. Once token holder distributions have been paid out, all residual revenues will flow back to the respective parent companies of each of the subsidiaries. At this time, no additional revenues or fees are charged from CCC to CCNA LLC for its management given CCNA LLC is wholly owned by CCC. CCC’s purpose is not structured to be a profit centre, but to act as the overarching management company of the entire project to ensure unified business development.

CONVERTIBLE TRAILER PATENT COMPANY

Convertible Trailer Patent Company (CTPC) is one of the operating companies in the Convertible Project whose main function is to house and manage all of the patents relating to any of our Convertible solutions. CTPC has worldwide licensing agreements with the respective related companies granting them full rights to utilize the design/technology and other associated IP. With CTPC's approval, these agreements also allow the licensee to sub-license the technology.

At this time, CTPC manages the following patents relating to the Convertible Trailer, which are licensed to CTM WW Ltd.:

1. Canada: filed in 2000 and expired in September, 2020. (patent # 2317269).
2. USA: filed in 2001 and expired in July, 2021. (patent # 6497541).
3. Worldwide: filed in 2010 in Geneva for claims in various countries worldwide, (patent # PCT/CA2010/000757). This patent will expire in May, 2030.

CTPC also manages the following patents relating to the AutoBox which it licenses to ABMC:

1. Canada: filed in 2014 - PUBLISHED
2. European: filed in 2014 - PUBLISHED
3. Worldwide: filed in 2016 - (PUBLISHED - PCT/CA2014/0002)

CTPC is to be paid a royalty on the retail sale of each unit as per the licensing agreements with each respective company.

It is the intent of CTPC to continue to develop new ideas that offer increased and improved efficiencies to the automotive and general freight industries. As we develop our own style of Convertible technologies and commercialize them, we will continue to find new improvements that will enhance our equipment and product lines. Furthermore, we will align ourselves with other like-minded companies who have similar innovations such as HCl 4Fold (www.hcinnovations.nl/4fold-foldable-container), the company who has developed a collapsible 40' Hi Cube container. The Modalohr system (www.lohr.fr/lohr-railway-system), can potentially work very well with our Convertible solutions where there is road/rail involvement. There will undoubtedly be additional innovations that align themselves under the Convertible umbrella, and CTPC will manage this type of IP on an ongoing basis.



FACTS AND ASSUMPTIONS

AUTO CARRIERS IN OPERATION WORLDWIDE:

ROAD: 200,000 | RAIL: 200,000 | RoRo OCEAN: 1,200

VEHICLES MANUFACTURED ANNUALLY WORLDWIDE:

■ **80.1 MILLION** ■

STATISTA 2021

ROAD AUTO CARRIERS REPLACED ANNUALLY WORLDWIDE:

■ **25,000+** ■

LIFE CYCLE OF ROAD AUTO CARRIERS:

■ **7-12 YEARS** ■

AVERAGE ROYALTY FROM PATENTED CONVERTIBLE HARDWARE SALES:

■ **3-5%** ■



INTRODUCTION

The largest challenge in transportation logistics around the world has always been to find the most optimal and efficient way of moving goods. How do we move freight using the least amount of fuel, equipment and other resources, in a safe and timely fashion?

CTM WW's founder and CEO is Bill Pawluk from Calgary, Alberta, Canada. Bill has spent over 20 years in transportation logistics, more specifically, automotive and freight logistics in Western Canada and throughout the US. Between the years of 1994 to 2005, he owned and operated a twenty-truck auto transportation business that transported vehicles from Canada into the US. Typically, his trucks were returning from the US to Canada empty. He quickly came to realize the wasted fuel, money and opportunities created by those empty backhauls. The conventional auto carrier is only capable of transporting vehicles. So, how can you change its mechanical configurations and functions to transport general freight? Mr. Pawluk had some ideas. He went to work and modified several pieces of equipment developing a concept that worked!

He thought to himself, "What if I could convert my entire fleet and start transporting full loads everywhere my trucks travel?" After making inquiries with all of the auto carrier manufacturers in North America, he found no one interested in building what he was requesting. They were all convinced that traditional auto carrier equipment was the only way to go in this industry - an industry that typically runs empty 42% of the time! He decided to find his own manufacturers, and after several months of work with an engineer, a set of drawings went to production in a facility in British Columbia, Canada where the very first Convertible Trailer was created in late 1999.

**The four principles that guide all business activities
and development in CTM WW are**

SAFETY

EFFICIENCY

PROFITABILITY

ENVIRONMENTAL RESPONSIBILITY

INTRODUCTION (cont.)

This unit went into service in early 2000 and Mr. Pawluk's transport company was able to fill the equipment on the very first trip from Calgary to Los Angeles and Los Angeles back to Calgary. The experiment was a success! Immediately, additional changes were incorporated into the next generation of Convertible Trailers and three more units were built. They went into service and were likewise full on every trip. This was the beginning of the journey for CTM WW Ltd.



The first generation of Convertible Trailers to hit the road.

INTRODUCTION (cont.)

Convertible Trailer Manufacturing was incorporated in December of 2007. The original purpose of this company was to perform sales and manufacturing functions for the Convertible Trailer concept in North America. After some market research, it was clear that the problem of empty auto carriers existed all over the world and not just in North America. Thus, in 2011, the name was changed to Convertible Trailer Manufacturing Worldwide Ltd. (CTM WW) in order to more accurately encompass what was very evidently an industry problem on a global scale.

Today, the vision of CTM WW is to improve auto and freight logistics practices around the world by employing more modern concepts that lend themselves to improved efficiencies. These concepts can be technological, strategic or a combination of both. CTM WW's aim is to introduce and successfully integrate our innovative and multi-functional auto carrier equipment and be the disrupter that will instigate the long overdue and necessary changes needed in the transportation industry.

CONVENTIONAL AUTO CARRIERS CAN ONLY HAUL **1 TYPE OF PRODUCT.**
AND ARE **RUNNING**

EMPTY
NEARLY
50%
OF THE TIME
AND THIS CREATES OVER
\$100
BILLION
IN ANNUAL LOSSES WORLDWIDE



THE PROBLEM

Today's conventional auto carrier systems around the world are purpose built to transport only vehicles. This means if a carrier transports vehicles from the point of origin to a dealership, for example, and there are no vehicles coming back to the point of origin (which is most often the case), then the auto carrier asset base is forced to run home empty. In North America, arguably the most highly developed auto logistics country in the world, auto carrier assets on average run empty 42% of the time! This is the highest empty mile factor in the transportation sector, bar none, and it wastes approximately one million gallons of fuel daily in the US alone! This is an industry wide bad habit on a global scale and it needs to stop.

THE INDUSTRY CALLS THIS "TURN & BURN"

THE SOLUTION

CONVERTIBLE-STYLE EQUIPMENT

CTM WW has designed a trailer that can transport a full load of general freight, and not just automobiles. This innovative piece of equipment is called the Convertible Trailer by CTM WW.

You will most likely find the solution logical and simple. The fact is, most people are very reluctant to change. The entire automotive industry is entrenched in processes that in some cases are 100 years old! They have carried on this bad habit of “Turn and Burn” for far too long. Simply putting forth the concept of the equipment is not enough. That is why CTM WW has been focused on promoting this disruptive technology and concept through an awareness campaign that targets the automotive industry and begs the question, “Why are you paying extra money for the delivery of vehicles on assets that aren’t capable of shipping other products?”

WITH YOUR HELP, CTM WILL TURN THE OLD INDUSTRY ADAGE OF “TURN AND BURN” ON ITS HEAD.

AND WE CALL IT...

TURN & EARN!



PAYBACK ON BACKHAULS

Figures are reflective of actual Convertible Trailers currently in operation.





NORTH AMERICAN "STINGER" MODEL



NORTH AMERICAN "HI - MOUNT" MODEL

TECHNOLOGY AND PATENTS

The technology associated with the Convertible Trailer system is simply a reconfiguration of existing auto carrier technologies, but made to convert auto carrier structures and functions into a standard flat deck model. CTM WW owns all of the original engineering associated with this development and has several prototypes operating in the US, as well as Western Europe, based on this technology. This equipment operates just like a conventional auto carrier but is able to easily convert into a flat deck system to load a 40' container, or any type of general flatdeck freight. This feature is appealing to OEMs who have outbound vehicle movement and inbound parts arriving in containers.

The patents are held within three separate claims:

1. Canada: filed in 2000 and expired September, 2020. (patent # 2317269).
2. USA: filed in 2001 and expired July, 2021. (patent # 6497541).
3. Worldwide: filed in 2010 in Geneva for claims in various countries worldwide, (patent # PCT/CA2010/000757). This patent will expire in May, 2030.



The first Western European Convertible Trailer built by Lohr Ind.

ENGINEERING

Over the course of the last few years, it became increasingly clear that having direct control over the engineering would allow us to work more efficiently with customers, while also being able to more accurately predict and manage timelines to production. Thus in the latter part of 2016, we established a Calgary based engineering team to take over the design and engineering of our Convertible Trailers.

Currently, we have defined and prioritized 16 different models to be engineered for key automotive markets worldwide:

- 1) North American 53' Hi-Mount
- 2) China 22m Centre-Axle Steered (CAS)
- 3) North American Stinger 75'-80' OAL
- 4) Western European 18.75m Drawbar
- 5) China 16.5m Semi-Trailer
- 6) Western European 16.5m Semi-Trailer
- 7) Eastern European Drawbar
- 8) Eastern European Semi-Trailer
- 9) Middle East Semi-Trailer
- 10) North American Stinger #2
- 11) South American Semi-Trailer
- 12) Mexican 31m B-Train
- 13) African Semi-Trailer
- 14) Asia Pacific Stinger
- 15) India Semi-Trailer
- 16) South American Stinger
- 17) Australia/New Zealand

Our target is to have the above listed models all completed within five years. There will be many submodels based off of these.

All of these models will now be housed under our management and development. Establishing full control over our engineering allows us more flexibility in choosing manufacturers for our products, thereby giving us the ability to service various markets more effectively.

From an engineering perspective, the team is managing all levels of the project and has created the quality management processes necessary to sustain and support the design, prototyping, testing and manufacturing for multiple models worldwide. Testing procedures will include finite elemental analysis (FEA) and whenever possible, physical accelerated life cycle testing on the prototypes themselves.

Our greatest value lies in the control of our engineering and the capacity of that team. Our focus will be on expanding and supporting that team as much as possible as our business evolves.

NORTH AMERICAN "HI - MOUNT"

Load is carried entirely on the trailer.

ALSO KNOWN AS:

- Semi-trailer



NORTH AMERICAN "STINGER"

Load is carried on both the tractor and trailer.

ALSO KNOWN AS:

- Drawbar

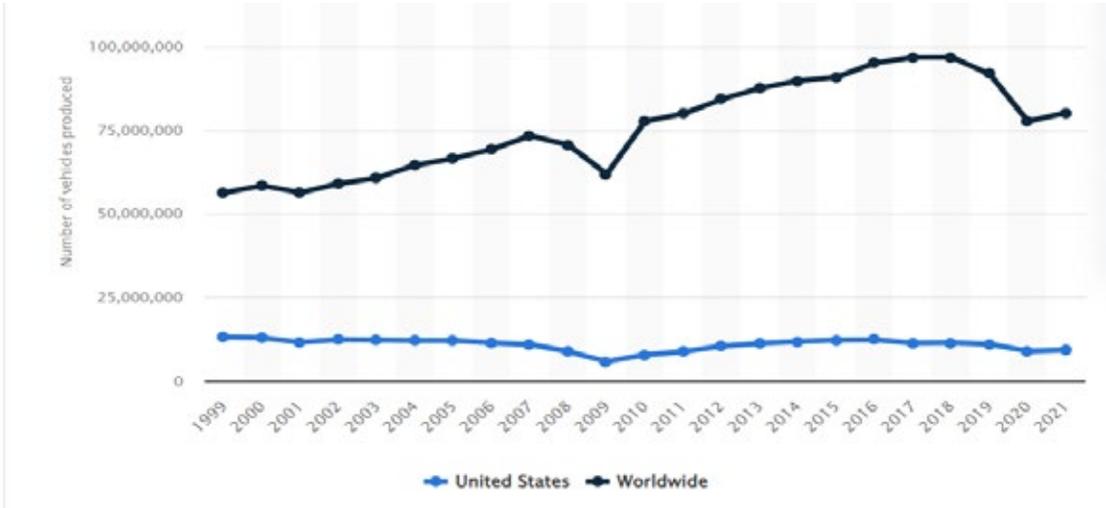
- Center-Axle Steered



THE MARKET, CUSTOMERS & INDUSTRY PLAYERS

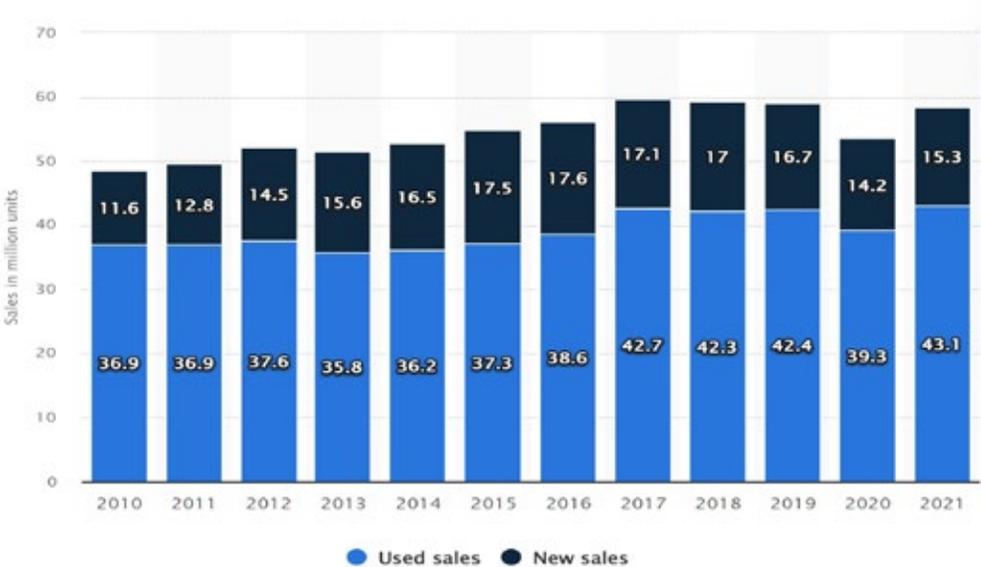
The automotive industry is broken down into two main sectors. New vehicles are considered the primary sector while used/leased vehicles are considered the secondary sector. In mature automotive markets, used vehicle movements far exceed those of new vehicles. Emerging and developing markets are trending in the same direction. This means the opportunities for Convertible Trailer sales go far beyond what we have projected which is purely based on the new vehicle sector.

WORLDWIDE AUTOMOBILE PRODUCTION (IN MILLIONS OF VEHICLES)



Source: Statista 2021

NEW & USED VEHICLE SALES IN THE USA (IN MILLIONS OF VEHICLES)



Source: Statista 2021

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS (cont.)

STINGER

NORTH AMERICA

The primary customers for the CTM Stinger model in North America are new vehicle auto transport companies. More than 80% of the new vehicle market distribution is controlled by approximately five companies. They are:

1. **Jack Cooper Transport**, Kansas City, MO
2. **United Road Services**, Romulus, MI
3. **Cassens Transport**, Detroit, MI
4. **Hansen & Adkins Auto Transport**, Los Alamitos, CA
5. **USAL**, Houston, TX

As for suppliers in North America, there are two main companies that supply most of the market. They are:

1. **Cottrell Trailers**, Gainsville, GA
2. **Delavan/Lohr**, Newnan, GA

CHINA

The primary customers for the CTM Stinger-like model in China (which they call the Centre-Axle Steered) are:

1. **Changjiu**, Beijing
2. **ANJI**, Shanghai

All other transport companies in China are contracted to one of these two.

As for supply in China, there are four main companies that supply most of the market. They are:

1. **Changjiu**, Beijing
2. **CIMC**, Shenzhen
3. **Tianjin Lohr**, Tianjin
4. **ANJI**, Shanghai

Previously, the majority of the carriers on the road in China were illegal. They were running carriers that were twice as long and double wide and they chose to simply pay fines to the authorities. The Chinese government has now passed new legislation (GB1589-2016) banning these carriers. This legislation is in full effect and enforcement is underway, and now all of these illegal carriers need to be off the road and replaced.

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS (cont.)

STINGER

CHINA

To date, approximately 1/3 of all the illegal auto carriers in China have been replaced with new European style Drawbar or Stinger style auto carriers. The Chinese refer to this model as the Center Axle Steered (CAS) unit. The Ministry of Transport in China is implementing the new regulation and all auto carriers will be replaced within the next few years. This means that 44,000 illegal, over dimensional units will be replaced with approximately 75,000 legal and compliant units. This does not remove the fact that all road auto carrier units in China, even the new ones, cannot transport anything other than automobiles. Hence why this is such a prime opportunity to introduce our Convertible solution to this region.

As of the third quarter of 2018, CTM WW signed an MoU with Changjiu Special Vehicle Group to create a partnership and JV. Together, these two companies will develop and manufacture many models for markets worldwide. The development of the Convertible Trailer CAS model for China is well underway and in early 2020, we completed the engineering, prototyping, testing and received homologation on this design. Production of this model will allow us to be in a position to supply 10% of the units requiring replacement. For ongoing business in China in addition to the currently illegal road auto carriers, as well as consideration of anticipated industry growth, we estimate 6,500-10,000 units will be required annually of which we aim to provide approximately 10%.

EUROPE

In Europe, there are several main transport companies that would primarily utilize the CTM Stinger model. They include:

1. **Mosolf**, Germany
2. **ARS Altmann**, Germany
3. **Hodlmayr International**, Austria
4. **Lagermax**, Austria
5. **Koopman Logistics Group**, Netherlands
6. **NVD**, Ireland
7. **Transfesa**, Spain
8. **BLG Logistics**, Germany
9. **Group CAT**, France

Also within Europe, there are three main auto carrier manufacturers:

1. **Lohr Industrie**, France
2. **Kassbohrer**, Austria
3. **Rolfo**, Italy

These three companies supply 90% of the auto carriers in Western and Eastern Europe. There are a few other smaller manufacturers based in the UK and in the Netherlands.

Lohr Industries is the biggest European based manufacturer having a total of seven auto carrier manufacturing plants globally which can supply product and service to most industrialized regions worldwide.

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS (cont.)

HI-MOUNT

In South America, the Middle East/Africa, Mexico and India, 100% of the market (both new and used vehicle transport) utilizes the Hi-Mount model.

South America: requires further market size research, with anticipation that there are less than 5,000 units and the market is growing annually. We anticipate big changes in this market in the years to come.

Middle East/ Africa: an emerging market and will require further market size research.

Mexico: a maturing market that utilizes mostly B-Train Hi-Mounts (a two-trailer combination). There are approximately 2,400 B-Train units which equals 4,800 trailers, of which 480 are replaced annually. We expect that market to grow significantly over the next few years and we anticipate our share could be up to 20%. The additional engineering effort required for this market is justifiable.

India: on April 1, 2017, the revised auto road carrier legislation took effect. This requires 22,000 units to either be modified or replaced. We anticipate our market share could be up to 20%. We plan to either have a manufacturing partner in place, or be a full partner with an Indian based company to own and operate a new manufacturing facility. The potential to sell approximately 1,000 units per year is more than sufficient to support a new manufacturing facility.

North America: there are approximately 8,100 units currently used which relates to over 800 units being replaced annually, of which we estimate 200-250 could be Convertible Trailers. The first CKD prototype for this model, including testing and modifications is expected to be completed in the second quarter of 2023. This model will then be production ready!

Russia/ Europe: mature markets, the size and nature of which need to be further investigated. We estimate this market to be in the region of 9,000 units currently in use, which relates to 900 replacement units each year. We estimate our market share to be 20% or 180 units.

