ZCHF token classification

To: Frankencoin Association ("**Customer**")

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1 Introduction

We were asked by the Customer to provide a token classification of the Frankencoin ("**ZCHF**") under the framework of EU Regulation on Markets in Crypto-Assets ("**MiCA**")[1] and to outline certain duties and obligations of Crypto-Asset Service Providers ("**CASPs**") under MiCA when engaging in activities such as listing the ZCHF ("**Overview**").

After the executive summary (section 2), the summary of facts (section 3), and the overview of the classification of tokens under MiCA (section 4), we conduct the legal analysis of ZCHF (section **Error! Reference source not found.**). This is followed by a brief overview of certain obligations CASPs have under MiCA (section **Error! Reference source not found.**). Please also refer to the qualifications (section 7).

2 Executive summary

Based on our analysis under MiCA, we conclude the following:

- **Classification:** The ZCHF qualifies as a crypto-asset under MiCA (see section **Error! Reference source not found.**). However, we understand that the ZCHF are generated by a decentralized protocol that is not centrally organized and controlled by the Customer, any other legal entity, undertaking, or natural person and that, as such, there is no 'identifiable issuer'.
- **Consequences:** The duties and obligations set out in Title II, III, and IV of MiCA do not apply as ZCHF does not have an identifiable issuer. This means in particular that there is no obligation to prepare a crypto-asset white paper for ZCHF. Also, CASPs offering services related to ZCHF are not required to prepare such crypto-asset white paper. However, CASPs have an obligation to inform about the climate impact of ZCHF.

[1] Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on Markets in Crypto-Assets, OJ 2023 L 150, pp. 40-205.

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3 Facts

3.1 Introduction

In short, the Frankencoin system is an immutable, decentralized, and oracle-free protocol for the issuance of a Swiss franc stablecoin and collateralized lending on the Ethereum blockchain (the "**Frankencoin System**"). Governance decisions for ZCHF rely on a system of Frankencoin Pool Shares ("**FPS**"), which are allocated to holders who contribute to the system's reserves.

The following summary of facts is based on the documentation publicly available at docs.frankencoin.com[2] as well as further oral and written discussions with the Customer ("**Documentation**"). The facts are limited to the most relevant properties of ZCHF and FPS for the purpose of this Overview. For a complete overview, please refer to the Documentation.

3.2 Minting process

ZCHF is a freely transferable ERC-20 token that is intended to track the value of the CHF. Users can mint ZCHF by providing collateral to the protocol. When someone mints ZCHF against a collateral, the Documentation refers to this as a position ("**Position**"). A Position always belongs to exactly one owner, but ownership can be transferred. An owner can deposit collateral into the Position and mint ZCHF up to a certain limit. However, anyone can challenge a Position if they believe that the true value of the collateral is below the defined liquidation price, triggering the auction-based liquidation mechanism (see below).

The Frankencoin System is very flexible in terms of the types of collateral that can be used to mint ZCHF. As such, any freely transferable Ethereum-based asset (ERC-20 standard) could be used as collateral, subject to the approval of the Position by the governance mechanism (see below).

There are two ways to initiate a Position:

- **Creating a new Position**: Every user can propose a new Position and define its variables such as collateral, initial amount of the collateral, interest rate, maturity, reserve allocation, and maximum amount of ZCHF that can be minted on the basis of this Position. However, minting ZCHF based on this Position becomes only possible once the initialization phase of at least 3 days has passed and provided that the Position was not vetoed by qualified FPS holders (see below). Once a Position is opened, the owner can adjust certain parameters such as the amount of collateral deposited and the liquidation price; *or*
- **Cloning an existing Position**: Instead of creating a new Position, users can simply use or 'clone' a Position that has already been approved and that has not yet minted the maximum

[2] Last accessed on 13 November 2024.

amount of ZCHF (i.e., each Position has a maximum amount that is approved to be minted with the specific parameters of the Position). By cloning an existing Position, users do not have to wait for the veto process.