In the rest of the world, including North America, Russia and Europe, the Hi-Mount model is employed mostly for the movement of used vehicles.

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS (cont.)

Auto manufacturers or original equipment manufacturers (OEMs) are, in our opinion, the single most important market sector that can be educated and engaged. Each OEM is looking for ways to reduce their carbon footprint and minimize costs, both safely and efficiently. Utilizing the Convertible Trailer concept is a huge step in the right direction. It is not only about minimizing costs though; it is about MAXIMIZING revenue and efficiency. It is about being smart with your fleet, it is about breaking free of your comfort zone and it is about changing the way you do business - INNOVATION.

CTM WW has been on a mission over the past several years to educate the industry on the waste that everyone is paying for and how it can be changed. The biggest issue anyone has with this concept is implementation into a fast moving and highly sophisticated industry. The industry visionaries can clearly see that it will take time and support to change these old habits, but we have obtained commitments from these leaders to support pilot projects as soon as we can initiate them. Significant cost reductions and environmental advantages are anticipated.

Beyond OEMs, both asset and non-asset based logistics companies are very important industry players. They make the commitments to providing delivery services for OEMs. These logistics companies must be aware of what technology exists in the marketplace in order to provide the most efficient logistics processes possible so that the customer can experience the most cost effective and efficient way of doing business.

It is estimated that there are 200,000 road auto carrier units in the world today. They have a service life of approximately 7-12 years. Utilizing an average cycle of 10 years, there are approximately 20,000-25,000 replacement units annually. There is a wide range in unit selling price throughout the world from \$30,000-\$200,000, depending on model, location, quality and quantity.

THE TOTAL MARKET OPPORTUNITY IS ESTIMATED AT
\$1.5 - \$2 BILLION ANNUALLY WORLDWIDE

LEGISLATION

There have been several legislative barriers and/or changes around the world that have greatly impacted our progress to this point. The three main legislative changes are:

USA

Prior to 2016, we faced a major legislative hurdle in the US. Previously, there was ambiguous wording in the outdated US legislation that prohibited the carrying of freight on a Stinger tractor. For over four years, we spearheaded great lobbying efforts along with the assistance of Jack Cooper Transport and various congressmen, who supported us wholeheartedly. These efforts finally paid off when on December 5, 2015, President Barack Obama signed into law the multi-year surface transportation bill which included a specific authorization for automobile transporters to haul general freight on backhaul trips, including cargo on top of a truck-tractor power unit. Now there is no longer a federal impediment for the elimination of empty miles on auto carriers in the US!

**(Reference: pg. 91 - Appendix "A": Office of the Law Revision Counsel, United States Code Legislative Changes as of Dec. 4, 2015)*

CHINA

For years, Chinese auto carriers have run dangerously overloaded and under-braked, double line load trailers that have been more than a concern for Chinese regulators. Many accidents and deaths have been attributed to these illegal trailers. On July 1, 2016, long awaited legislation was put into place that was designed to prevent these units from running on China's roads. This new bill, known as GB1589-2016 is now forcing all illegal trailers off the roads. This means that China will have a need for approximately 75,000 new car carriers in the immediate future in order to replace their current fleet and its carrying capacity.

**(Reference: pg. 92 - Appendix "B": National Standard of the People's Republic of China GB1589-2016)*

INDIA

In March of 2016, the Ministry of Road Transport and Highways approved the draft notification designating a permitted length for a semi-articulated car carrier of up to 18.75 meters. GST was also implemented, as of spring of 2017, that will directly impact the trucking productivity as vehicles will no longer need to stop at all provincial border crossings.

**(Reference: pg. 93 - Appendix "C": India's Amended Legislation Confirmation Letter from Government of India, Ministry of Road Transport & Highways)*

All of these legislative changes have created prime markets that are ready to switch to Convertible-style equipment, and an enormous opportunity for CTM WW.

THE COMPETITION

There are a very limited number of auto carrier manufacturers in the world. In North America, there are two key auto carrier manufacturers: Cottrell, based out of Gainesville, GA, who manufacture approximately 80% of the auto carriers in NA and Delavan, also based out of Georgia. Delavan is owned by Lohr Industrie: a worldwide auto carrier manufacturing operation from Strasbourg, France. There are other smaller manufacturers in the US, who do not supply any significant number of units for the market.

Lohr Industrie has a total of seven plants in the world to supply the international market. Rolfo from Italy supplies east and western Europe predominantly, and Kassbohrer from Austria supplies the same regions. Changjiu with their new plant in China, has the capability for more capacity than all of the other manufacturers worldwide combined.

Between these four manufacturers, they supply over 90% of the world market.

Cottrell, Delavan, Lohr Industrie, Rolfo, Kassbohrer, Changjiu, ANJI, CIMC and Tianjin Lohr. We consider all of these manufacturers to be competition with traditional auto carrier equipment, but our concept creates our own market space. Potentially the competition could copy our concept, which would be challenged while the patents are in effect.

At this time, we have recently signed an MoU for a manufacturing partnership agreement with Changjiu Special Vehicle Group (Changjiu) out of Chuzhou, China. This partnership will give us the capacity, quality and price point required to build and supply Convertible Trailers not only to the Chinese market, but to any market worldwide.



MARKET APPROACH

It is important to reach the marketplace with an aggressive awareness campaign to demonstrate that the time is over for the massive waste that presently plagues this industry. The fact that the entire auto transportation industry operates in the same basic way, around the world, enables the present players to continue this waste simply because everyone else plays by the same rules. If one company begins to operate a versatile and multipurpose equipment fleet (Convertible Trailer), making more money while saving shippers millions of dollars, it is assumed that others in the industry would change their ways in fear of losing market share. Until then, most companies will reluctantly make active changes because they are not yet forced to do so. Our strategy is to make OEMs aware that a solution is now available and they should support the implementation of Convertible methodology into their operations. This will then encourage service providers to finally make a decision and start investing in Convertible Trailers.

Exposing the waste in this industry is the single most important way to gain recognition for this new way of doing business. Bill Pawluk, CEO has been actively campaigning worldwide for over eight years, representing CTM and the Convertible Concept as he speaks at automotive logistics conferences and provides information that exposes the problem and explains and offers our solutions. It is working!



Bill Pawluk, CEO presents at the Automotive Logistics Mexico Conference in Mexico City.



Bill Pawluk, CEO presenting at the Automotive Logistics India Conference.

BUSINESS MODEL

Now that CTM WW is partnering with Changjiu for its manufacturing needs worldwide, Changjiu will receive a sub-license to the Convertible Trailer technology and patents. Changjiu's capacity paired with its lower labour costs will allow CTM WW to gain profit by selling an advanced technology at the same or even lower price than conventional auto carrier equipment on the market today. Changjiu will handle the equipment just as if it were another one of their product lines. They will manufacture, test and supply the products just as they would their own.

The following are the business models for domestic and international sales with Changjiu as our manufacturer:

1. China: CTM WW and Changjiu, through a Chinese based JV, will manage all domestic sales for China collectively. Changjiu will be the exclusive manufacturer for all sales in China. All Convertible Trailers built by Changjiu for the Chinese market will bear both a CTM WW and Changju logo. Changjiu will provide the warranty and servicing for all sales within China.

2. International Markets (outside of China): CTM WW will manage all sales outside of China. Changjiu will have the right of first refusal to fulfill all orders for international sales. These orders will be done as complete-knock down (CKD) or semi-knock-down (SKD) builds and shipped to regions worldwide where final assembly and delivery will then be done. All units built by Changjiu for international orders will only bear the CTM logo. Warranty and servicing for international sales will be the responsibility of CTM WW.

3. CTM WW also has a collaborative relationship with its affiliated company, Convertible Logistics Corporation (CLC). CLC will organize pilot projects with OEMs around the world with our Convertible Trailers. Eventually, these pilot projects will turn into full fledged contracts where either CLC will be the 4PL supplying the logistics services to the OEM, or CLC will interface with existing logistics companies to offer Convertible-style logistics and Convertible-style processes as an enhancement to their existing processes and systems.

CLC has the opportunity of offering 4PL services to all OEMs, auto transport companies, general freight transport companies and logistics companies alike, anywhere in the world. Once established as an effective supplier, CLC can enter other markets and evolve into a fully functional 4PL company.



INDUSTRY PARTNERS



From automation to inventory management, to parts repair and fabrication, Motion Industries is a premier industrial solutions company for industry in North America. With over 500 locations throughout North America, 45 repair and service centres, and a plant right in our hometown of Calgary, Alberta, CTM WW and Motion Industries partnered in early 2022 in order for CTM WW to gain the value of their experience and established business and processes. Motion will manage our suppliers, assembly, and quality control for all of our North American production requirements.



Inform, a software group from Aachen, Germany, supplies auto logistics software to many auto manufacturers in the world today. They understand the opportunity with the Convertible Trailer concept and have entered into a collaborative agreement with CTM WW's affiliated company, Convertible Logistics Corp., to become the primary software provider for our style of auto and freight logistics business around the world.

Presently, Inform supplies software systems for the airline industry, automotive sector, hospital systems or anywhere logistics optimization is required. The high level understanding of logistics and the user-friendly interfaces they provide to their customers make them a perfect partner for our project. Together we are developing an appropriate system that will readily identify inbound and outbound automotive flows, along with general freight flows, that can work to assist supply chain cost reductions. The development of this software platform, known as CLIC (Convertible Logistic Intelligence Centre), is now well underway. Inform firmly believes in the Convertible Hardware concept and is eager to become the primary company that can assist in scaling these solutions into the industry by supplying the intelligence necessary to do so. They are growing rapidly in the automotive sector and it will benefit CTM WW greatly to be aligned with them.

INDUSTRY PARTNERS



Changjiu Logistics is the largest independent finished vehicle logistics provider in China, and the first Chinese automotive logistics company to go public.

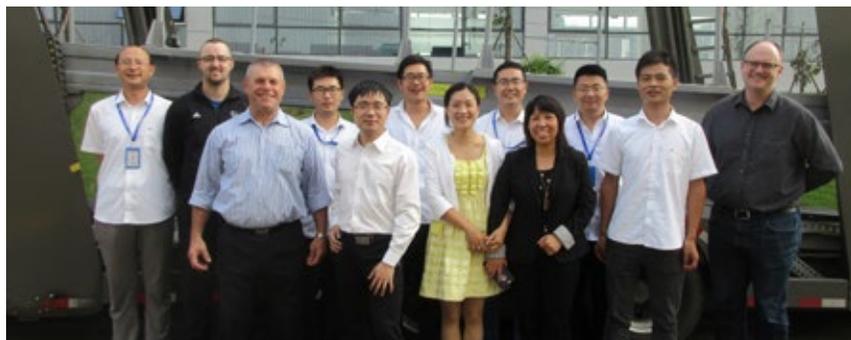
Relying on comprehensive regional distribution centres and hub service networks, it provides a whole supply chain service including logistics planning, pick-up and consolidation, warehousing, packaging, a trans-Eurasia block train, and delivery and distribution of both finished vehicles and spare parts.

As one of the companies within the Changjiu Group, Changjiu Special Vehicle Company specializes in large-scale manufacturing, developing, producing and selling car carrier and logistics equipment. It is the leading enterprise of the domestic center-axle-steered car carrier.

As of the third quarter of 2018, CTM WW signed an MoU with Changjiu Special Vehicle Group to create a partnership and JV. Together, these two companies will develop and manufacture many models for markets worldwide.

**(Reference: pg. 96 - Appendix "D": Excerpt from MoU between CTM and CHANGJIU)*

CTM WW's engineers will be leading and managing the design requirements and the engineering itself, however the Changjiu engineers assigned to this project will be focused



THE CONVERTIBLE TRAILER MANUFACTURING ENGINEERING TEAM AND CHANGJIU SV TEAM AT THE CHANGJIU FACILITY IN CHUZHOU, CHINA ON SEPTEMBER 29TH, 2018.

on guiding the requirements and design from a manufacturing and regulation perspective. They will also be responsible for acquiring homologation of our design for use within China. Changjiu has within its own fleet over 9,000 auto carriers. Once we have our working prototypes proving out the concept, it is Changjiu's intention to begin replacing their fleet with Convertible Trailers. Throughout the rest of China, there are now over

75,000 new auto carriers required to replace the pre-existing fleet, due to the implementation of the new legislation GB1589-2016.

Changjiu's newest plant in Chuzhou has the technology and capacity to have now made Changjiu the largest auto carrier manufacturer in the world. They have the ability to produce 25-30 full trailers per day and with plenty of room for expansion and growth. Through our partnership together, Changjiu will have exclusive manufacturing rights to supply all of China, as well as first opportunity to supply complete-knock down (CKD) units for markets worldwide.

HISTORIC TIMELINE

The automotive logistics industry is a sophisticated, fast-paced business that in order to incorporate Convertible solutions, requires extensive planning and time. As evidenced in our timeline, a significant amount of time and effort has gone into this initiative already to bring it to its current state of readiness.

1997

Concept of Convertible Trailer is born

1999

First prototype developed

2001

Patent application / Second generation of Convertible Trailers in operation

2005

Proof of concept complete

2007

Incorporation of CTM WW / Mr. Pawluk working full time on CTM WW business development

2010

Hi-Mount and Stinger prototypes developed for North America

2013 - 2018

Partnership development with multiple manufacturers worldwide

2015

USA Legislation amended and passed

2018

Partnership with Chinese manufacturer Changjiu established.

2020-ONWARDS

Continued production level development of multiple Convertible Trailer models worldwide in preparation for production



FACTS AND ASSUMPTIONS

AUTO CARRIERS IN OPERATION WORLDWIDE:

ROAD: 200,000 | RAIL: 200,000 | RoRo OCEAN: 1,200

VEHICLES MANUFACTURED ANNUALLY WORLDWIDE:



ROAD AUTO CARRIERS REPLACED ANNUALLY WORLDWIDE:



LIFE CYCLE OF ROAD AUTO CARRIERS:



PROJECTED ANNUAL CONVERTIBLE TRAILER BUILDS WORLDWIDE:

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
40	395	982	2,017	3,448	4,986	6,571	7,385	7,730	7,740



VALUE PROPOSITION

CTM WW has the unique position of being the only legally licensed Convertible Trailer manufacturing company in the world. In turn, it has the right to sub-license to any other manufacturing company which it deems appropriate for the manufacture of Convertible Trailers, with the approval of CTPC. Since there are currently no other Convertible Trailer manufacturers in the world, we anticipate CTM WW will enjoy a lead position in the marketplace for several years, until such time that the patents expire. With eight years left on the worldwide patent, there is plenty of time to establish a lead position in the industry and create a strong value based brand around the world in the auto manufacturing industry. This technology promises to offer added value to its users by simply being able to fill normally empty miles with products other than automobiles - something today's conventional auto carriers cannot do. This innovation will set a new efficiency standard in the automotive logistics world and we will be the innovator and commercial force offering this value.

AWARDS

CTM is gaining momentum industry-wide, and is slowly but surely breaking through the walls of this one hundred year old bad habit. This has been apparent through industry recognition when CTM WW was nominated for and won the Product Innovation Award at the Automotive Global Awards North America in New Orleans in April, 2017. Bill Pawluk, CEO was also recognized with the Leaders Award at the 2018 Automotive Global Awards in London. The Leaders Awards are presented to individuals who have demonstrated excellence in their field and have grasped the wider concepts of the industry and have brought significant innovation to their company.

Additionally, in July 2017, CTM WW took home the IPIC Venture Award hosted at the Graz Technical University in Austria. IPIC represents the Physical Internet Initiative which aims at transforming the way physical objects are moved, stored, realized, supplied and used, pursuing global logistics efficiency and sustainability (www.physicalinternetinitiative.org). Originated by Professor Benoit Montreuil in 2006, this ground breaking vision, revolutionizing current paradigms, has stirred great interest from scientific, industrial as well as governmental communities. This award is an important and honoured recognition from this international initiative!

In 2017, Convertible Concepts Corp. was also deemed a finalist for the Innovation Awards with StartUp Canada, as well as a finalist for the Innovation Leader Award at the Automotive Logistics Awards Europe, 2018.



Bill Pawluk, CEO at the Automotive Global Awards in London - November 2018



Bill Pawluk, CEO accepts the IPIC 2017 Venture Award in Graz, Austria - July, 2017.

INDUSTRY THOUGHT LEADERS & SUPPORTERS



Professor Benoit Montreuil
Coca-Cola Chair in Material Handling and Distribution
Director, Supply Chain & Logistics Institute
Director, International Physical Internet Center (IPIC)
<http://www.pi.events/>
H. Milton Stewart School of Industrial and Systems
Engineering Georgia Institute of Technology, USA



Michael Schwemmler
Director Business Development
INFORM GmbH
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Aachen, Germany



Sophie Punte
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Bill Cook
Former Head of Global Logistics
FCA
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Shanghai, China



Mike Sturgeon
Executive Director
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Ma Zengrong
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Chris Tiffany
Cargo-Partner
Asia Trade Lane Manager
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Prof. J. Rod Franklin, PhD
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Professor Zhang Xiadong
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Glenn Clift
BOD Glovis America Inc.

Former President & CEO
Glovis America Inc.

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Irvine, California, USA



Achal Paliwal
Chief Executive Officer
TMLD Co. Ltd, Tata Motors

Mumbai, India



Pim Ewals
Director Corporate Sales and Business Development
Ewals Cargo Care

<https://www.ewals.com/>
Eindhoven, Netherlands

CONCLUSION

The Convertible Trailer project requires capital to carry operations until revenue begins. We need to add to our team to continue building the momentum that has been achieved to this point.

At CTM WW, we believe that it is imperative to seize this opportunity and push through change in the automotive logistics industry by introducing a new and more advanced technology that will enable all stakeholders to benefit: the Convertible Trailer system. This is the primary piece of hardware that will initiate sweeping change in the automotive logistics industry in order for it to become more efficient. Stakeholders include the auto manufacturers, logistics companies, transport companies and last, but not least, the customer who is buying their vehicle. It is critical that the industry becomes more responsible in its business practices by reducing and minimizing its footprint in the world. More and more cars are being produced annually with the growing population. The appetite for private vehicle ownership is growing and we must learn to do more with less, especially when the technology is available. Safety, efficiency, profitability, and environmental responsibility are not optional. These are principles we must practice every day around the world and CTM WW is working to take a leadership role in demonstrating that the concept of Convertibility can be effectively and successfully applied in order to close the gap on the massive waste still happening every day in automotive logistics. The automotive industry is listening and anticipating the next move that CTM will propose in this initiative. With so much interest and various sectors awaiting our direction, now is the time to capitalize on these opportunities!



WWW.CONVERTIBLETRAILERS.COM





**DRY
COLLAPSIBLE
STACKABLE**

AutoBox™

DRY, COLLAPSIBLE, INTER-MODAL MINI CONTAINERS

**TRACKABLE
INTER-MODAL
LINESIDE READY**



INTRODUCTION

Packaging and boxes are used around the world to contain and transport goods or a particular product safely and efficiently. Boxes and packaging such as 20' and 40' sea containers can be generic, meaning that a standard box could be made to fit a wide range of products. In contrast, specialty boxes are designed to contain and transport goods that require specific configurations such as flowers needing to be transported upright in water. Protection from weather, moisture, physical hazards, etc. is important. Whatever the product you are moving, consideration must be made for safety and efficiency during the transport process.

The purpose of AutoBox Manufacturing Corporation ("ABMC") is to design, engineer, manufacture and deliver a world-standard, dry, collapsible, trackable, stackable, intermodal, mini container that can transport a variety of dry goods in smaller modules that can be brought, at the onset of this project, lineside into auto manufacturing plants for the assembly of vehicles. As this project develops, the intention is to expand the usage of this box into other general transportation verticals where it can be loaded with smaller shipments, yet be moved intermodally through container terminals around the world.



*Bill Pawluk, CEO, with the AutoBox and the Western European Convertible Trailer.
(On display at the Automotive Logistics Conference in Bonn, Germany.)*

THE PROBLEM

1. The AutoBox project was originally conceived during discussions with Toyota in Europe, when plans were being made to move automobiles from France to Poland and then bring engines back to France for assembly into new vehicles. Toyota required a special stillage or frame that could transport engines safely and efficiently to the assembly line in their factories. After speaking to Ford, BMW and GM about how they move their engines, transmissions and other parts, we learned that each company developed their own special stillages and frames to move these items between plants, supply warehouses, etc. Consequently, each company expends vast amounts of money and resources to set up their own internal solutions. As a result, none of them ever gain the complete benefits of industry wide economies of scale when moving their inbound engines and other automotive parts. There are hundreds or even thousands of iterations of various stillages within OEM operations around the world. With the AutoBox, this could be narrowed down to just one.



Examples of stillages used in the industry to transport engines and other automotive parts.

2. In order to diversify the types of loads that can be used to fill empty auto carrier assets, we need to create dry space. This includes all types of auto carrier assets: road, rail and ocean.



3. Many loads exist that could be moved in smaller shipments but there is no current and consistent solution with the exception of the 20' ISO container. One problem with 20' containers is that they cannot be brought in lineside. They need to be unloaded before the products within can be accessed.



4. Another problem that exists with standard containers is that relocation costs are very expensive. With the exception of fuel cost variances to move full vs. empty containers, it costs the same amount to bring a container in as it does to take it back. If containers would collapse, allowing multiple units to be brought back together, relocation costs could be significantly reduced.



THE PROBLEM (cont.)

5. LTL (less than load), shipments are typically moved on shrink wrapped pallets that then become part of a larger shipment. These shipments often get mishandled, damaged or even lost. This makes for both a highly disappointed and inconvenienced shipper and customer.

THE LTL (LESS THAN LOAD) INDUSTRY



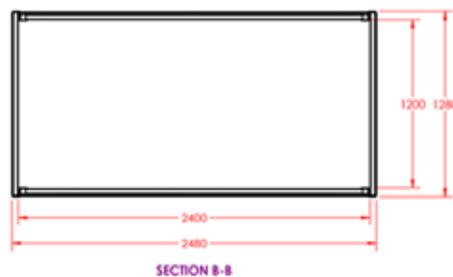
CURRENTLY SHIPS LIKE THIS

WE NEED TO **CREATE DRY SPACE**
— THE **AUTOBOX** —

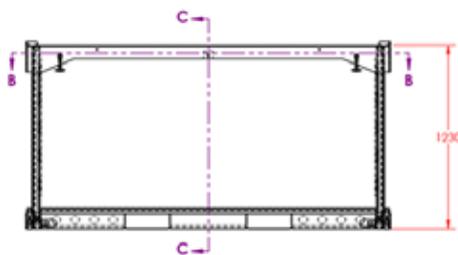


THE SOLUTION

1. To provide a solution for the 42% empty mile factor on all auto carrier assets including road, rail and ocean, ABMC is developing a new one-sized, world-standard, two pallet, dry and collapsible mini container that can be used around the world just as seamlessly as standard containers are used today. The aim is for a product that can be transported on all empty Convertible Trailers or other flat deck assets around the world including road, rail and ocean. The AutoBox will also be introduced to many other industries to gain scale with this concept.
2. There are endless opportunities in the transportation sector where smaller shipments could be shipped more efficiently using the AutoBox. There is an endless variety of smaller conventional boxes in the world today. The aim for the AutoBox is to have world-standard, dry, and collapsible as key benchmarks in its design, and our research has shown that this combination simply does not currently exist. Additionally, the AutoBox is considered to be reusable packaging, which is an appealing, if not an imperative feature in today's shipping world. With modern day tracking systems and logistics processes, each shipment can be "seen" as it moves towards its destination, fully protected within its own enclosure. The AutoBox can be handled by any standard two ton forklift found in warehouses all around the world.



VOLUME = 3.25 m³



3. Relocation of these assets will become less costly with a 4:1 collapse ratio. Instead of moving a full sized container back to its next point of usage and dedicating one truck per container, four full loads of AutoBoxes could be moved at the same cost. With the benefit of the AutoBox being handled by simple forklift assets, many shippers and receivers will be able to manage these assets in their warehouses more expeditiously. There will no longer be a need to wait for special equipment to arrive, or for the load to be unloaded immediately when it is potentially inconvenient to do so.

DRY.



COLLAPSIBLE 4:1



STACKABLE.



TRACKABLE. 



INTER-MODAL.

(ON AUTO CARRIER ASSETS AND REGULAR CONTAINER SYSTEMS)



THE AUTOBOX - LINESIDE READY



ENGINEERING & PATENTS

The AutoBox is presently in the developmental stage. Significant engineering effort has been invested thus far and there is currently one company located in the Netherlands who is working to both finish the design and bring it through to the prototype stage. There are 32 key aspects of the design that are critical to its success. Understanding the exact size it should be, (length, width, height, various functions etc) needs to be precisely calculated so that the AutoBox can seamlessly fit and be accepted into as many present day transportation systems as possible. Understanding key capabilities of this concept is also critical. The AutoBox must be capable of being shipped on any flat deck asset in the world, including the Convertible Trailer, auto carrier rail cars and RoRo vessels. Lot shipments of 20 AutoBoxes can be configured on a container frame which will lock into present day container systems allowing the movement of the AutoBox to be as efficient and cost effective as standard containers.

We have also been working with TUV Rheinland; a certification agency from Germany. TUV (which translates to Technical Inspection Agency) is one of the world leaders of materials testing and inspections services. Today, the group is active in 69 countries and within more than 32 separate industries. This is the certification body who will provide us with confirmation that this product will meet European Union standards. Given that, we will connect with the corresponding certification bodies in North America to obtain their approval as well. Once this product is certified in Europe and North America, it is anticipated to easily pass in most other regions around the world.

A worldwide patent has been filed in Geneva for a world-standard, dry, intermodal, collapsible, mini container. Early patent searches have concluded that there are no similar patent claims anywhere in the world. Therefore, there is strong evidence that this product does not exist. Discussions with other worldwide box manufacturers have determined that they do not presently have a similar product available.

It is anticipated that we will have a final design solution for the AutoBox within six months of receiving further investment for its completion. The engineering team in the Netherlands will collaborate with our own engineering team to complete the design and testing. Our intent is to continue to build our relationship with this company into the future in order to evolve and develop our AutoBox design.

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS

Due to there already being a specific application for the AutoBox in the automotive logistics sector today, this container will easily integrate into operations and pilot projects with auto manufacturers around the world. When the industry realizes that a common solution has been found to ship all of their inbound products in a standard container, that can be shipped on presently empty auto carrier assets by road, rail or ocean, we anticipate these OEMs will start integrating the AutoBox into their logistics processes. OEMs are currently paying \$100B annually for empty and inefficient runs on road, rail and ocean assets all around the world. Why not obtain some value from them?



Given the automotive industry is our primary target, our initial pilot projects will be with OEMs, utilizing the AutoBox in conjunction with our Convertible Trailers. Our secondary target market will be other industry sector shippers across all modalities including road, rail and ocean. Following that, we will extend into more specific areas such as military, construction, agriculture and for personal goods moving and storage. If an empty auto carrier is coming back from a region where there are no inbound automotive parts available, the target would be other shippers who could use this very same service. Dry goods from electronics, to furniture, to food goods, to pharmaceuticals, to whatever is being shipped in dry containers currently, will all become possible with the AutoBox.

Significant interest for the AutoBox has already been demonstrated with auto manufacturers, auto transportation companies, rail companies and auto carrier shipping lines (RoRo vessel companies). They are awaiting the arrival of this product as they all have a keen interest in filling their presently empty capacity.



THE MARKET SECTOR OPPORTUNITY IS ESTIMATED AT
\$5 BILLION ANNUALLY WORLDWIDE*

*The AutoBox is considered to be a mix of reusable packaging and external self-contained box business.

THE COMPETITION

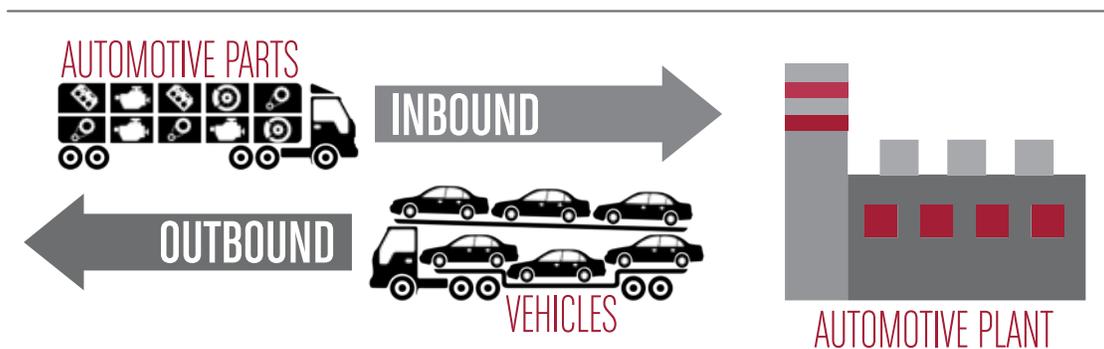
The closest competitor to the AutoBox concept is, perhaps, CIMC, a manufacturer of containers, or potentially the manufacturers of various regular non-collapsible boxes designed for specific products. To the best of our knowledge, there is no direct competitor to the AutoBox concept as there is no other self-contained, world-standard, dry and collapsible mini container in commercial use in the world today. The idea is to supply the market with a new option that has never been offered before, while still utilizing existing pooling systems to get the product out to the marketplace.

MARKET APPROACH

Once the prototype is complete and available for testing, anticipated pilot projects will commence with various OEMs. There are already many transport companies, OEMs, pooling companies, rail lines and ocean carriers that are ready to participate in these pilot projects. Once the trials have proven successful, we will move towards full scale contracts that will include identifying the movements of certain lot shipments of automobiles on the outbound side and then inbound automotive parts, such as engines or car seats, or any products that can fit efficiently into AutoBoxes.

While pilot projects are in operation, ABMC's affiliated company, Convertible Logistics Corporation and their team of Convertible Logistics Specialists, will be monitoring and analyzing all of these activities. They will continue gathering information and be providing ongoing input as to how to fully optimize the usage of the AutoBox concept in the automotive sector. When it is determined that there is enough success in these pilot projects, new runs will be organized that have been identified well in advance by this team. These contracts will be arranged, and more assets will be provided, as required, for each respective project. The Convertible Logistics Team will continue to scale the usage of this concept as they find and secure participants who can benefit from this style of (auto) logistics. If an OEM can see a benefit, financial or otherwise, from the utilization and implementation of the AutoBox concept, we anticipate they will participate in long term contracts with ABMC and CLC. ABMC will profit from the sale of each AutoBox, and with the possibility of partnerships with various pooling companies around the world, an even stronger revenue stream could be realized.

THE AUTOBOX AND CONVERTIBLE TRAILER PROVIDE NEW OPTIONS AUTOMOTIVE PARTS AND VEHICLES ON THE SAME TRAILER



BUSINESS MODEL

Initially, ABMC will be focused on developing, producing and supplying the AutoBox for use in the automotive logistics sector. Once the product has been developed, tested and accepted for usage by OEMs, ABMC will partner with and supply one or more pooling companies with this product, so they can service OEMs on an “as need” basis. These pooling companies will be responsible for ensuring that AutoBoxes are supplied where and when they are needed to effectively meet the stringent requirements of the OEMs. They will in turn charge each OEM or shipper a per use fee. The pooling companies will be responsible for seeking out customers for the AutoBox and scaling this project so that the usage of this asset is commonplace within the automotive sector. The AutoBox will complement the existing products and services these pooling companies offer today. Several discussions with pooling companies such as Palogix, Goodpack, CHEP, Surgere and Orbis are already underway.



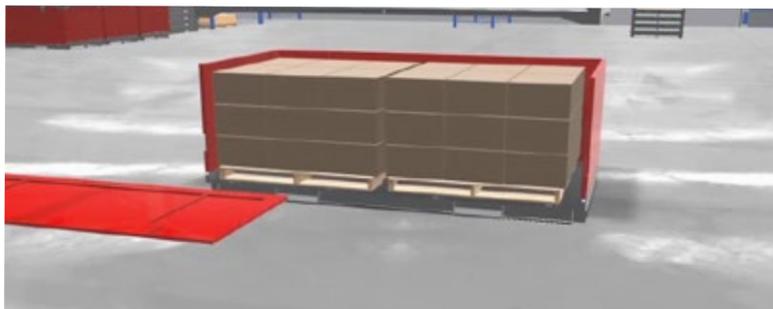
REVENUE STREAM OPPORTUNITIES:

1. Contract the manufacturing of the AutoBox and ABMC will sell direct to pooling companies.
2. Contract the manufacturing of the AutoBox and ABMC will sell direct to the general freight transportation industry.
3. Contract the manufacturing of the AutoBox and ABMC will sell direct to other industries such as construction, agriculture, military and consumer goods.

The aim is to have only one world standard-sized dimension of AutoBox that can accommodate the four most common pallet sizes in the world today:

EUROPE: 3 x 800mm x 1200mm boxes
WESTERN EUROPE: 2 x 1000mm x 1200mm pallets
NORTH AMERICA: 2 x 40" x 48"
NORTH AMERICA: 2 x 45" x 48"

By making this product one consistent size, the complexity of moving these assets around the world consistently will be greatly reduced and the likelihood of mass market scaling greatly increased.



The AutoBox with two standard sized pallets of freight contained within.



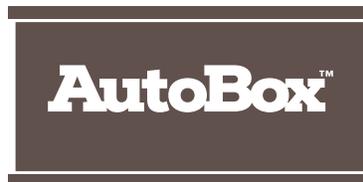
VALUE PROPOSITION

ABMC is a company offering something that the automotive world has not seen to date: the ability to transport automotive parts and general freight more efficiently on what are otherwise empty return trips. The new world-standard mini container is dry and collapsible and will allow all Convertible Trailers to transport dry goods on their return trips. OEMs around the world will be able to utilize the auto transport assets they presently hire for both directions of their trips, by simply combining finished vehicle logistics with inbound automotive parts that they need for their vehicle assembly facilities. If there are no automotive parts available for a normally empty backhaul, carrier companies can integrate themselves into the general freight logistics sector and transport non-automotive freight on the return, thereby utilizing their assets much more efficiently. Since dry goods represent the majority of goods transported today, it stands to reason that if our Convertible Trailer assets are eligible to transport dry goods when empty, there is a higher possibility of obtaining return loads. This makes their assets much more efficient and offers shippers much more value. The AutoBox will be adopted by many other verticals besides automotive, such as the general freight sector, LTL, (less than load), military, civilian or personal moves, agriculture, construction and many more in road, rail and ocean modalities. Converting normally empty miles in all auto carrier assets alone is a tremendous opportunity, but offering such solutions for other transportation verticals will bring new value to all industry stakeholders.

CONCLUSION

The AutoBox has a very bright future. There are thousands, perhaps millions, of opportunities worldwide on a daily basis where smaller, self-contained modules could be used, or would be preferable to placing smaller shipments into larger shipments with multiple other deliveries. The automotive sector can readily use this solution to move automobile parts from their respective suppliers back to the assembly lines using the presently unused capacity in auto carriers by road, rail and ocean. Rail companies and ocean carriers are all looking for a consistent method of filling their empty auto carrier decks with payloads that can provide them at least an offset to fuel costs on the return trip. With the AutoBox system, return trips may not necessarily have to be viewed as a discount service, but could be a full price service due to their specialized nature.

Auto carrier assets around the world move high volumes every day! What if we could capture this level of service with the ability to move dry goods on these frequently moving assets? This would constitute a premium service because of timing and frequency. The AutoBox will create an opportunity for all users of these assets to not only recover fuel costs, but to earn a premium from a presently wasted capacity. This is why the interest for the AutoBox keeps growing. The time to act on this opportunity is now!



WWW.AUTOBOX.CA





CONVERTIBLE LOGISTICS CORPORATION



INTRODUCTION

The need for CLC was born and has evolved from the development of its associated companies: CTM WW Ltd and AutoBox Manufacturing Corp. As part of the CCC group of companies, CLC was created and licensed to provide a specialized service that focuses specifically on Convertible solutions hardware: the Convertible Trailer system and the AutoBox. Since this hardware is the first of its kind, there has yet to be a company anywhere in the world that focuses on such logistics and therefore, we refer to it as Convertible-style logistics.

CLC is a non-asset based 4PL service provider and will not only identify and access potential candidates for Convertible Hardware solutions, but work collectively with other existing logistics companies as well as own and manage logistics contracts. CLC's team will be focused on coordinating contracts with automotive and general freight companies alike and employ various service providers throughout the industry, in road, rail and ocean modalities. With this type of business model, transport companies of all kinds are expected to be more inclined to open up their freight flow information in order to access optimized runs.

OUR PURPOSE IS TO REDUCE THE MASSIVE WASTE
IN THE AUTOMOTIVE LOGISTICS INDUSTRY GLOBALLY AND **MONETIZE THE**
BILLIONS OF \$\$\$ LOST DUE TO EMPTY MILES!



THE PROBLEM: WORKING IN SILOS



AUTOMOTIVE
INBOUND



AUTOMOTIVE
OUTBOUND



GENERAL FREIGHT

1. SINGLE PURPOSE HARDWARE

Automotive manufacturers presently employ thousands of people around the world to organize freight flows in and out of their factories. They employ **inbound logistics** personnel who organize all of the parts and assemblies required for building their cars, and they employ **outbound logistics** personnel who organize the delivery of their finished vehicles to their respective destinations, dealerships etc. **These two departments do not currently work together** simply because the present auto carrier asset base is specialized to transport vehicles to their destinations, and then turn around and come home empty most of the time. Inbound automotive parts arrive at the manufacturing plants in regular dry freight type conveyances, so these logistics are blended with regular dry freight / general freight logistics. These two verticals have no way of uniting their logistics activities.

2. ONE-WAY SOFTWARE + PERSONNEL

Never before has there been this type of multipurpose asset in the world to perform dual type logistics. Consequently, there have never been logistics specialists who could focus on synergizing automotive freight flows both inbound and outbound. It is clear that today's software systems have never been developed to assist in managing both inbound and outbound automotive freight flows.

3. WORKING RELATIONSHIPS

Furthermore, if automotive inbound and outbound auto logistics have never operated in unison, then it is also clear that automotive outbound logistics have never operated along with general non-automotive freight logistics. At CLC, we believe that great efficiencies could be achieved if all sectors within the transportation industry openly communicated and worked together more cohesively. Our Convertible solutions provide the entire industry that much more reason and opportunity to do so.

THE SOLUTION:

MERGE THE SILOS VIA INTELLIGENT LOGISTICS SOFTWARE AND BUSINESS SERVICE PROVIDERS



1. DEVELOPMENT OF CONVERTIBLE LOGISTICS TEAM

Create a specialized Convertible Logistics team that can readily identify opportunities where the use of Convertible Hardware solutions will optimize supply chain flows. Our executive contract acquisition team will lead Convertible Logistics sales around the world with their extensive experience in both automotive and non-automotive freight logistics. Our contract execution teams will then carry out the work, utilizing our CLIC tool to identify the coinciding backhauls available to fill the open return trips for our Convertible Trailers.

2. IDENTIFY FREIGHT FLOWS

Blend automotive freight flows, both inbound and outbound, with general freight flows, to enhance our ability to access economies of scale and reduce empty miles on expensive auto carrier and general transport assets around the world. The Convertible Logistics team will need to acquire shipping data from all of its targeted customers. The more data that can be acquired, the more opportunities there are for efficiencies to be identified.