3.3 Stability mechanism

The value of 1 ZCHF is backed by collateral assets provided by minters ("**Reserve**") and is designed to maintain a soft peg at 1 CHF ("**Target Price**") through a structured system of financial incentives and protocol mechanisms:

- **Collateral Backing**: The Frankencoin System aims to ensure that all circulating ZCHF remain fully backed by collateral assets. It does not rely on external price sources ("**Oracles**") to assess collateral adequacy. Instead, it employs an auction-based liquidation mechanism that simultaneously enables price discovery and collateral liquidation.
- **Three-Tiered Reserve System**: To prevent undercollateralization and mitigate liquidation losses, the Frankencoin System relies on three distinct reserve layers, activated in the following order:
    1. **Individual Position Reserve**: The primary safeguard is the reserve associated with each liquidated Position.
    2. **Reserve Pool**: The FPS reserve pool, funded by FPS token holders. Anyone can contribute ZCHF to the reserve pool and receive newly minted FPS tokens in return.
    3. **Collective Position Reserve**: Reserves from all other Position owners in the Frankencoin System. This collective reserve comprises the sum of all Individual Position Reserves..
- **Interest Rate Adjustment Mechanism**: The Frankencoin System adjusts interest rates to maintain the long-term value of ZCHF in line with the Swiss franc, provided sufficient collateral backing is available. Interest rate adjustments are determined through decentralized governance by FPS holders who have an incentive to set interest rates in a way that supports price stability. Short-term deviations from the peg can be corrected by arbitrageurs who buy ZCHF below 1 CHF to repay positions or mint additional ZCHF when it trades above 1 CHF, adjusting supply and demand.

3.4 Governance

The governance of the Frankencoin System is designed to distribute influence among participants in a way that prevents any single entity from exerting disproportionate control over the protocol's operation and decision-making processes. FPS grant voting rights, enabling participants with at least 2% of the voting power to veto proposals made by other participants.

- **Proposals:** Any user with FPS holdings may submit proposals to amend protocol parameters or introduce new features. To prevent unnecessary or trivial proposals, the protocol requires a proposal fee, which acts as a deterrent against frivolous submissions.
- **Votes:** Voting power is proportional to the FPS holdings and the length of time these have been held, which incentivizes long-term engagement and reduces the risk of short-term or speculative influence on governance outcomes.
- **Veto and Protection Mechanisms**: Holders of FPS who possess more than 2% of the total votes are endowed with veto rights, allowing them to block proposals they believe may harm the system. This veto power serves as a protective layer but does not enable any single participant to unilaterally enforce changes, as it merely allows them to prevent specific proposals from passing.
- **Delegation and Vote Pooling**: To enable broader participation and ensure that smaller stakeholders can have a meaningful impact, FPS holders can delegate their voting rights. This delegation allows minor holders to consolidate their votes and collectively influence governance outcomes, balancing power across a wider base of participants.
- **Vote Cancellation Mechanism**: The governance model includes a vote cancellation feature, where any FPS holder may cancel another participant's votes by sacrificing an equivalent number of their own. This feature functions as an additional control against concentration of voting power, helping to ensure that no single participant or coalition can unilaterally steer governance decisions.

Together, these mechanisms establish a governance environment within the Frankencoin System that emphasizes diverse participation and safeguards against excessive control by any single actor, aligning with the protocol's principles of broad-based decision-making and resilience against centralized influence.

4 General token classification under MiCA

4.1 General framework

Under MiCA, crypto-asset are defined as a digital representation of a value or of a right that is able to be transferred and stored electronically using distributed ledger technology or similar technology.[3] The categorization of crypto-assets under MiCA follows the substance over form approach, crypto-assets are classified by their features and not by the designation of an issuer.[4] Furthermore, MiCA adopts the

[3] Art. 3 (1) point (5) MiCA.
[4] Recital 11 MiCA.

principles of 'same activities, same risks, same rules' and of technology neutrality.[5] Crypto-assets that fall under other existing regulatory framework withing the EU basically remain regulated by those.[6] E.g., tokens that qualify as financial instruments, such as various security tokens, fall under the Markets in Financial Instruments Directive ("**MiFiD II**")[7] and are excluded from the scope of MiCA.[8]

MiCA regulates three types of crypto-assets:[9] Asset-referend tokens, e-money tokens and crypto-assets other than asset-referenced tokens or e-money tokens. A definition is solely given for asset-referenced token, e-money token and utility token. Utility tokens are a subcategory of tokens which fall into the categorization of crypto-assets other than asset-referenced tokens and e-money tokens. The mentioned tokens are defined as follows:

- **Utility token**: A type of crypto-asset that is only intended to provide access to a good or a service supplied by its issuer.[10]
- **Asset-referenced token**: A type of crypto-asset that is not an electronic money token and that purports to maintain a stable value by referencing another value or right or a combination thereof, including one or more official currencies.[11]
- **Electronic money token** or **e-money token:** A type of crypto-asset that purports to maintain a stable value by referencing the value of one official currency**.**[12]

4.2 Tokens 'without identifiable issuer' under MiCA

MiCA primarily focuses on centralized crypto-assets and related services, addressing decentralized finance ("**DeFi**") directly only in the recitals. Though not legally binding themselves, recitals play a critical role by offering interpretive guidance to understand the regulation's intent and objectives.

Recital 22 states that MiCA should apply to natural and legal persons and certain other undertakings and to the crypto-asset services and activities performed, provided or controlled, directly or indirectly, by them, including when part of such activities or services is performed in a decentralised manner.

Recital 22 further states that where crypto-assets have no identifiable issuer, they should not fall within the scope of Title II, III or IV of MiCA.[13] These titles regulate the obligations of persons who make an offer to the public or seek admission to trading for the three regulated types of crypto-assets. The issuer

[5] Recital 9 MiCA.
[6] Recital 9 MiCA.
[7] Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, 7 OJ L 173, 12.6.2014, p. 349.
[8] Recital 9 MiCA; Art. 2, (4) point (a) MiCA.
[9] Recital 18 MiCA.
[10] Art. 3 (1) point (9) MiCA.
[11] Art. 3 (1) point (6) MiCA.
[12] Art. 3 (1) point (7) MiCA.
[13] Recital 22 MiCA.

also falls under the category of a person who makes an offer to the public.[14] Issuers are defined as a natural or legal person, or other undertaking, who issue crypto-assets.[15] Further, recital 20 describes issuers of crypto-assets as entities that have control over the creation of crypto-assets.[16]

There is no further guidance or established legal doctrine on the exact criteria to establish whether or not there is an 'identifiable issuer', but based on the recitals it seems clear that it needs to be established, on a case-by-case basis, whether there is a natural or legal person or undertaking that has 'control' over the issuance process.

5 MiCA applicability to ZCHF

5.1 No application of other relevant EU law

No other relevant EU regulations are primarily applicable to the ZCHF and, in particular, the ZCHF does not qualify as a financial instrument, and therefore, MiFiD II is not applicable: According to Art. 4 (1) point (15) MiFiD II, a financial instrument means those instruments specified in Section C of Annex I MiFiD II, including such instruments issued by means of distributed ledger technology.[17] In this regard, the classification as a transferable security is of particular relevance.

According to Art. 4 (1) point (44) MiFiD II, a transferable security means those classes of securities which are negotiable on the capital market with the exception of instruments of payment, such as:

(a) shares in companies and other securities equivalent to shares in companies, partnerships or other entities, and depositary receipts in respect of shares;

(b) bonds or other forms of securitised debt, including depositary receipts in respect of such securities;

(c) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures.[18]

The ZCHF does not qualify as a transferable security under the applicable definitions. It does not meet the criteria for any of the aforementioned categories of securities, as outlined below.

The ZCHF does not represent ownership in a company, partnership, or any other entity. It does not grant rights typically associated with shares, such as voting rights in a corporate context, dividend entitlements, or participation in an entity's capital. Furthermore, it is not a depositary receipt for such

[14] Art. 3 (1) point (13) MiCA.
[15] Art. 3 (1) point (10) MiCA.
[16] Recital 20 MiCA.
[17] Art. 4 (1) point (15) MiFiD II.
[18] *See* Art. 4 (1) point (44) MiFID II.

shares. The ZCHF is tied to the value of CHF and is minted through collateralized lending mechanisms, which are entirely unrelated to equity or ownership rights.

The ZCHF is not a bond or securitized debt instrument. It does not involve the issuance of debt, nor does it provide the holder with a claim to repayment of principal or interest. The mechanism by which ZCHF is minted, via collateral-backed Positions, does not create a creditor-debtor relationship. Additionally, it is not a depositary receipt tied to any debt security.