3. SOFTWARE INTELLIGENCE PLATFORM (CLIC)

The creation of CLIC (Convertible Logistics Intelligence Centre), our proprietary software system, intelligently analyzes inbound and outbound freight flow data of automotive movements throughout the world so that overlays can be created to readily identify all synergies and opportunities that exist between these inbound and outbound movements. This software system will also contain the data of general freight flows from around the world, which will be overlaid with the automotive freight flows to identify even further opportunities. The CLIC tool itself will have various modules such as Analytics, TMS, (Transportation Management System), EPOD, (Electronic Proof of Delivery), Data Management, and an “UBER” style app that will allow any user to log in and obtain real-time shipping opportunities.

INDUSTRY PARTNERS & TECHNOLOGY

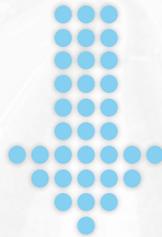
INFORM Our key partner for our software development is Inform GmbH, a software group from Aachen, Germany. Inform has approximately 750 people developing software for aerospace logistics, automotive logistics, medical logistics, yard inventory management, etc. They are presently growing in the automotive sector due to a unique software they have developed that is proprietary to their company.

CLC has signed an MOU with Inform wherein they are developing an appropriate system that will readily identify inbound and outbound automotive flows, along with general freight flows. The development of this software platform, know as CLIC (Convertible Logistic Intelligence Centre), is well underway. Inform believes in the Convertible Hardware concept and is eager to become the primary company to assist in scaling these solutions for the industry by supplying the intelligence necessary. They have the confidence of many OEMs and they are sure to be an asset in the development of Convertible solutions.





INTELLIGENCE SOFTWARE (ASP+BSP*)



AUTOBOX & CONVERTIBLE TRAILER



OEM

LOGISTICS

TRANSPORT

*ASP: Application service provider.
*BSP: Business service provider.

THE MARKET, CUSTOMERS & INDUSTRY PLAYERS

WHO WILL BENEFIT FROM CONVERTIBLE LOGISTICS SOLUTIONS?

- A. Any person or company in possession of and operating any Convertible Hardware.
- B. Any OEM shipper that is looking to reduce their supply chain costs and waste.
- C. Any auto transport company that is looking to reduce their empty miles and increase their profits in road, rail and ocean modalities.
- D. Any general freight transportation company or logistics company interested in reducing freight flow costs by combining their general freight flows with automotive freight flows.
- E. Truck drivers and owner operators who are looking to be supported by a specialized system that can assist them in optimizing daily movements of their existing equipment. The CLIC platform is designed to track and trace all equipment movements and works to identify the best routes for drivers to take when delivering their loads. Invoicing systems, bills of lading, electronic proof of delivery systems, photography of after-hours deliveries, transportation analytics etc. will all be key capabilities of this system.

\$100B:

ANNUAL **MONETIZABLE** VALUE OF EMPTY MILE CAPACITY IN AUTO CARRIER ASSETS GLOBALLY IF WE USE CONVERTIBLE SOLUTIONS.

\$250- \$300B:

THE TOTAL ESTIMATED GLOBAL ANNUAL MARKET SECTOR **OPPORTUNITY.**

THE COMPETITION

There are countless logistics organizations around the world and within these there are a few large, key players in the automotive sector who specialize in automotive logistics. Some of them actually have separate inbound and outbound automotive logistics departments, much like the auto manufacturers already have. Some of them, in addition, have general freight logistics divisions as well.



CLC considers them more as potential partners and users of its systems and services rather than competitors. Since the hardware that can deliver automotive and general freight has never existed before, it is likely that there are no logistics companies in the world that have developed teams and systems to perform both functions simultaneously. Each of these companies will be looking to CLC's systems for assistance in building their own teams. CLC will be in a much better position to orchestrate appropriate runs that will help companies improve their freight logistics, simply because it will know exactly where all the hardware will be, due to the development of inside knowledge.

MARKET APPROACH & BUSINESS MODEL

The CLC team, with the assistance of the CLIC platform, will be capable of identifying all potential candidates for Convertible-solutions. It is the intention of CLC to perform specialized Convertible-style Logistics with each and every opportunity that presents itself in the automotive and general freight logistics industries. CLC brings the entire Convertible concept together, which we expect will make it possible to change the very foundation on which present day automotive logistics stand.

Our Convertible contract acquisition team is expected to engage with OEMs and logistics companies around the world, to analyze shipments and identify opportunities. CLC has the opportunity of offering 4PL services to all OEMs, auto transport companies, general freight transport companies and logistics companies alike, anywhere in the world. With our exclusive and disruptive technology, CLC stands to lead the marketplace in a new way of doing business, and attract the attention of all the industry players.

Once established as an effective supplier, CLC can enter other markets and evolve into a fully functional 4PL company.

#1: CLC's primary objective is to become the owner of freight flow contracts as this is where the greater opportunities exist long term.

#2: Additionally, CLC also expects to profit from participating in identifying efficiency gains by receiving a percentage of these savings.

For instance, if a company presently spends \$10M on their outbound logistics and CLC can assist them to reduce this cost to \$9M, CLC could earn a percentage of these savings. More ideally though would be for CLC to understand this savings, bid on, win and therefore own this contract in full and be able to profit from the full contract on multiple levels. We believe there are also opportunities available in becoming involved as partners with existing logistics companies and use their operational skills and experience while we offer them access to our Convertible-style solutions (including hardware and software).



MARKET APPROACH & BUSINESS MODEL (cont.)

There are also countless single owner/operators in the world today in the automotive logistics industry. Each of these people are looking for a way to improve their bottom line. They want to be more organized, more connected, more efficient everywhere they go. If we can demonstrate to them that we have the intelligence to provide them their workloads, and they could be more profitable at the end of each month, there would be no reason not to follow this system. With the knowledge of where there are short and long term auto and freight hauls that will maximize their billable miles, they would have a hard time justifying doing otherwise. There are tens of thousands of these situations in the world today, all looking for direction and business leadership.

It is key to understand that we are not just monetizing empty capacity in single purpose auto logistics assets. We are reconfiguring not only automotive, but the logistics capabilities throughout the entire transportation industry. The \$100B of wasted capacity in the automotive vertical is the smaller of our opportunities. By combining primary hauls with monetized empty capacity, we are paving a new pathway to higher efficiencies throughout the industry worldwide! CLC, our 4PL, has tremendous opportunity to grow due to the opportunity associated with the combination of existing 4PL contracts and general open market freight and reducing or even eliminating empty miles.

The growth in this part of the logistics industry is expected to be enormous, and CLC believes that it is squarely positioned at the head of this untapped opportunity.

OUR PURPOSE IS TO REDUCE THE MASSIVE WASTE
IN THE AUTOMOTIVE LOGISTICS INDUSTRY GLOBALLY AND MONETIZE THE
BILLIONS OF \$\$\$ LOST DUE TO EMPTY MILES!





FACTS AND ASSUMPTIONS

AUTO CARRIERS IN OPERATION WORLDWIDE:

ROAD: 200,000 | RAIL: 200,000 | RoRo OCEAN: 1,200

VEHICLES MANUFACTURED ANNUALLY WORLDWIDE:

80.1 MILLION

STATISTA 2021

ROAD AUTO CARRIERS REPLACED ANNUALLY WORLDWIDE:

25,000+

LIFE CYCLE OF ROAD AUTO CARRIERS:

7-12 YEARS

TOTAL # OF CONVERTIBLE TRAILERS WORLDWIDE PROJECTED TO USE CONVERTIBLE LOGISTICS:

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
10	168	601	1,529	3,132	5,476	8,649	12,304	16,159	20,029

LOGISTICS CONTRACTS ARE YEAR OVER YEAR FOR THE LIFE OF THE EQUIPMENT.



VALUE PROPOSITION

CLC will collaborate with shippers from auto manufacturers to general freight companies and their respective asset based logistics service providers. CLC will bring automotive and non-automotive shippers together so that the high empty mile factor can be reduced or eliminated by finding new synergies that were previously not possible. With the creation of a specialized Convertible Logistics Team who understands both sides of these industries, the creation of Convertible specific processes, the integration and implementation of CLIC, and the use of Convertible assets, CLC will be uniquely positioned to capitalize on the ongoing waste in present day logistics. The auto manufacturing sector is waiting for the launch of our Convertible solutions to realize these benefits. CLC will be able to sustainably bid on automotive and non-automotive logistics contracts and win them through lower bids simply by employing Convertible based assets to reduce costs, around the world. All OEMs and general freight shippers are seeking such solutions.

OUR **PURPOSE** IS TO
REDUCE THE MASSIVE WASTE
IN THE **AUTOMOTIVE LOGISTICS INDUSTRY**
GLOBALLY AND **MONETIZE THE**
BILLIONS OF \$\$\$ LOST DUE TO
EMPTY MILES!

ADVISORY PANEL



Ruud Vossebeld

Director of Business Development
INFORM GmbH
Netherlands



Benoit Montreuil

Coca-Cola Chair in Material Handling & Dist.
Director, Supply Chain & Logistics Institute
Director, Physical Internet Center
H. Milton Stewart School of Industrial and
Systems Engineering
Georgia Institute of Technology, USA



Dr. Stephan Freichel

Prof. - Cologne Univ. of Applied
Sciences
Independent Management Consultant
Germany



Christian Schwede

Professor at FH Bielefeld
(University of applied science)



Levent Yuksel

MP & Logistics Plant Group Manager
Jaguar Land Rover - United Kingdom



Prof. J. Rod Franklin, PhD

Adjunct Professor of Logistics
Academic Director of Executive Education
Kuhne Logistics University
Hamburg, Germany



David Cardle

Partner at the Melford Partnership
United Kingdom

CONCLUSION

CLC has tremendous potential! It would be very difficult for any customer that is buying Convertible Trailers and/or the AutoBox to not participate in the services of CLC to further optimize their automotive logistics supply chains. It is the mandate of every logistics company in the world to reduce costs and waste and increase quality and efficiency. CLC is all about these principles.

There are many logistics companies in the world that know how to service outbound finished automobile business or inbound automobile parts but as of today, NONE of them perform both of these together.

The automotive logistics industry is due for a major overhaul and CLC is in a position to lead the charge.

The future of automotive logistics is through Convertible-style logistics!

WE HAVE THE OPPORTUNITY TO CHANGE THIS INDUSTRY **Globally!** WITH
CONVERTIBLE SOLUTIONS, WE CAN **REDUCE THE WASTE AND**
 MONETIZE THE LOST VALUE DUE TO EMPTY MILES!

THE TEAM



BILL PAWLUK
Chief Executive Officer

For more than 20 years now, Bill has been focused on the transportation sector and specifically, the auto carrier industry. A visionary problem solver, Bill first founded CTM WW and developed the equipment and methods necessary to capture a major opportunity and solve a significant global problem for this industry.

In addition to bringing a broad range of experience to the CCC project, including recruiting and negotiating with multi-national suppliers, managing various patent processes, founding overseas subsidiaries, raising capital and successfully bringing the enterprise to its current state of readiness, Bill has over twenty five years of experience as a professional firefighter, EMT and rescue worker. His on-going passion and vision is to continuously improve methods of managing the world's finite resources and finding new and better ways of using them wisely while improving profitability.



JENNIFER HELMSTAEDT
Chief Operating Officer

Jennifer joined the Convertible team in 2013 and has been working in a growing capacity from the onset. As Chief Operating Officer, Mrs. Helmstaedt assists in the management of various aspects of the entire Convertible Project overseeing many of the day to day operations including guidance of the Convertible Team and HR management. Her role includes business and contract development, assisting with and guiding the development of offering memorandums and overall investor relations and communications. Through all of this, Jennifer continues to coordinate company involvement and attendance at automotive logistics conferences and other promotional events around the world.



STEPHEN HARLEY
CEO, Convertible Logistics Corp.

Stephen has more than 40 years experience within the automotive logistics sector. His career spans five decades and began at the Ford Motor company as Executive Director Global MP&L and PS&L. After moving on from Ford, Stephen began a role as Managing Director, Asset Businesses with Laing O'Rourke for more than 4 years.

Stephen joined the Team in March of 2019 and along with helping guide the overall development of the entire project, he will also be working closely with the rest of the CLC team to ensure Convertible Logistics is achieving its fullest potential throughout the industry.

THE TEAM (cont.)



DENNIS MANN

Automotive Logistics Expert & Advisor, Board Member

Dennis Manns served as the executive leader for North Motors Group - a diverse automotive advisory group to leading OEM's and automotive supplier groups. In addition, Mr. Manns recently completed his term on the Board of Directors for AMPORTS: the industry's largest automotive port services provider. Recently, Mr. Manns served as the CCO for Road & Rail Services where he implemented a tiered marketing strategy to help the organization better integrate and expand within the various automotive, rail and commodities industries they represent.

Dennis has an extensive background in the automotive and logistics industries including a thirty-one-year career at American Honda in both sales and operations. His most recent position with Honda was as the Assistant VP of North American Sales and Logistic Planning. Among several key accomplishments Mr. Manns provided in this position were the design and development of the Honda de Mexico (HDM) distribution center in Celaya, Mexico. This distribution center is the largest in Mexico and the second largest in North America.

Dennis joined the CLC team in the latter part of 2021 and is eager to put his experience and connections to work now within the Convertible initiative.



STEVE TRIPP

Automotive Logistics Expert & Advisor, Board Member

Steve has over 40 years experience in the logistics sector and he began this career with Ford and later moved to Chrysler, then Fiat Chrysler Automobiles (FCA), and now Stellantis. At FCA he held numerous senior level positions in Logistics and Supply Chain departments such as Assembly Production Control and Material Handling Engineering. He led FCA's Inbound (Parts) network, International Logistics network and was the Head of Worldwide Vehicle Transportation. In those positions he was responsible for all aspects of the networks – network design, transportation procurement and network operations. He has significant experience dealing with all modes of transportation including rail, truck, ocean, LTL and parcel.

He has held leadership positions in the Automotive Logistics industry as Chair of the Reload Committee in the Automotive Industry Logistics Steering Committee (AILSC) and Chair of the AILSC Executive Committee. Steve joined the Convertible project in January of 2019 and is excited to help develop and expand the CLC team and to get Convertible Logistics working worldwide.

THE TEAM (cont.)



PER GUSTAV (PG) NILSSON

VP Business Development: Eastern Europe, Greater MENA, India

Per Gustav Nilsson has over 20 years experience in the commercial vehicle industry. He is the former CEO of Scania Russia from 1998 to 2005, and then took up a similar position with MAN. During his tenure there, he outperformed all European and Asian producers in the region. During his time with Scania, he also held the position as the Chairman of Scania Credit Russia and gained much experience in local truck and trailer financing. This experience was very valuable in his later position as Executive Director of International Operations with the leading Indian truck and bus manufacturer, Ashok Leyland. Per Gustav spent 4 years with Ashok Leyland during which time the Indian producer developed sales in 12 new markets and expanded business with two European subsidiaries: the Czech truck producer AVIA and the British bus manufacturer Optare.

The Yorkshire based Optare was a public company, and PG served as its Managing Director during his last year at Ashok Leyland.

Since 2014, PG has worked on a consultancy basis for numerous projects and companies, primarily focused around the commercial vehicle production and dealership industry within the European, Middle East and MENA markets.



SIMON FENG

Director, CTM China

Simon comes to our team with over 30 years of experience as a Metallurgical Engineer. During this time, he has gleaned an abundance of metal related manufacturing experience while leading the set-up, management and quality processes of several manufacturing plants. He holds multiple metallurgical related patents worldwide and has worked in the metals industry in numerous countries during his entire career. Simon was educated in universities in China, Japan, United States and Canada.

THE TEAM (cont.)



JOHN PERSON

Head of Engineering, MSc PEng

John has 18+ years industry experience as a Mechanical Design Engineer and Project Manager, specializing in new product development, mechanical system simulation, design, and deployment. His diverse experience working with businesses to manage technical teams designing equipment for medical applications, aircraft ground support, oilfield, compression, downhole tools, and consumer products has helped companies turn their ideas into profit generating technology. John holds a B.Sc. in Mechanical Engineering from the University of Manitoba, a Masters Degree in Engineering from the University of British Columbia, and is a Professional Engineer registered with APEGA.



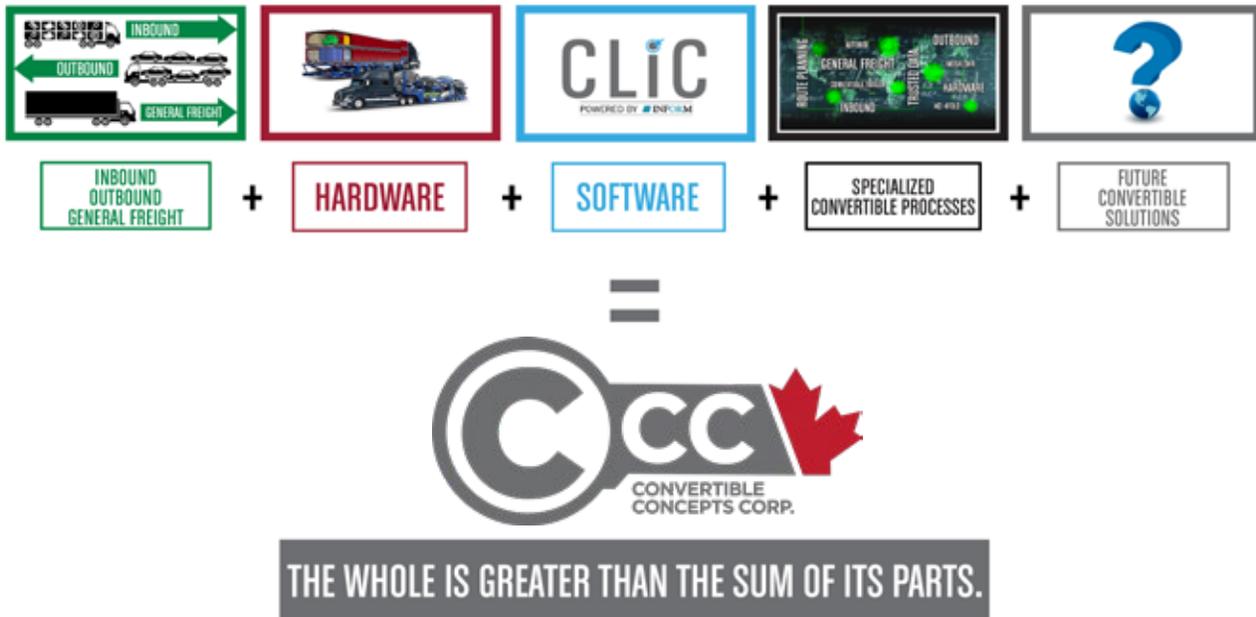
RUUD VOSSEBELD

Senior Logistics Advisor

Ruud is an experienced automotive logistics professional based in the Netherlands, Europe. For over 15 years, he has been active in the field of global supply chain software solutions where he is in contact with global car makers, automotive transport companies and other businesses associated with the industry such as Proctor & Gamble. He is motivated to find the next level of optimization to create further efficiencies in the automotive logistics field.

Besides currently promoting software solutions for INFORM, he is committed to help launch the Convertible concept on a global scale, believing it to be the next big game changer in the automotive industry.

CLOSING REMARKS



This project began as a small transportation company in Alberta that engineered a Convertible Trailer and thought it would be great to sell a few hundred trailers. After several years of research, development and industry education, it has grown tremendously! It becomes clearer every day what needs to be done in order to globalize our solutions and integrate more sustainable practices throughout the entire transportation industry worldwide.

In closing, it is important to understand that the Convertible project is challenging the legacy style of doing business in automotive logistics around the world. When such systems and habits are challenged, there is resistance and hesitation unless a full and comprehensive solution can be proposed and proven.

With various hardware solutions coupled with new software and processes, we can change the status quo to something far more efficient. We must work hand in hand with the automotive industry to understand their concerns and come up with ways to mitigate and minimize negative impacts that may happen and maximize the benefits. Each of our companies plays a vital part in the final offering that Convertible Concepts promises and we fully intend to set a whole new standard around the world in this industry. Trucks, trains and ocean vessels no longer need to run empty on their returns if we all get together and employ Convertible solutions. Our vision is to create viable and responsible alternatives to the present inefficient process of moving finished and unfinished vehicles. Furthermore, we believe that general freight logistics can be blended with automotive logistics to gain new levels of productivity never before experienced. Wasted fuel will be a thing of the past, and we will then move on to the next step of efficiency improvements, whatever it may be.

Bill Pawluk
CEO, Convertible Concepts Corp.

APPENDIX "A"
Office of the Law Revision Counsel, United States Code
Legislative Changes as of Dec. 4, 2015

Section 5513. AUTOMOBILE TRANSPORTER

(a) AUTOMOBILE TRANSPORTER DEFINED. Section 31111(a)(1) of title 49, United States Code, is amended –

(1) by striking “specifically”; and

(2) by adding at the end of the following:

“An automobile transporter shall not be prohibited from the transport of cargo or general freight on a backhaul, so long as it complies with weight limitations for a truck tractor and semi trailer combination.”

(b) TRUCK TRACTOR DEFINED. Section 31111(a)(3)(B) of title 49, United States Code, is amended -

(1) by striking “only”; and

(2) by inserting before the period at the end the following: “or any other commodity, including a cargo or general freight on a backhaul”.

(c) BACKHAUL DEFINED - Section 31111(a) of title 49, United States Code, is amended by adding at the end of the following:

“(5) BACKHAUL- The term backhaul means the return trip of a vehicle transporting cargo or General freight, especially when carrying goods back over all or part of the same route.”

(d) STINGER-STEERED AUTOMOBILE TRANSPORTERS - Section 31111(b)(1) of title 49, United States Code is amended-

(1) in subparagraph (F) by striking a period at the end and inserting “; or”; and

(3) by adding at the end of the following:

“(G) imposes a vehicle length limitation of less than 80 feet on a stinger steered automobile transporter with our front overhang of less than 4 feet and a rear overhang of less than 6 feet”.

<http://automotivelogistics.media/news/us-highway-bill-amendment-means-flexibility-for-vehicle-backhauls>

Comprehensive transport legislation signed last week in the US includes an amendment to rules governing the trucking sector that will allow greater flexibility in the use of vehicle transporters. The legislation now includes a specific authorization for automobile transporters to haul general freight on backhaul trips, including cargo on the back of a truck-tractor power unit.

APPENDIX “B”
National Standard of the People’s Republic of China
GB1589-2016 (Excerpt of relevant sections)

**National Standard of the People’s Republic of China
GB 1589-2016**

The new GB-1589 regulations for limits of dimensions, axle load and masses for motor vehicles, trailers and combination vehicles issued on July 26, 2016.

4.1.1.2 The dimensions of other motor vehicles, trailers and combination vehicles shall not exceed the maximum limit values as specified in Table 2.

Table 2 Maximum dimension limits of other motor vehicles, trailers and combination vehicles unit: mm

Vehicle types	Length	Width	Height
Trailer Center axle /drawbar trailer	12,000	2550	4000

^aThe maximum length limit of center axle trailer train of car carrier is 22000 mm.

4.1.2.3 The distance between the rear axle of the vehicle and the front axle of the drawbar trailer shall not be less than 3000 mm.

4.1.3 Requirements for semi-trailer towing vehicles and semi-trailers

4.1.3.1 The front fitting radius of semi-trailer shall not be more than 2040 mm.

4.1.3.2 The horizontal distance from the central axis of the semi-trailer drawbar pin to the rear end of the semi-trailer length shall not exceed 12000 mm (except for the semi-trailers carrying 45 ft containers).

4.1.3.3 The height of the saddle of the semi-trailer towing vehicle carrying the standard container (the height of the center position of the main drawbar pin) shall comply with the following requirements:

- As for the semi-trailer towing vehicle transporting the standard container of height 2591 mm: not more than 1320 mm;
- As for the semi-trailer towing vehicle transporting the standard container of height 2896 mm: not more than 1110 mm;

Table 3 The maximum allowable axle load limits for single-axle, bi-axle and tri-axle groups of motor vehicles and trailers unit kg

Table 4 Maximum allowable total mass limit of motor vehicles, trailers and combination vehicles in kg

Please reference www.ChineseStandard.net for further details.

APPENDIX "C"
India's Amended Legislation
Confirmation Letter from Government of India, Ministry of Road Transport & Highways

अभय दामले, भा.रा.से.
ABHAY DAMLE, I.R.S.
Joint Secretary
Phone : 011-23719209
Telefax : 011-23359477
E-mail : abhay.damle@gov.in



भारत सरकार
GOVERNMENT OF INDIA
सड़क परिवहन और राजमार्ग मंत्रालय
MINISTRY OF ROAD TRANSPORT & HIGHWAYS
परिवहन भवन, PARIVAHAN BHAWAN
1, संसद मार्ग, 1, PARLIAMENT STREET
नई दिल्ली-110001, NEW DELHI-110001

Dear *Shri Dhillon.*

Dated : 02.3.2016

Reference is invited to this Office D.O. letter No. RT-11028/29/2006-MVL dated 10th December 2015.

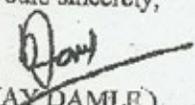
Hon. Minister (RTH) has now approved the draft notification according to which the length of the semi-articulated car carrier has been permitted up to 18.75 metres. These car carriers will also have a speed limiting device for limiting the maximum speed up to 60 KMs per hour in addition to a camera installed at the end of the vehicle and a sliding shutter for inspection of the contents of the vehicle.

The draft notification will take some time to be published in e-Gazette as it has to be vetted by the Law Ministry.

In view of above decision, you may consider permitting the car carrier vehicles to ply subject to above conditions.

With regards,

Yours sincerely,


(ABHAY DAMLE)

Sh. S.S. Dhillon,
Additional Chief Secretary,
Transport Department,
Government of Haryana,
Chandigarh

APPENDIX "D"
EXCERPT FROM MOU BETWEEN CTM AND CHANGJIU

1

MEMORANDUM OF UNDERSTANDING

谅解备忘录

This Memorandum of Understanding (the "MOU") dated for reference the 27th day of August, 2018 is intended to summarize the preliminary understandings between:

本谅解备忘录总结记录了双方公司达成的初期合作共识，定于 2018 年 _____ 月 _____ 日（参考日期编号 2018****），当事人双方是：

CONVERTIBLE TRAILER MANUFACTURING WORLDWIDE LTD.,

a corporation formed under the laws of Alberta, Canada,

(herein after referred to as "CTM WW"),

可转换轿运车国际制造有限公司,系一家根据加拿大阿尔伯塔省法律成立的公司
(本文以下简称 "CTM WW")

and

和

CHANGJIU (CHUZHOU) SPECIAL VEHICLE LTD. COMPANY

a corporation formed under the laws of Anhui, China

(herein after referred to as "CHANGJIU SV").

长久（滁州）专用车有限公司，系一家根据中国及安徽省地方性法律法规成立的公司
(本文以下简称 "长久专用车").

BACKGROUND:

背景:

CTM WW is a hardware development company whose focus is to engineer, promote and sell the Convertible Trailer ("Convertible Trailer") in markets worldwide to improve the efficiencies of both automotive and general freight logistics. CTM WW retains permanent and exclusive licensing rights to all Convertible Trailer associated IP worldwide.

CTM WW是一家硬件装备开发公司，其重点是在全球市场设计、推广和销售可转换轿运车（“可转换轿运车”），以提高汽车和一般货运物流的效率。CTM WW保留全球所有与可转换轿运车相关知识产权的永久且独家许可权。

CHANGJIU SV is a large-scale manufacturing company that develops, produces and sells car carrier and logistics equipment. It is the leading enterprise of the domestic center-axle-steered car carrier. The company's new center-axle-steered car carrier products comply with the latest national standard GB1589, with independent intellectual property rights and

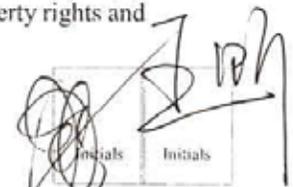
The image shows a rectangular box containing two sets of handwritten initials. The left set is a circular scribble, and the right set is a stylized signature. Below each set of initials is the word "Initials" printed in a small font.

EXHIBIT B
FINANCIAL INFORMATION



CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
Telephone: +1-866-863-3090
E-mail: support.convertibleconcepts@inx.co

This section alone does not constitute an offer to sell Tokens issued by the Token Issuer. An offer may be made only by an authorized representative of the Token Issuer and the recipient must receive a complete Memorandum, including all Exhibits.

CC North America - 5 Year Projections & Investment Requirements

All dollar values are represented in Millions/USD

Convertible Concepts North America	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
CCC Global Accounts Payable	\$ 1.245					\$ 1.245
CCC NA Capital Investment Req'd	-\$ 1.245					-\$ 1.245

Convertible Trailer Patent Co.	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
CTM Units	207	835	1,200	1,490	1,500	5,232
ABMC Units	1,238	17,825	28,988	55,313	84,313	187,675
CTPC Gross Revenue_Royalties (5% of total sales)	\$ 1,317	\$ 10.35	\$ 16.59	\$ 23.66	\$ 26.36	\$ 78.28
CTPC Operating Exp.	\$ 0.362	\$ 0.87	\$ 1.17	\$ 1.52	\$ 1.66	\$ 5.58
CTPC Accounts Payable	\$ 0.016					\$ 0.016
CTPC EBITDA	\$ 0.955	\$ 9.47	\$ 15.43	\$ 22.14	\$ 24.71	\$ 72.70
CTPC Bank Balance (End of Year)	\$ 0.939	\$ 10.41	\$ 25.84	\$ 47.97	\$ 72.68	
CTPC Lowest Point Bank Balance	-\$ 0.078					
CTPC Capital Investment Req'd	-\$ 0.078					-\$ 0.078

Convertible Trailer Mfg. WW Ltd.	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Units Sold	207	835	1,200	1,490	1,500	5,232
CTMWW Gross Revenue (Margins vary region to region)	\$ 29.036	\$ 186.61	\$ 300.56	\$ 395.91	\$ 406.67	\$ 1,318.78
CTMWW Operating Exp. (Production & Ops)	\$ 37.186	\$ 166.94	\$ 260.51	\$ 339.77	\$ 346.99	\$ 1,151.41
CTMWW Accounts Payable	\$ 0.702					\$ 0.702
CTMWW EBITDA	-\$ 8.150	\$ 19.66	\$ 40.05	\$ 56.13	\$ 59.68	\$ 167.37
CTMWW Bank Balance (End of Year)	-\$ 8.852	\$ 10.81	\$ 50.86	\$ 106.99	\$ 166.67	
CTMWW Lowest Point Bank Balance		-\$ 9.318				
CTMWW Capital Investment Req'd		-\$ 9.318				-\$ 9.318

AutoBox Manufacturing Corp.	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
ABMC Units Sold	1,238	17,825	28,988	55,313	84,313	187,675
ABMC Gross Revenue	\$ 1.856	\$ 26.74	\$ 43.48	\$ 82.97	\$ 126.47	\$ 281.51
ABMC Operating Exp. (Production and Ops)	\$ 4.857	\$ 24.87	\$ 39.36	\$ 73.26	\$ 109.53	\$ 251.88
ABMC Accounts Payable	\$ 0.135					\$ 0.14
ABMC EBITDA	-\$ 3.000	\$ 1.86	\$ 4.12	\$ 9.71	\$ 16.94	\$ 29.64
ABMC Bank Balance (End of Year)	-\$ 3.136	-\$ 1.27	\$ 2.85	\$ 12.56	\$ 29.50	
ABMC Lowest Point Bank Balance		-\$ 3.438				
ABMC Capital Investment Req'd		-\$ 3.438				-\$ 3.438

Convertible Logistics Corp.	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
No. of Individual Truck Contracts	101	2,559	8,210	16,047	25,017	51,934
CLC Gross Revenue	\$ 2.393	\$ 94.37	\$ 334.40	\$ 676.30	\$ 1,076.97	\$ 2,184.43
CLC Operating Exp (Carrier Payments and Ops)						
Carrier Payments:	\$ 2.105	\$ 83.05	\$ 294.27	\$ 595.14	\$ 947.73	\$ 1,922.30
CLC Operations:	\$ 4.700	\$ 10.95	\$ 27.03	\$ 52.95	\$ 83.27	\$ 178.90
Total Expenses:	\$ 6.805	\$ 94.00	\$ 321.30	\$ 648.09	\$ 1,031.01	\$ 2,101.20
CLC Accounts Payable	\$ 0.011					\$ 0.01
CLC EBITDA	-\$ 4.413	\$ 0.38	\$ 13.09	\$ 28.21	\$ 45.96	\$ 83.23
CLC Bank Balance (End of Year)	-\$ 4.423	-\$ 4.05	\$ 9.05	\$ 37.25	\$ 83.22	
CLC Lowest Point Bank Balance		-\$ 5.677				
CLC Capital Investment Req'd		-\$ 5.677				-\$ 5.677

TOTALS FOR ALL COMPANIES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Accounts Payable	\$ 2.11	\$ -	\$ -	\$ -	\$ -	\$ 2.11
GROSS REVENUE	\$ 34.60	\$ 318.06	\$ 695.03	\$ 1,178.83	\$ 1,636.47	\$ 3,863.00
OPERATING EXPENSES	\$ 49.21	\$ 286.69	\$ 622.34	\$ 1,062.64	\$ 1,489.18	\$ 3,510.06
ALL COMPANIES EBITDA	-\$ 14.61	\$ 31.38	\$ 72.70	\$ 116.19	\$ 147.28	\$ 352.94
ALL COMPANIES BANK BALANCE	-\$ 15.47	\$ 15.90	\$ 88.60	\$ 204.79	\$ 352.07	
Subtotal Investment Req'd (USD)	-\$ 1.324	-\$ 18.433	\$ -	\$ -	\$ -	-\$ 19.757
Plus 15% Contingency	-\$ 0.199	-\$ 2.765	\$ -	\$ -	\$ -	-\$ 2.964
Investment Broker/Dealer Commission (4%)	-\$ 0.063	-\$ 0.883	\$ -	\$ -	\$ -	-\$ 0.947
Total Investment Required (USD)	-\$ 1.585	-\$ 22.081	\$ -	\$ -	\$ -	-\$ 23.667
Grand Total Investment Required (USD)						-\$ 23.667

All dollar values are represented in Millions/USD

The above projections are speculative and do not represent any guarantee to investors that these numbers will be achieved.

EXHIBIT C

**SUBSCRIPTION AGREEMENT,
DISCLOSURES & ATTESTATIONS**



CONVERTIBLE CONCEPTS NORTH AMERICA, LLC
3115 12th Street NE, Suite #104, Calgary, Alberta, Canada T2E 7J2
Telephone: +1-866-863-3090
Email: support.convertibleconcepts@inx.co

This section alone does not constitute an offer to sell Tokens issued by the Token Issuer. An offer may be made only by an authorized representative of the Token Issuer and the recipient must receive a complete Memorandum, including all Exhibits.

PLEASE READ THIS CAREFULLY. BY PURCHASING THE TOKENS, YOU ACCEPT AND AGREE TO BE BOUND BY THIS AGREEMENT IN ITS ENTIRETY.

NO GOVERNMENTAL AUTHORITY HAS REVIEWED THIS AGREEMENT, THE WHITEPAPER, ANY OTHER RELATED DOCUMENTS OR COMMUNICATIONS, OR CONFIRMED THE ACCURACY, TRUTHFULNESS, OR COMPLETENESS OF THIS AGREEMENT, OR THE WHITEPAPER, OR ANY RELATED DOCUMENTS OR COMMUNICATIONS. ANY REPRESENTATION TO THE CONTRARY IS ILLEGAL.

THE DISTRIBUTION OF THE TOKENS MAY BE PROHIBITED OR RESTRICTED BY THE LAWS, REGULATORY REQUIREMENTS, AND RULES OF YOUR JURISDICTION. NO ACTION HAS BEEN TAKEN TO PERMIT THE OFFER, SALE, POSSESSION OR DISTRIBUTION OF THE TOKENS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. IN THE CASE WHERE ANY RESTRICTION APPLIES, YOU ARE TO INFORM YOURSELF ABOUT, AND TO OBSERVE, ANY RESTRICTIONS WHICH ARE APPLICABLE AT YOUR OWN EXPENSE AND WITHOUT ANY LIABILITY TO THE COMPANY. THE TOKENS MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER APPLICABLE LAWS.

Convertible Concepts North America LLC TOKEN SUBSCRIPTION AGREEMENT

THIS TOKEN SUBSCRIPTION AGREEMENT (this “Agreement”) is entered into by and among the undersigned purchaser (the “Subscriber”) and Convertible Concepts North America LLC, a Delaware company, and governs the purchase of ERC-1404 based cryptographic tokens called the CCNA Regulated Tokens (the “Tokens”, or “CCNA Tokens”). The Subscriber and the Company are herein individually referred to as a “Party” and collectively, as the “Parties” to this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, and agreements set forth in this Agreement, intending to be legally bound hereby and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Subscription.** Subject to the terms contained herein, the Subscriber hereby subscribes (the “Subscription”) to purchase from the Company, and the Company hereby agrees to issue and sell to the Subscriber, Tokens proposed to be initially issued by the Company (as defined below).

2. **Tokens, Method of Payment.**

A. The Subscriber hereby subscribes to purchase the number of Tokens as described in the Annex. Payment of the Purchase Price shall be made at the time of Subscription by delivery of funds to the Company in accordance with the Company’s instructions. The price per Token to determine the aggregate Purchase Price shall be \$0.50, subject to the Threshold Discount structure, as described in the Token Private Placement Memorandum. There is no guarantee that the Tokens shall be valued on the same basis by independent third parties, and the Company does not represent that the proposed valuation represents the fair market value of the Tokens. The total number of Tokens the Subscriber shall be entitled to shall be rounded down to the nearest four decimals in the event that the Purchase Price paid by the Subscriber would result in a total number of Tokens that contains a fraction.

B. The Company will accept payment for the Tokens purchased under this Agreement in U.S. dollars, USD Coin (“USDC”), and Ethereum (“ETH”). In the case of payment in U.S. dollars, no Subscription Agreement having a Purchase Price in an amount less than \$2,000.00 will be accepted by the Company. The Subscriber shall make the required payment to the Company in consideration for the Subscriber’s purchase of the Tokens via (i) wire transfer to a bank account designated by the Company, in the event that the Purchase Price is payable in USD, or (ii) pursuant to the procedures set forth on the Investment Portal (<https://one.inx.co/invest/convertibleconcepts> or <https://ccna.com/>) the platform through which the Tokens are being offered and sold. For purposes of this instrument, the value of the Purchase Price shall be deemed in U.S. dollars whether the Subscriber pays in USDC, and ETH, valued at the Applicable Exchange Rate for USDC, and ETH. The term “Applicable Exchange Rate” shall mean the volume-weighted average hourly price as specified for such virtual currency’s index price identified on Nomics.com (“Nomics”) in the one hour immediately prior to Subscriber submitting the payment transaction on the relevant blockchain network; *provided, however*, that in the event that Nomics’ indices experience technical issues in such period that affect the accuracy of the volume weighted average price, the Company will use its reasonable best efforts to determine the volume-weighted average price for such period.

C. Subscriber acknowledges and understands that the proceeds from the sale of the Tokens will be utilized by the Company in its sole discretion.

D. Subscriber acknowledges and understands that the minimum Subscription amount shall be US \$2,000.00 or such equivalent in USDC, or ETH.

3. **Closing.** This Agreement shall not be binding on the Company until (1) the satisfaction of each of the Closing Conditions set forth in Section 6 below and (2) this Agreement has been accepted by the Company, which shall be evidenced by the Company countersigning this Agreement and the delivery thereof to the Subscriber. The closing of the purchase and sale of the Tokens shall occur upon the Company’s acceptance of this Agreement and the delivery of the Purchase Price by the Subscriber to the Company at the Closing, at which point, the Purchase Price shall be deemed disbursed to the Company (the “Closing”).

4. **Acceptance of Subscription.** The Subscriber understands that this Subscription is not binding on the Company unless and until it is accepted by the Company. If this Subscription is not accepted by the Company, then the funds transmitted herewith shall be returned to the Subscriber, without interest, for payments received in USDC, or ETH, the return of funds will be denominated and paid in the same form of such virtual currency actually received by the Company, and this Agreement shall be null and void. If some, but not all, of this Subscription is accepted, the amount of the Purchase Price tendered for this Subscription shall be appropriately modified and any amount of the initial payment paid in excess of the accepted portion of the Subscription shall be returned to the Subscriber, without interest and, in the event that such Purchase Price has been tendered in USDC, or ETH, the return of excess amounts will be denominated and paid in the same form of such virtual currency actually received by the Company. The Company intends to allocate Tokens in a manner consistent with the goals described in the Information Documents (as defined below), which goals include achieving a sufficiently distributed and decentralized community of Token holders. Accordingly, the Company may impose restrictions on the amount of Tokens an individual may purchase in its sole discretion, and these restrictions may be adjusted from time to time in the Company’s sole discretion. While the Company intends to communicate such restrictions clearly and consistently, in no way shall such communications prohibit the Company from exercising its discretion to accept or reject (in whole or in part) a Subscription Agreement.

5. **Subscription Irrevocable.** Except as provided in Section 4, this Subscription is irrevocable and the Subscriber agrees it is not entitled to cancel, terminate, or revoke this Subscription. The Subscriber

agrees and acknowledges that the Subscriber's subscription will not be returned, except in the event that the Company rejects the subscription in whole or in part, which it may do in its sole discretion. The Subscriber fully acknowledges, understands and agrees that this Agreement shall become effective and binding on the Subscriber upon the earlier of (a) the signature of this Agreement by the Subscriber; or (b) the moment the Subscriber ticks the check-box on the website of the Company to indicate and confirm that it has read, acknowledged, understood and agrees to the terms of this Agreement and clicks submit; or (c) the moment the payment is made by the Subscriber for the Tokens.

6. **Conditions to Obligations of the Company.** The obligations of the Company to issue the Tokens to the Subscriber at the Closing are subject to the fulfillment (or waiver by the Company), before or at the time of the Closing, of each of the following conditions:

A. *Execution of Subscriber Documents.* The Subscriber will have executed and delivered (i) this Agreement and (ii) all other requisite questionnaires and documents required on and through the INXS platform, including the completion of any relevant KYC/AML procedures and submission of additional information regarding the Subscriber's beneficial ownership if such Subscriber is an entity. Collectively, this Agreement and all requisite documents and information required are hereinafter referred to as the "Subscriber Documents."

B. *Accuracy of the Subscriber's Representations.* The representations made by the Subscriber in the Subscriber Documents (which are incorporated by this reference as part of this Agreement) shall be accurate in all material respects when made and at the time of Closing.

C. *Performance by the Subscriber.* The Subscriber shall have duly performed and complied in all material respects with all agreements, covenants and conditions contained in this Agreement required to be performed or complied with by the Subscriber before the Closing including, without limitation, payment to the Company of the Purchase Price and the submission of sufficient documentation and records to permit the Company to verify that the Subscriber is not a United States Person.

7. **Information Documents.**

A. *Receipt of Information Documents.* The Subscriber has been furnished with and hereby acknowledges receipt of the following documents (collectively, the "Information Documents"): (i) Subscriber Documents; (ii) the CCNA Private Placement Memorandum generally describe the Company's proposed technology, business and the Tokens, and (iii) the Risk Factors.

B. *Information Document Acknowledgement.* The Subscriber has reviewed (or had its legal, tax or financial advisers review) to the extent the Subscriber deemed appropriate, and understands, the contents of the Information Documents. The Subscriber acknowledges that the Company has provided the Subscriber with information about the subscription in the Tokens in light of the Subscriber's business and financial sophistication.

8. **Representations of the Company.** The Company represents and warrants to the Subscriber that the Company is a Delaware corporation with limited liability and, to its knowledge, has all requisite power and authority to carry on its business as proposed to be conducted and to issue the Tokens to the Subscriber.

9. **Covenants and Representations of the Subscriber.** Knowing the Company will rely on the following information to determine the applicability of various securities laws, the suitability of the Subscriber as an investor in the Company, and for certain other purposes, the Subscriber hereby

covenants, represents and warrants (as applicable) to the Company that:

A. *No Violation.* The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice: (a) any provision of, or result in the breach of any applicable laws, the memorandum and articles of association, articles of incorporation, bylaws, or other organizational documents, if applicable; (b) any provision of any judgment, decree or order to which the Subscriber is a party, by which it is bound, or to which any of its material assets are subject; (c) any material agreement, obligation, duty or commitment to which the Subscriber is a party or by which it is bound; or (d) any laws applicable to the Subscriber. The Subscriber is not a citizen or resident of or beneficially owned by a citizen or a resident of a country where the purchase or distribution of the Tokens would be prohibited or a country otherwise prohibited in participating in the sale of Tokens (each a “**Restricted Person**”). The Company is not bound by this Agreement if either this Agreement has been entered into by a Restricted Person as the Subscriber or any third party acting as the Subscriber has entered into this Agreement or has purchased Tokens on behalf of a Restricted Person. The Company may take all necessary and appropriate actions as it deems necessary and in its sole discretion to invalidate this Agreement.

B. *Tokens Not Registered.* The Subscriber understands the Tokens have not been registered under the Securities Act of 1933 (the “Securities Act”) in reliance on certain exemptions thereunder for transactions not involving any public offering or under the laws of any state, and the Tokens have not been approved or disapproved by the SEC or by any other federal or state agency of the U.S. or other jurisdiction, and no such agency has passed on the accuracy or adequacy of the Information Documents. The Subscriber understands that the Company is under no obligation to register the Tokens on the Subscriber’s behalf or to assist the Subscriber in complying with any exemption from registration under the Securities Act or under the securities laws of any state.

C. *Investment Intent.* The Subscriber is acquiring the Tokens subscribed hereby solely for the Subscriber’s own account for investment and not on behalf of other persons and not with a view to or for resale, division, or distribution thereof, or the grant of any participation therein. The Subscriber has no present intent to distribute or sell to any other person any of such Tokens or to grant any participation therein.

D. *Transfers Restricted.* The Subscriber understands there are substantial restrictions on the transferability of the Tokens imposed by the Securities Act and the securities laws of the states or jurisdictions in which the Tokens are sold. As such, the Subscriber acknowledges the Tokens may not be sold or otherwise transferred except (i) in accordance with an effective registration statement under applicable securities laws; (ii) in accordance with a transaction which, in the opinion of counsel acceptable to the Company, will not be in violation of applicable securities laws; or (iii) at such other period in which the Company’s Board of Directors of the Company (the “Board”) determines in its sole discretion.

E. *Risks.* The Subscriber recognizes that an investment in the Tokens involves a significant degree of risk and understands such risks, including, without limitation, those risks set forth in the Private Placement Memorandum attached hereto. The Subscriber is aware that any forward-looking statements made by the Company in connection with the offer and sale of the Tokens, such as statements of the Company’s strategies, plans, objectives, expectations and intentions, involve substantial risks and uncertainties. The Company’s actual results could differ materially from those anticipated in these forward-looking statements. The Subscriber recognizes that a purchase of the Tokens involves substantial risks, including without limitation, the lack of demand for Tokens, the inability to ever sell such Tokens, and that the actual performance of the Tokens could differ materially from those anticipated by the

Company in any forward-looking statements.

F. *Restricted Securities.* The Tokens shall be restricted securities under the Securities Act and instruments representing the Tokens (if any) will contain one or more legends substantially as follows:

THE TOKENS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS AND MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT COVERING THE TRANSFER OR AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT REGISTRATION UNDER THE SECURITIES ACT OR STATE SECURITIES LAWS IS NOT REQUIRED FOR SUCH TRANSFER.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES AGREES THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (B) PURSUANT TO REGISTRATION UNDER THE U.S. SECURITIES ACT, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (C) PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE U.S. SECURITIES ACT.

G. *Sophistication.* The Subscriber has such knowledge and experience in business and financial matters as to be capable of evaluating the Company and the proposed activities thereof and the risks and merits of an investment in the Company and of making an informed investment decision therein.

H. *Proportionality and Suitability.* The number of Tokens subscribed for by the Subscriber is not unreasonably large when compared with the Subscriber’s total financial capacity and, therefore, the Subscriber can bear the economic risk of the investment, including a complete loss thereof without impairing the Subscriber’s ability to provide for the Subscriber (and, in the case of an individual Subscriber, his or her family) in the same manner as the Subscriber was prior to making such investment. The nature and amount of the investment is suitable for the Subscriber and consistent with the Subscriber’s overall investment program and financial condition.

I. The Subscriber is not a “distributor” of securities, as that term is defined in Regulation S, nor a dealer in securities. The Subscriber is purchasing the Tokens as principal for its own account, for investment purposes only and not with an intent or view towards further sale or distribution (as such term is used in Securities Act §2(11)) thereof and has not pre-arranged any sale with any other purchaser and has no plans to enter into any such agreement or arrangement.

J. The Subscriber is not an Affiliate of the Company nor is any Affiliate of the Subscriber an Affiliate of the Company. An “Affiliate” is an individual or corporation, partnership, trust, incorporate or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind (each of the foregoing, a “Person”) that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act. Any investment fund or managed account that is managed on a discretionary basis by the same investment manager as the Subscriber will be deemed to be an Affiliate of the Subscriber.

K. The Subscriber understands that the Tokens have not been registered under the Securities Act or the securities laws of any state and are subject to substantial restrictions on resale or transfer. The Tokens are “restricted securities” within the meaning of Regulation S, promulgated under the Securities Act.

L. *Non-U.S. Persons.* If the Subscriber is not a United States Person and hereby represents, warrants and covenants as follows:

i. The Subscriber acknowledges and warrants that, to the extent the provisions of the Securities Act are applicable to such Subscriber’s purchase, (a) the issuance and sale to the Subscriber of the Tokens is intended to be exempt from the registration requirements of the Securities Act, pursuant to the provisions of Regulation S; (b) it is not a United States Person and is not acquiring the Tokens for the account or benefit of any United States Person; and (c) the offer and sale of the Tokens has not taken place, and is not taking place, within the United States of America or its territories or possessions. The Subscriber acknowledges that the offer and sale of the Tokens has taken place, and is taking place in an “offshore transaction,” as such term is defined in Regulation S.

ii. The Subscriber acknowledges and agrees that, pursuant to the provisions of Regulation S, the Tokens cannot be sold, assigned, transferred, conveyed, pledged or otherwise disposed of to any United States Person or within the United States of America or its territories or possessions for a period of forty (40) after the issuance of the Tokens to Subscriber, unless such Tokens are registered for sale in the United States pursuant to an effective registration statement under the Securities Act or another exemption from such registration is available. The Subscriber acknowledges that it has not engaged in any hedging transactions with regard to the Tokens.

iii. The Subscriber consents to the placement of a legend on any certificate, note or other instrument (if any) evidencing the Tokens and understands that the Company will be required to refuse to register any transfer of Tokens not made in accordance with applicable U.S. securities laws.

iv. The Subscriber acknowledges that the Tokens may only be sold offshore in compliance with Regulation S or pursuant to an effective registration statement under the Securities Act or another exemption from such registration, if available. In connection with any resale of the Tokens under Regulation S, the Company will not register a transfer not made in accordance with Regulation S, under an effective registration statement under the Securities Act or in accordance with another exemption from the Securities Act.

v. The Subscriber is not subject to any of the disqualifying events listed in Rule 506(d)(1) of Regulation D under the Securities Act (a “Disqualification Event”), and there is no proceeding or investigation pending or, to the knowledge of Subscriber, threatened by any governmental authority, that would reasonably be expected to become the basis for a Disqualification Event.

vi. The Subscriber represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with the offering of the Tokens, including: (a) the legal requirements within its jurisdiction for the purchase of the Tokens; (b) any foreign exchange restrictions applicable to such purchase; (c) any governmental or other consents that may need to be obtained; and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Tokens. The Subscriber's purchase and its continued beneficial ownership of the Tokens will not violate any applicable securities or other laws of the jurisdiction of its residence.

M. *Accredited Investor.* If the Subscriber is a U.S. Person, the Subscriber hereby represents and warrants the following:

- i. The Subscriber is a natural person whose individual net worth (not including the value of your primary residence), or joint net worth with the Subscriber's spouse, presently exceeds USD \$1,000,000; or
- ii. The Subscriber is a natural person who had an individual income in excess of USD \$200,000 in each of the two most recent years or joint income with the Subscriber's spouse in excess of USD \$300,000 in each of those years and you reasonably expect reaching the same income level in the current year; or
- iii. The Subscriber is a corporation, partnership, limited liability company, or other entity in which all of the equity owners are "Accredited Investors" (each meeting at least one of these suitability requirements); or
- iv. The Subscriber is a trust with total assets in excess of USD \$5,000,000 and was not formed for the specific purpose of acquiring Tokens, the trustee of which has such knowledge and experience in investing and/or financial and business matters that they are capable of evaluating the merits and risks of subscribing to the Tokens; or
- v. The Subscriber is either a bank, savings and loan association or other financial institution; a registered securities broker or securities dealer; an insurance company; a registered investment company or business development company; a licensed Small Business Investment Company; or a private business development company; or
- vi. The Subscriber is a state-sponsored pension plan with total assets in excess of USD \$5,000,000; or
- vii. The Subscriber is an employee benefit plan which either (a) has a fiduciary that is a bank, savings and loan association, insurance company, or registered investment adviser; (b) has total assets in excess of USD \$5,000,000; or (c) is a self-directed plan and investment decisions are made solely by persons that are "Accredited Investors" (meeting at least one of the listed suitability requirements); You are a non-profit organization described in section 501(c)(3) of the U.S. Internal Revenue Code that was not formed for the specific purpose of acquiring Tokens and have total assets in excess of USD \$5,000,000; or
- viii. The Subscriber is a director, executive officer, or manager of the Token Issuer or its Affiliates.

N. *Authorization of Agreement, etc.* The Subscriber has the full capacity, power, and authority to execute and deliver to the Company this Agreement and the Subscriber Documents. This Agreement and the Subscriber Documents are the legal, valid and binding obligations of the Subscriber enforceable against the Subscriber in accordance with their terms, except as such enforceability may be affected by (a) applicable bankruptcy, reorganization, insolvency, moratorium and other similar laws and court decisions of general application, including, without limitation, statutory and other laws regarding fraudulent or preferential transfers relating to, limiting or affecting the enforcement of creditors' rights generally; or (b) general principles of equity, including the effect of such general principles of equity upon the specific enforceability of any of the remedies, covenants or other provisions contained herein or therein and their application (regardless of whether enforcement is considered in a proceeding at law or in equity or in accordance with arbitration) as such principles relate to, limit or affect the enforcement of creditors' rights generally.

O. *No Equity Stake.* The Subscriber understands that the Tokens do not represent any form of equity interest in the Company, its parent company or any affiliate thereof, nor any debt obligation of the Company or its affiliates. The Subscriber has no right against the Company or any other affiliate thereof except in the event of the Company's breach of this Agreement or intentional fraud.

P. *Update of Representations; Reliance by the Company.* All information the Subscriber has provided or will provide to the Company in connection with this Agreement is true, correct and complete as of the date of execution of this Agreement and as of the date of the Closing. The Subscriber will promptly provide to the Company written notice of any material changes in such information and such information will be true, correct and complete as of the date given and as of the date of the Closing.

Q. *Anti-Money Laundering Compliance.* To the extent required by any governmental authority or by applicable law, the Subscriber represents and warrants that it complies with all anti-money laundering and counter-terrorism financing requirements. None of the funds, including virtual currency or cryptocurrency, that the Subscriber uses to purchase the Tokens are derived from or related to any unlawful activities, including money laundering or terrorist financing, and the Subscriber will not use the Tokens to finance, engage in, or otherwise support any unlawful activities as may be defined by any governmental authority, including any United States federal or state, or international, laws and regulations, and anti-money laundering laws and regulations of any other jurisdiction to which the Subscriber is subject. Neither the Subscriber, nor any person having a direct or indirect beneficial interest in the Subscriber, if applicable, or any person for whom the Subscriber is acting as agent or nominee in connection with the Tokens, is the subject of (or is subject to) sanctions administered or enforced by any governmental authority, or is organized or residing in a country or territory that is the subject of country-wide or territory-wide sanctions administered or enforced by any governmental authority. Any and all payments by the Subscriber under this Agreement will be made only in the Subscriber's name, from a digital wallet or bank account not located in a country or territory that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force.

R. *Tax Considerations.* The Subscriber is not relying on the Company or any of the Company's executives, management team members, or professional advisers with respect to individual tax considerations involved in an investment in the Tokens. The Subscriber understands and acknowledges there can be no assurances as to the tax results of an investment in the Tokens and the ownership thereof.

S. *Allocation and Sale of Tokens to Company Service Providers.* Subscriber understands and consents to the participation of the Company's past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors and service providers in the purchase of

Tokens, including people who may work on the development and implementation of Company's projects or who may work for Company's future businesses or affiliates which Company may establish with a portion of the proceeds from the sale of Tokens.

T. *Access to Information.* The Subscriber has either consulted its own investment adviser, attorney or accountant about the investment in and proposed purchase of the Tokens and the suitability to the Subscriber or chosen not to do so, despite the recommendation of such course of action by the Company. The Subscriber (or its professional advisers) has been provided an opportunity to ask questions of, and the Subscriber has received answers thereto that are satisfactory to the Subscriber from, the Company and its representatives regarding the Company, the Information Documents and other matters pertaining to the Company and this investment, and the Subscriber has obtained all additional information requested by the Subscriber. The Subscriber acknowledges that the Subscriber has received or had the opportunity to request and review all information regarding the Company and this investment material to the Subscriber's investment decision regarding the Tokens.

U. *No Representations, Warranties or Covenants.* None of the Company or any of its officers, directors, employees, managers, members, agents or affiliates has made any oral or written representations, warranties or covenants to the Subscriber, other than those expressly set forth herein.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE COMPANY MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND (EXPRESS, IMPLIED OR STATUTORY) WITH RESPECT TO THE TOKENS, THE ALLOCATION AND DISTRIBUTION OF THE TOKENS, THE TOKENS SMART CONTRACT OR THE PLATFORM. THE COMPANY DOES NOT MAKE, AND HEREBY DISCLAIMS, ANY REPRESENTATION OF WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY RELATING TO THE FUTURE OR HISTORICAL FINANCIAL CONDITION, RESULTS OF OPERATIONS, RESULTS OF THE PLATFORM LAUNCH AND FUTURE OPERATION, AS WELL AS ANY WARRANTIES OF TITLE OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR ABSENCE OF ANY DEFECTS WITH RESPECT TO THE TOKENS SMART CONTRACT, TOKENS, OR THE ABILITY OF ANYONE TO MAKE PAYMENTS, USE THE TOKENS SMART CONTRACT AND PURCHASE TOKENS, OR WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. WITHOUT LIMITING THE FOREGOING, THE COMPANY DOES NOT REPRESENT OR WARRANT THAT THE PROCESS OF PURCHASING TOKENS OR RECEIVING TOKENS WILL BE UNINTERRUPTED OR ERROR-FREE OR THAT THE TOKENS ARE RELIABLE AND ERROR-FREE. THE SUBSCRIBER ACKNOWLEDGES AND UNDERSTANDS THAT THE SUBSCRIBER MAY LOSE ANY AND ALL MONEY AND/OR OTHER FUNDS, INCLUDING VIRTUAL CURRENCY OR CRYPTOCURRENCY, PAID FOR THE TOKENS. EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE SUBSCRIBER ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE COMPANY, OR ANY OTHER PERSON ON THE COMPANY'S BEHALF.

V. *Deemed Jurisdiction of the Transfer of Tokens.* Subscriber acknowledges and agrees that this Agreement is an Agreement between Subscriber and the Company, a Delaware company. Subscriber

further acknowledges and agrees that the sale of Tokens and transfer of title to the Tokens, and any transactions relating thereto, shall be deemed to have occurred in the state of Delaware.

10. **Indemnification.** The Subscriber agrees to indemnify, hold harmless and reimburse the Company and its officers, directors, employees, managers, members, agents and affiliates and any person acting on behalf of any of the foregoing (the “Indemnified Parties”), from and against all expenses or amounts paid (including legal and arbitration fees and expenses of counsel), damage, loss, penalty, liability, cost and expense (including reasonable attorneys’ fees) which any of them may incur by reason of any breach of this Agreement by the Subscriber, including, without limitation, any inaccuracy contained in the Subscriber’s representations, warranties or agreements in this Agreement or in any questionnaire. The Company reserves the right to exercise sole control over the defense, at the Subscriber’s expense, of any claim subject to indemnification hereunder. Any Restricted Person who makes payments, uses the Tokens Smart Contract and/or purchases Tokens or enters into this Agreement on unlawful, unauthorized or fraudulent basis shall be solely liable for, and indemnifies, defends and holds the Indemnified Parties harmless from any damages that may arise from or is a result of such person’s unlawful, unauthorized or fraudulent making of payments, use of the Tokens Smart Contract and/or purchase of Tokens. Any Restricted Person who makes payments, uses the Tokens Smart Contract and/or purchases Tokens or enters into this Agreement on unlawful, unauthorized or fraudulent basis understands, acknowledges, and accepts that it may lose the entirety of the fraudulent investment, and the Company has the right to retain any and all money and/or other funds, including virtual currency or cryptocurrency, paid for Tokens as a penalty for violation of this Agreement and misrepresentation hereunder.

11. **Limitation of Liability.**

A. To the fullest extent permitted by the applicable law, the Company hereby expressly disclaims its liability, and shall in no case be liable to any person including the Subscriber, for:

i. any person making payments, using the Tokens Smart Contract and/or purchasing Tokens in violation of any anti-money laundering, counter-terrorism financing or other regulatory requirements that are imposed in any jurisdiction and by any governmental authority;

ii. any person making payments, using the Tokens Smart Contract and/or purchasing Tokens in violation of any representation, warranty, obligation, covenants, or other provision hereunder, and the resulting failure or inability to retrieve his/her payment or to claim relevant purchased Tokens;

iii. failure, abortion, delay, or rescheduling of the Platform development and resulting failure to meet any anticipated milestone;

iv. any malfunction, breakdown, collapse, rollback or hard forking of the blockchain;

v. failure of the Tokens to meet any specific purpose, or unfitness for any specific use;

vi. utilization of proceeds by the Company;

vii. failure to timely and completely disclose any information relating to the development of the Platform;

viii. any Subscriber's divulgence, loss, or destruction of any private key(s) associated with digital wallet or vault storing Tokens;

ix. trading or speculation of the Tokens by any person;

x. listing or delisting of the Tokens on or from any cryptocurrency exchange;

xi. the Tokens being classified or treated by governmental authority as a kind of currency, securities, commercial paper, negotiable instrument, investment or otherwise that may be banned, regulated or subject to certain legal restrictions; and

xii. any risk factors disclosed herein and any damage that is caused by, associated with, in connection with, incidental to or consequential to that risk factor.

B. To the fullest extent permitted by the applicable law, the Subscriber releases the Company from any and all responsibility, liability, claims, demands, and/or damages based on, arising out of or relating to this Agreement, any possible disputes and controversies with the Subscriber and the acts or omissions of any third parties.

C. Notwithstanding anything in this Agreement, in no circumstances shall the aggregate joint liability of the Company and any affiliates parties, whether in contract, warrant, tort or other theory, for damages to the Subscriber hereunder shall exceed the amount received by the Company from the Subscriber, after deduction of any amounts recovered by the Subscriber or which the Subscriber is entitled to cover from any third parties.

D. The Subscriber understands and agrees that the Company shall not be liable for any violation hereof when and to the extent such violation is caused by or results from acts beyond the reasonable control of the Company, including, without limitation: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, or other civil unrest; (d) changes in law; (e) action by any governmental authority; or (f) industrial disturbances, electrical, telecommunications, hardware, software or other utility failures, software or smart contract bugs or weaknesses, blockchain hard fork, double spending attack, technological change and, for the avoidance of doubt, changes to any blockchain-related protocol.

12. **Verification.** The Subscriber hereby authorizes the Company to verify any of the information set forth in or provided under this Agreement. The Subscriber understands the Subscriber may be required to furnish additional information to the Company in connection with this Agreement.

13. **Rejection.** The Company may reject this Subscription in whole or in part in its sole discretion, and prior to the Closing may withdraw, cancel or modify the offering of the Tokens.

14. **Applicable Law; Dispute Resolution.** This Agreement, and all rights and obligations hereunder, shall be governed in all respects, including its formation, applicability, breach, termination, validity, or enforceability in accordance with the laws of the state of Delaware. Each of the Parties hereto irrevocably (i) agrees that any dispute or controversy arising out of, relating to, or concerning any interpretation, construction, performance or breach of this Agreement, shall be settled exclusively by arbitration to be held in the State of Delaware which shall be administered in accordance with the Arbitration Law (as revised) of the State of Delaware and the Arbitration Rules in the State of Delaware in force at the time of the commencement of the arbitration (the "**Arbitration Rules**"), (ii) waives, to the fullest extent it may effectively do so, any objection which it may now or hereafter have to the laying of venue of any such arbitration, and (iii) submits to the exclusive jurisdiction of the State of Delaware in

any such arbitration. There shall be three (3) arbitrators, one of whom shall be selected by each party. The third arbitrator shall be determined by mutual consent by the parties who shall be qualified to practice law in the State of Delaware. The arbitration shall be conducted in English. The decision of the arbitration tribunal shall be final, conclusive, and binding on the Parties. Judgment may be entered on the arbitration tribunal's decision in any court having jurisdiction. The Parties shall each pay an equal share of the costs and expenses of such arbitration, and each Party shall separately pay for its respective counsel fees and expenses; provided, however, that the prevailing Party shall be entitled to recover from the non-prevailing Party its reasonable costs and attorney fees. The Parties acknowledge and agree that, in addition to contract damages, the arbitrator may award provisional and final equitable relief, including injunctions, specific performance, and lost profits.

15. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, legal representatives, successors, and permitted assigns, as the case may be. If the Subscriber is more than one person, the obligations hereunder shall be joint and several and the agreements, representations, warranties, and acknowledgments contained herein shall be deemed to be made by and be binding upon each such person and his, her or its heirs, executors, administrators, legal representatives, successors, and permitted assigns, as the case may be.

16. **Notices.** Whenever notice is required or permitted by this Agreement to be given, such notice will be in writing and will be deemed to have been given (a) upon personal delivery, if delivered by hand, (b) three days after the date of deposit in the mail, postage prepaid, return receipt requested, if mailed by certified or registered mail, or (c) the next business day if sent by a prepaid overnight courier service, and in each case to the notice address below or to such other address or addresses as such party will have furnished to the other party in writing:

A. If to the Subscriber: To the address set forth below the Subscriber's signature.

If to the Company: To the registered offices.

B. Notwithstanding the foregoing, no notice to a party will be deemed received on a day that is not a business day in the jurisdiction in which notices are to be addressed to such party and any such notice will not be effective until the next succeeding business day in such jurisdiction.

17. **Severability.** In the event any one or more of the provisions of this Agreement is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Agreement operate or would prospectively operate to invalidate this Agreement, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this Agreement and the remaining provisions of this Agreement will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, all of which will constitute one and the same instrument. This Agreement may be delivered by facsimile transmission or by scanned e-mail transmission. This Agreement will be considered to have been executed by a person if there exists a photocopy, facsimile copy, scanned copy, or a photocopy of a scanned or facsimile copy of an original hereof or of a counterpart hereof which has been signed by such person. Any photocopy, scanned copy, facsimile copy, or photocopy of facsimile copy of this Agreement or a counterpart hereof will be admissible into evidence in any proceeding as though the same were an original.

19. **Entire Agreement.** This Agreement, including any schedules and exhibits attached hereto and the materials incorporated herein by reference, constitutes the entire agreement between the Parties and

supersedes all prior or contemporaneous agreements and understandings, both written and oral (including for the avoidance of doubt any SAFT Agreements entered into by the Company and the Subscriber), between the Parties with respect to the subject matter hereof, including, without limitation, any public or other statements or presentations made about the Tokens and/or the Platform.

20. Confidentiality.

A. For purposes of this Agreement, “Confidential Information” means all information disclosed, distributed or disseminated (whether in writing, orally, electronically or by other means) to it or its representatives, agents or advisors, by the Company, or otherwise as a result of such Subscriber’s purchase of Tokens (including, without limitation, any information about the Company, its assets and affairs, this Agreement and any related agreement or documents referred to herein, and information related to the development of the network and its existing users and projects).

B. The Subscriber acknowledges and agrees that the Company has advised the Subscriber that (i) the Company derives independent economic value from the Confidential Information not being generally known, (ii) the Confidential Information is the subject of reasonable efforts to maintain its secrecy, and (iii) consequently, the Company considers such Confidential Information to be a trade secret. In the event that the Company does give its written consent to a disclosure of any Confidential Information, the form and content of such disclosure shall be subject to the prior written approval of the Company. The Subscriber acknowledges the Company’s belief that the Confidential Information includes trade secrets of the Company and that the release of any such Confidential Information would cause competitive harm to the Company and its business. The Subscriber agrees to hold in confidence, and not to disclose, distribute or disseminate (whether in writing, orally, electronically or by other means) to any third party without the consent of the Company, all Confidential Information.

C. With respect to the Subscriber, the obligation to maintain the Confidential Information in confidence shall not apply to any Confidential Information (i) that becomes publicly available (other than by reason of a disclosure by the Subscriber), (ii) the disclosure of which by the Subscriber has been consented to by the Company in writing, or (iii) the disclosure of which by the Subscriber is required by a court of competent jurisdiction or other governmental authority or otherwise as required by law. Before the Subscriber discloses Confidential Information pursuant to sub-clause (iii), the Subscriber shall promptly, and in any event prior to making any such disclosure, notify the Company of the court order, subpoena, interrogatories, government order or other reason that requires disclosure of the Confidential Information so that the Company may seek a protective order or other remedy to protect the confidentiality of the Confidential Information and shall otherwise cooperate with the efforts of the Company to obtain a protective order or other remedy to protect the Confidential Information. If a protective order or other remedy cannot be obtained, the Subscriber shall disclose only that Confidential Information that its counsel advises in writing (which writing shall also be addressed and delivered to the Company) that it is legally required to disclose.

D. The Subscriber shall promptly inform the Company if it becomes aware of any reason, whether under law, regulation, policy or otherwise, that it (or any of its equity holders) will, or might become compelled to, use the Confidential Information other than as contemplated above or disclose Confidential Information in violation of the confidentiality restrictions. In addition to any other remedies available at law, the Subscriber agrees that the Company shall be entitled to equitable relief, including, without limitation, the right to an injunction or restraining order (without the necessity of proving damages or posting a bond or other security), as a remedy for any failure by the Subscriber to comply with its obligations with respect to the use and disclosure of Confidential Information, as set forth herein. The Subscriber agrees to cooperate with such procedures and restrictions as may be developed by the Company from time-to-time in connection with the disclosure of nonpublic information concerning the

Company and its affairs, as determined by the Company to be reasonably necessary and advisable to maintain and promote compliance with legal and other regulatory matters applicable to the Company, including securities laws and regulations. The provisions of this clause shall survive the Transfer (as defined below) of any Token by the Subscriber and shall be enforceable against the Subscriber after such Transfer.

21. **Transfer and Assignment.** Neither this Agreement nor the rights contained herein may be Transferred or assigned, by operation of law or otherwise, by the Subscriber without the prior written consent of the Company; provided, however, that, subject to the last sentence of this clause, this Agreement and/or the rights contained herein may be assigned without the Company's consent by the Subscriber, with fifteen (15) days' prior written notice to the Company, to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Subscriber, including, without limitation, any general partner, managing member, officer or director of the Subscriber, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Subscriber. The Company may Transfer or assign this Agreement in whole, without the consent of the Subscriber, to its affiliates in its sole discretion. The Subscriber shall provide notice to the Company of any assignment pursuant to this clause. "Transfer" and "Transferred" shall mean any direct or indirect sale, exchange, transfer, gift, encumbrance, assignment, pledge, mortgage, hypothecation, or other disposition, whether voluntary or involuntary. Notwithstanding anything to the contrary in this Agreement, the Company may withhold consent for any Transfer to the extent that the transferor would not thereby assign its entire interest in this Agreement and/ or the rights to one natural person or entity.

22. **Termination of Agreement; Survival.** The Company may unilaterally terminate this Agreement in its sole discretion in case of any misrepresentations by the Subscriber or in the event of any breach by the Subscriber of his/her obligations under this Agreement. Upon termination of this Agreement: (a) all of the Subscriber's rights under this Agreement shall immediately terminate; (b) the Subscriber shall not be entitled to a refund of any and all amounts paid hereunder; and (c) clauses 9 - 25 shall survive and will continue to apply in accordance with their terms.

23. **No Waivers.** The failure by the Company to exercise or enforce any right or provision of this Agreement will neither constitute a present or future waiver of such right or provision nor limit the Company's right to enforce such right or provision at a later time. All waivers by the Company must be unequivocal and in writing to be effective.

24. **No Partnership; No Agency; No Third-Party Beneficiaries.** Nothing in this Agreement and no action taken by the Parties shall constitute, or be deemed to constitute, a partnership, association, joint venture or other co-operative entity between the Parties. Nothing in this Agreement and no action taken by the Parties pursuant to this Agreement shall constitute, or be deemed to constitute, an agency agreement where either Party becomes the agent of the other Party for any purpose. No Party has, pursuant to this Agreement, any authority or power to bind or to contract in the name of the other Party. This Agreement does not create any third-party beneficiary rights in any person.

25. **Electronic Communications.** The Subscriber agrees and acknowledges that all agreements, notices, disclosures and other communications that the Company provides to the Subscriber pursuant to this Agreement or in connection with or related to the Subscriber's purchase of Tokens, including this Agreement, may be provided by the Company, in its sole discretion, to the Subscriber, in electronic form. Any and all communication sent by the Subscriber to the Company shall be addressed to the email address specified on the Company's website.

Annex
Signature Page
Confirmed Purchase Details

1. The Subscriber hereby represents that they have read this Subscription Agreement in its entirety.
2. By executing this Subscription Agreement, the Subscriber hereby confirms the Subscriber's agreement with the Company and hereby agrees to be bound by all terms and provisions of this Agreement.

TOKEN VENDOR

Signed By

Name: William (Bill) Pawluk
Chief Executive Officer

For and behalf of
Convertible Concepts North America LLC

(Signature)

Dated:

PURCHASER

Signed by

Name:

(Signature)

Dated:

Details of Confirmed Purchase

Purchase Price per Token (in USD):

Actual Purchase Amount (in USD):

Digital Currency Amount received:

Digital Currency received:

Tokens Purchased:

Token Receive Address:

Convertible Concepts North America LLC

CCNA Regulated Tokens

Investor Disclosure and Attestation

After you have digitally executed the Subscription Agreement and have paid the Purchase Price, CCNA Tokens will be delivered to your digital wallet address within applicable holding periods after the Offering is deemed closed by the Company. The Company reserves the right to reject any purchase, revoke any CCNA Tokens issued, and return the funds used toward making the purchase.

Important: Please do NOT disclose your private key to your digital wallet. Neither the Company nor INX will ever ask you for your private key.

1. Status of Investor (Reg D/S)

- I am an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”)

OR

I am NOT a “U.S. Person,” as such term is defined in Rule 901 of Regulation S, and:

- I am not purchasing CCNA Tokens for the account or on behalf of any U.S. Person.
 - I received no offer or sale of the CCNA Tokens in the United States.
 - I understand that I cannot resell the CCNA Tokens in the United States or to a U.S. Person unless an exemption from the Securities Act covers the transaction or the Company has filed a registration statement with the Securities and Exchange Commission for the transaction.
 - I am not a “distributor,” which Regulation S defines as an underwriter, dealer or other person who participates, pursuant to a contractual relationship, in the distribution of the CCNA Tokens.
- I am not an officer, director, or “affiliate” (as that term is defined in Rule 405 under the Securities Act) of the Company or an “underwriter” or “dealer” (as such terms are defined in the Securities Act), and the purchase of the CCNA Tokens by the Purchaser is not a transaction (or part of a series of transactions) that is part of any plan or scheme to evade the registration provisions of the Securities Act.
- I do not have a short position in any CCNA Tokens and will not have a short position in such securities at any time prior to the expiration of the restricted period.

2. Truthfulness of Information Provided; Additional Information.

- I represent and warrant that all of the representations and warranties I am making in this Subscription Agreement, including the statements in this Investor Questionnaire and any the information provided to INX for AML/KYC and or verification of accredited investor status, are true and complete as of the date of my affirmation on the E-Signature Page. If any representations and warranties are not true and accurate prior to acceptance of this Subscription Agreement, I shall give prompt written notice of this fact to the Company specifying which representations and warranties are not true and accurate and the reasons why they are not.
- I have full legal power and authority to enter into this Agreement.
- I am acquiring the CCNA Tokens for investment for my own account, not as a nominee or agent, and not with a view to the resale or distribution of any part of it. I have no present intention of selling, granting any participation in, or otherwise distributing any of the CCNA Tokens. I do not have any contract, undertaking,

agreement or arrangement with any party to sell, transfer or grant participations to such party or to any third party, with respect to any part of the Purchased CCNA Tokens.

- The Purchaser is not a company that has been formed for the specific purpose of acquiring the CCNA Tokens.
- I understand that the offer and sale of the Purchased CCNA Tokens have not been, and will not be, registered under the Securities Act, because the Company is relying on a specific exemption from the registration provisions of the Securities Act that depends, among other things, on the bona fide nature of my investment intent and the accuracy of the representations I am stating in this Agreement.
- I understand that the CCNA Tokens are “restricted securities” under applicable United States federal and state securities laws and that those laws require me to hold the CCNA Tokens indefinitely unless the company registers the CCNA Tokens with the Securities and Exchange Commission and qualifies them with applicable state authorities, or if an exemption from such registration and qualification requirements is available. I acknowledge that the Company has no obligation to register or qualify the CCNA Tokens for resale and I may have to hold them indefinitely.
- I understand that in any resale of my CCNA Tokens, the Company may require information and written representations from the party purchasing from me to confirm the transfer conforms to the Securities Act and other laws and regulations.
- I understand that no public market now exists for the CCNA Tokens, and the Company does not represent or warrant that it will create or sponsor a public market for any of its securities in the future.
- I represent and warrant that the Purchaser is not a “*Prohibited Person*”, meaning that the Purchaser is not:
 - (i) a resident of, domiciled in, or purchasing the CCNA Tokens from a location in any of the following jurisdictions, and the Purchaser is not purchasing on behalf of a party that resides or is domiciled there:
 - South Korea,
 - Russian Federation
 - British Virgin Islands
 - Cayman Islands
 - Any country prohibited by the U.S. Department of Treasury’s Office of Foreign Asset Control, including Iran, Cuba, North Korea, Syria and the Crimea region, or
 - Any other jurisdiction where my purchase of CCNA Tokens is unlawful;
 - (ii) an individual, or an individual employed by or associated with an entity, that is identified on the U.S. Department of Commerce’s Denied Persons or Entity List, the U.S. Department of Treasury’s Specially Designated Nationals or Blocked Persons Lists, the U.S. Department of State’s Debarred Parties List or the sanctions lists adopted by the United Nations and the European Union to such extent such sanctions are extended by the UK Government to its Overseas Territories, as such lists may be amended from time to time; or
 - (iii) a person who acts, directly or indirectly, for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure, unless the Company, after being specifically notified by the Purchaser in writing that it is such a person, conducts further due diligence, and determines that the purchase is permitted.

- I further represent and warrant that (i) no person or entity that controls, is controlled by or under common control with the Purchaser is a Prohibited Person; (ii) no person having any direct or indirect beneficial interest in the Purchaser (each, a “**Beneficial Owner**”) is a Prohibited Person; and (iii) to the extent the Purchaser has any Beneficial Owners, (I) it has carried out thorough due diligence to establish the identities of those beneficial owners; (II) it holds the evidence of those identities and status and will maintain all of that evidence for at least five years; and (III) it will make available that evidence and any additional evidence that the Company may require upon request in accordance with applicable regulations.
- I consent to the disclosure by or on behalf of the Company of any information about the Purchaser to regulators and others upon request in connection with money laundering and similar matters, in the United States, the British Virgin Islands and in other jurisdictions.
- The funds, including any fiat, virtual currency or cryptocurrency, that Purchaser uses to purchase Tokens are not derived from or related to any unlawful activities, including but not limited to money laundering or terrorist financing, and Purchaser will not use Tokens to finance, engage in, or otherwise support any unlawful activities. All payments by Purchaser under this Agreement will be made only in Purchaser’s name, from a digital wallet or bank account held in Purchaser’s name and under Purchaser’s control, and not located in a country or territory that has been designated as a “non-cooperative country or territory” by the Financial Action Task Force, and is not a “foreign shell bank” within the meaning of the U.S. Bank Secrecy Act (31 U.S.C. § 5311 et seq.), as amended, and the regulations promulgated thereunder by the Financial Crimes Enforcement Network, as such regulations may be amended from time to time.
- The Purchaser is not an individual who ordinarily resides in the British Virgin Islands.
- The Purchaser understands and acknowledges that the Company is not subject to supervision or regulation by any governmental or regulatory authority in the state of Delaware or elsewhere. Accordingly, neither the United States, the state of Delaware, nor other authority has passed or will pass upon the contents of this Subscription Agreement, the PPM or the merits of purchasing CCNA Tokens, nor have this Subscription Agreement or the PPM been filed with, or reviewed by, any US, state, or other governmental or regulatory authority.
- The Purchaser understands and acknowledges that this Subscription Agreement and the PPM shall not be construed as an invitation to the public in the United States or your jurisdiction of residence to subscribe for any securities, and the Purchaser understands and acknowledges that no actions of, or documentation issued by the Company, shall be construed as such.
- I acknowledge and accept that there are risks associated with subscribing for CCNA Tokens, as more fully disclosed and explained in the Memorandum. **By subscribing for CCNA Tokens, I expressly acknowledge and assume these risks.**
- I am able to bear the economic risks associated with an investment in CCNA Tokens. I have adequate means of providing for current needs and personal contingencies and am aware that an investment in the CCNA Tokens is highly speculative and subject to substantial risks. I am capable of bearing the high degree of economic risk and burden of this investment, including, but not limited to, the possibility of the complete loss of the entire Purchase Price and the limited transferability of the CCNA Tokens.

My evaluation of an investment in CCNA Tokens is based on the following:

- I have the capacity to evaluate the merits and risks of the prospective investment and to otherwise protect my own interests in connection with the prospective investment by reason of my own business and/or financial experience.

- I have hired a professional advisor, and by reason of the business and/or financial experience of such professional advisor, I have the capacity to evaluate the merits and risks of the prospective investment and to otherwise protect my own interests in connection with the prospective investment. I understand that the professional advisor will be required to fill out and certify a questionnaire.
- I have investigated the purchase of the CCNA Tokens to the extent I deemed necessary or desirable and made my own determination that the CCNA Tokens are a suitable investment for me, including the following:
- I have read and understood the Memorandum and all of its exhibits, including our Business Plan;
 - To the extent I deemed necessary I consulted with my own legal, tax, investment, and other advisers;
 - I have had an opportunity to ask questions of the Company and receive answers on the terms and conditions of the Offering, the economic interest represented by the CCNA Tokens, and other matters pertaining to an investment in the Company and to obtain any additional information I considered desirable to understand such information and to evaluate the merits and risks of the purchase of the CCNA Tokens.
- I have sufficient knowledge, understanding, and experience, either independently or together with my representative(s), of the functionality, usage, storage, transmission mechanisms, and other material characteristics of cryptographic tokens, token wallets and other token storage mechanisms, public and private key management, blockchain technology, and blockchain-based software systems, to understand the terms of this Subscription Agreement and the Memorandum, and such knowledge, understanding, and experience enables me to evaluate the merits and risks of purchasing the CCNA Tokens.
- Before linking to the definitive electronic copy of this Agreement, I received a copy of the form of this Agreement for review as an exhibit to the Memorandum, read the form of Agreement thoroughly, and had an opportunity to consult with my legal and financial advisors. I was satisfied with my review before requesting the definitive electronic copy of this Agreement for execution.
- By checking this box, I agree to comply with and be bound by all terms of the Subscription Agreement, including the Investor Questionnaire and all other components of the Subscription Agreement. I acknowledge and accept that all subscriptions for CCNA Tokens are final, and there are no refunds or cancellations except as may be required by applicable law or regulation. I further acknowledge and accept that the Company reserves the right to refuse or accept Subscription Agreements at any time in its sole discretion.

Knowing the Company will rely on the following information to determine the applicability of various securities laws, the suitability of the Subscriber as an investor in the Company, and for certain other purposes, the Subscriber hereby covenants, represents and warrants (as applicable) to the Company that:

- No Violation*

The execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a material default under, with or without the passage of time or the giving of notice: (a) any provision of, or result in the breach of, any applicable laws, the memorandum and articles of association, articles of incorporation, bylaws or other organizational documents, if applicable; (b) any provision of any judgment, decree or order to which the Subscriber is a party, by which it is bound, or to which any of its material assets are subject; (c) any material agreement, obligation, duty or commitment to which the Subscriber is a party or by which it is bound; or (d) any laws applicable to the Subscriber. The Subscriber is not a citizen or resident of or beneficially owned by a citizen or a resident of a country where the purchase or distribution of the Tokens would be prohibited or a country otherwise prohibited in participating in the sale of Tokens (each a “**Restricted Person**”). The Company is not bound by this Agreement if either this Agreement has been entered into by a Restricted Person as the

Subscriber or any third party acting as the Subscriber has entered into this Agreement or has purchased Tokens on behalf of a Restricted Person. The Company may take all necessary and appropriate actions as it deems necessary and in its sole discretion to invalidate this Agreement.

Tokens Not Registered

The Subscriber understands the Tokens have not been registered under the Securities Act of 1933 (the “Securities Act”) in reliance on certain exemptions thereunder for transactions not involving any public offering or under the laws of any state, and the Tokens have not been approved or disapproved by the SEC or by any other federal or state agency of the U.S. or other jurisdiction, and no such agency has passed on the accuracy or adequacy of the Information Documents. The Subscriber understands that the Company is under no obligation to register the Tokens on the Subscriber’s behalf or to assist the Subscriber in complying with any exemption from registration under the Securities Act or under the securities laws of any state.

Investment Intent

The Subscriber is acquiring the Tokens subscribed hereby solely for the Subscriber’s own account for investment and not on behalf of other persons and not with a view to or for resale, division, or distribution thereof, or the grant of any participation therein. The Subscriber has no present intent to distribute or sell to any other person any of such Tokens or to grant any participation therein.

Transfers Restricted

The Subscriber understands there are substantial restrictions on the transferability of the Tokens imposed by the Securities Act and the securities laws of the states or jurisdictions in which the Tokens are sold. As such, the Subscriber acknowledges the Tokens may not be sold or otherwise transferred except (i) in accordance with an effective registration statement under applicable securities laws; (ii) in accordance with a transaction which, in the opinion of counsel acceptable to the Company, will not be in violation of applicable securities laws; or (iii) at such other period in which the Company’s Board of Directors of the Company (the “Board”) determines in its sole discretion.

Risks

The Subscriber recognizes that an investment in the Tokens involves a significant degree of risk and understands such risks, including, without limitation, those risks set forth in the Private Placement Memorandum attached hereto. The Subscriber is aware that any forward-looking statements made by the Company in connection with the offer and sale of the Tokens, such as statements of the Company’s strategies, plans, objectives, expectations and intentions, involve substantial risks and uncertainties. The Company’s actual results could differ materially from those anticipated in these forward-looking statements. The Subscriber recognizes that a purchase of the Tokens involves substantial risks, including without limitation, the lack of demand for Tokens, the inability to ever sell such Tokens, and that the actual performance of the Tokens could differ materially from those anticipated by the Company in any forward-looking statements.

Restricted Securities

The Tokens shall be restricted securities under the Securities Act.

Sophistication

The Subscriber has such knowledge and experience in business and financial matters as to be capable of evaluating the Company and the proposed activities thereof and the risks and merits of an investment in the Company and of making an informed investment decision therein.

□ *Proportionality and Suitability*

The number of Tokens subscribed for by the Subscriber is not unreasonably large when compared with the Subscriber's total financial capacity and, therefore, the Subscriber can bear the economic risk of the investment, including a complete loss thereof without impairing the Subscriber's ability to provide for the Subscriber (and, in the case of an individual Subscriber, his or her family) in the same manner as the Subscriber was prior to making such investment. The nature and amount of the investment is suitable for the Subscriber and consistent with the Subscriber's overall investment program and financial condition.

The Subscriber is not a "distributor" of securities, as that term is defined in Regulation S, nor a dealer in securities. The Subscriber is purchasing the Tokens as principal for its own account, for investment purposes only and not with an intent or view towards further sale or distribution (as such term is used in Securities Act §2(11)) thereof and has not pre-arranged any sale with any other purchaser and has no plans to enter into any such agreement or arrangement.

The Subscriber is not an Affiliate of the Company nor is any Affiliate of the Subscriber an Affiliate of the Company. An "Affiliate" is an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind (each of the foregoing, a "Person") that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act. Any investment fund or managed account that is managed on a discretionary basis by the same investment manager as the Subscriber will be deemed to be an Affiliate of the Subscriber.

The Subscriber understands that the Tokens have not been registered under the Securities Act or the securities laws of any state and are subject to substantial restrictions on resale or transfer. The Tokens are "restricted securities" within the meaning of Regulation S, promulgated under the Securities Act.

If the Subscriber is not a United States Person, the Subscriber hereby represents, warrants and covenants as follows:

i. The Subscriber acknowledges and warrants that, to the extent the provisions of the Securities Act are applicable to such Subscriber's purchase, (a) the issuance and sale to the Subscriber of the Tokens is intended to be exempt from the registration requirements of the Securities Act, pursuant to the provisions of Regulation S; (b) it is not a United States Person and is not acquiring the Tokens for the account or benefit of any United States Person; and (c) the offer and sale of the Tokens has not taken place, and is not taking place, within the United States of America or its territories or possessions. The Subscriber acknowledges that the offer and sale of the Tokens has taken place, and is taking place in an "offshore transaction," as such term is defined in Regulation S.

ii. The Subscriber acknowledges and agrees that, pursuant to the provisions of Regulation S, the Tokens cannot be sold, assigned, transferred, conveyed, pledged or otherwise disposed of to any United States Person or within the United States of America or its territories or possessions for a period of forty (40) days after the issuance of the Tokens to Subscriber, unless such Tokens are registered for sale in the United States pursuant to an effective registration statement under the Securities Act or another exemption from such registration is available. The Subscriber acknowledges that it has not engaged in any hedging transactions with regard to the Tokens.

iii. The Subscriber consents to the placement of a legend on any certificate, note or other instrument (if any) evidencing the Tokens and understands that the Company will be required to refuse to register any transfer of Tokens not made in accordance with applicable U.S. securities laws.

iv. The Subscriber acknowledges that the Tokens may only be sold offshore in compliance with Regulation S or pursuant to an effective registration statement under the Securities Act or another exemption from such registration, if available. In connection with any resale of the Tokens under Regulation S, the Company will not register a transfer not made in accordance with Regulation S, under an effective registration statement under the Securities Act or in accordance with another exemption from the Securities Act.

v. The Subscriber is not subject to any of the disqualifying events listed in Rule 506(d)(1) of Regulation D under the Securities Act (a “Disqualification Event”), and there is no proceeding or investigation pending or, to the knowledge of Subscriber, threatened by any governmental authority, that would reasonably be expected to become the basis for a Disqualification Event.

vi. The Subscriber represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with the offering of the Tokens, including: (a) the legal requirements within its jurisdiction for the purchase of the Tokens; (b) any foreign exchange restrictions applicable to such purchase; (c) any governmental or other consents that may need to be obtained; and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Tokens. The Subscriber’s purchase and its continued beneficial ownership of the Tokens will not violate any applicable securities or other laws of the jurisdiction of its residence.

OR

If the Subscriber is a U.S. Person, the Subscriber hereby represents and warrants the following:

- vii. The Subscriber is a natural person whose individual net worth (not including the value of your primary residence), or joint net worth with the Subscriber’s spouse, presently exceeds USD \$1,000,000; or
- viii. The Subscriber is a natural person who had an individual income in excess of USD \$200,000 in each of the two most recent years or joint income with the Subscriber’s spouse in excess of USD \$300,000 in each of those years and you reasonably expect reaching the same income level in the current year; or
- ix. The Subscriber is a corporation, partnership, limited liability company, or other entity in which all of the equity owners are “Accredited Investors” (each meeting at least one of these suitability requirements); or
- x. The Subscriber is a trust with total assets in excess of USD \$5,000,000 and was not formed for the specific purpose of acquiring Tokens, the trustee of which has such knowledge and experience in investing and/or financial and business matters that they are capable of evaluating the merits and risks of subscribing to the Tokens; or
- xi. The Subscriber is either a bank, savings and loan association or other financial institution; a registered securities broker or securities dealer; an insurance company; a registered investment company or business development company; a licensed Small Business Investment Company; or a private business development company; or
- xii. The Subscriber is a state-sponsored pension plan with total assets in excess of USD \$5,000,000; or
- xiii. The Subscriber is an employee benefit plan which either (a) has a fiduciary that is a bank, savings and loan association, insurance company, or registered investment adviser; (b) has total assets in excess of USD \$5,000,000; or (c) is a self-directed plan and investment decisions are made solely by persons that are “Accredited Investors” (meeting at least one of the listed suitability requirements); You are a non-profit organization described in section 501(c)(3) of the U.S. Internal Revenue Code that was not formed for the specific purpose of acquiring Tokens and have total assets in excess of USD \$5,000,000; or
- xiv. The Subscriber is a director, executive officer, or manager of the Token Issuer or its Affiliates.

Authorization of Agreement, etc.

The Subscriber has the full capacity, power and authority to execute and deliver to the Company this Agreement and the Subscriber Documents. This Agreement and the Subscriber Documents are the legal, valid and binding obligations of the Subscriber enforceable against the Subscriber in accordance with their terms, except as such enforceability may be affected by (a) applicable bankruptcy, reorganization, insolvency, moratorium and other similar laws and court decisions of general application, including, without limitation, statutory and other laws regarding fraudulent or preferential transfers relating to, limiting or affecting the enforcement of creditors' rights generally; or (b) general principles of equity, including the effect of such general principles of equity upon the specific enforceability of any of the remedies, covenants or other provisions contained herein or therein and their application (regardless of whether enforcement is considered in a proceeding at law or in equity or in accordance with arbitration) as such principles relate to, limit or affect the enforcement of creditors' rights generally.

No Equity Stake

The Subscriber understands that the Tokens do not represent any form of equity interest in the Company, its parent company or any affiliate thereof, nor any debt obligation of the Company or its affiliates. The Subscriber has no right against the Company or any other affiliate thereof except in the event of the Company's breach of this Agreement or intentional fraud.

Update of Representations; Reliance by the Company

All information the Subscriber has provided or will provide to the Company in connection with this Agreement is true, correct and complete as of the date of execution of this Agreement and as of the date of the Closing. The Subscriber will promptly provide to the Company written notice of any material changes in such information and such information will be true, correct and complete as of the date given and as of the date of the Closing.

Anti-Money Laundering Compliance

To the extent required by any governmental authority or by applicable law, the Subscriber represents and warrants that it complies with all anti-money laundering and counter-terrorism financing requirements. None of the funds, including virtual currency or cryptocurrency, that the Subscriber uses to purchase the Tokens are derived from or related to any unlawful activities, including money laundering or terrorist financing, and the Subscriber will not use the Tokens to finance, engage in, or otherwise support any unlawful activities as may be defined by any governmental authority, including any United States federal or state, or international, laws and regulations, and anti-money laundering laws and regulations of any other jurisdiction to which the Subscriber is subject. Neither the Subscriber, nor any person having a direct or indirect beneficial interest in the Subscriber, if applicable, or any person for whom the Subscriber is acting as agent or nominee in connection with the Tokens, is the subject of (or is subject to) sanctions administered or enforced by any governmental authority, or is organized or residing in a country or territory that is the subject of country-wide or territory-wide sanctions administered or enforced by any governmental authority. Any and all payments by the Subscriber under this Agreement will be made only in the Subscriber's name, from a digital wallet or bank account not located in a country or territory that has been designated as a "non-cooperative country or territory" by the Financial Action Task Force.

Tax Considerations

The Subscriber is not relying on the Company or any of the Company's professional advisers with respect to individual tax considerations involved in an investment in the Tokens. The Subscriber understands and acknowledges there can be no assurances as to the tax results of an investment in the Tokens and the ownership thereof.

Allocation and Sale of Tokens to Company Service Providers

Subscriber understands and consents to the participation of the Company's past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors and service providers in the purchase of Tokens, including people who may work on the development and implementation of Company's projects or who may work for Company's future businesses or affiliates which Company may establish with a portion of the proceeds from the sale of Tokens.

Access to Information

The Subscriber has either consulted its own investment adviser, attorney or accountant about the investment in and proposed purchase of the Tokens and the suitability to the Subscriber or chosen not to do so, despite the recommendation of such course of action by the Company. The Subscriber (or its professional advisers) has been provided an opportunity to ask questions of, and the Subscriber has received answers thereto that are satisfactory to the Subscriber from, the Company and its representatives regarding the Company, the Information Documents and other matters pertaining to the Company and this investment, and the Subscriber has obtained all additional information requested by the Subscriber. The Subscriber acknowledges that the Subscriber has received or had the opportunity to request and review all information regarding the Company and this investment material to the Subscriber's investment decision regarding the Tokens.

No Representations, Warranties or Covenants

None of the Company or any of its officers, directors, employees, managers, members, agents or affiliates has made any oral or written representations, warranties or covenants to the Subscriber, other than those expressly set forth herein.

Deemed Jurisdiction of the Transfer of Tokens.

Subscriber acknowledges and agrees that this Agreement is an Agreement between Subscriber and the Company, a Delaware company. Subscriber further acknowledges and agrees that the sale of Tokens and transfer of title to the Tokens, and any transactions relating thereto, shall be deemed to have occurred in the state of Delaware.