The ZCHF does not grant any rights to acquire or sell transferable securities, nor does it give rise to a cash settlement determined by reference to transferable securities, currencies, interest rates, yields, commodities, or indices. While ZCHF tracks the value of CHF, it is not structured to settle obligations tied to financial instruments or indices. Its value reference is purely a mechanism for stability and not a financial derivative or investment product.

5.2 General applicability of MiCA

Generally, it seems clear that the ZCHF falls within the scope of MiCA, as no exception from the scope according to Art. 2 MiCA is applicable and, as outlined above, no other relevant EU regulation applies. The ZCHF is a crypto-asset as the ZCHF represents the current value of the CHF and it is issued electronically on the Ethereum blockchain. More specifically, as the ZCHF is pegged to the CHF, it most likely qualifies as an e-money token pursuant to Art. (1) point (7) MiCA.

5.3 No 'identifiable issuer'

The ZCHF as an e-money token, would generally fall under the provisions of Title IV of MiCA. This implies that, in addition to basic obligations such as the requirement for persons offering an e-money token to the public to be authorized as a credit institution or electronic money institution, additional regulations specific to e-money tokens would apply. Specifically according to Art. 50 (1) MiCA issuers of e-money tokens shall not grant interest in relation to e-money tokens.

However, for the following reasons, we are of the view that there is no identifiable issuer, and that, therefore, the requirements set out for different types of crypto-assets in Title II, III and IV MiCA, especially those set out in Title IV for e-money tokens, do not apply:

- **Direct minting**: It is always the users of the Frankencoin System that mint the ZCHF in direct interaction with the protocol without the involvement of any third party or centralized entity.
- **Decentralized governance**: There is no centralized control over the ZCHF through governance mechanisms given the veto mechanism: The architecture of the Frankencoin

System does not allow the accumulation of power and control over the consensus mechanism, as already by holding 2% of FPS for a sufficient period of time, any person can veto proposals.

- **No Oracle**: There is no Oracle or other party that could be seen as exercising control over the Frankencoin System.

We are therefore of the view that Titles II, III, and IV of MiCA do not apply to the ZCHF, and therefore, the requirements and obligations set out in those titles do not apply to ZCHF, including the obligations to create and notify a crypto-asset white paper.

6 CASPs' obligations under MiCA

6.1 CASPs' general duties and obligations

Authorised CASPs have various duties and obligations according to MiCA when offering crypto-asset services. A CASP is defined as a legal person or other undertaking whose occupation or business is the provision of one or more crypto-asset services to clients on a professional basis, and that is allowed to provide crypto-asset services in accordance with Art. 59 MiCA.[19] The respective crypto-asset services are defined in Art. 3 (1) point (16) MiCA.

CASPs' obligations are set out in Title V MiCA. The obligations particularly relevant to this Overview are mainly outlined in Art. 66 MiCA. In this Overview, the focus lies on:

- The obligation to provide a warning of the risks associated with transactions in crypto-assets to clients, Art. 66 (3) MiCA.
- The duty to disclose sustainability information for crypto-assets, Art. 66 (5) MiCA.
- No duty for CASPs to issue crypto-asset white papers for tokens without an identifiable issuer.
- Furthermore according to Art. 50 (2) MiCA, CASPs shall not grant interest when providing crypto-asset services related to e-money tokens.[20]

6.2 Warning of risks associated with transactions in crypto-assets

CASPs shall warn clients of the risks associated with transactions in crypto-assets.[21] We are of the view that this warning requirement is to be understood as a general warning of the risks associated with transactions in crypto-assets, not a warning of the risks specific to a particular crypto-asset for the following reasons:

Unlike with other obligations, the legislative text refers only generally to the risks associated with transactions in crypto-assets ("Crypto-asset service providers shall warn clients of the risks associated

[19] Art. 3 (1) point (15) MiCA.
[20] Art. 50 (2) MiCA.
[21] Art. 66 (3) MiCA.

with transactions in crypto-assets."). Elsewhere, the legislative text specifies obligations that are tied to a particular crypto-asset in relation to which CASPs are providing those services, for instance Art. 66 (3) MiCA ("[…] hyperlinks to any crypto-asset white papers for the crypto-assets in relation to which they are providing those services.") and Art. 66 (5) MiCA ("[…] used to issue each crypto-asset in relation to which they provide services."). Furthermore, risks associated with a specific crypto-asset are usually described in its crypto-asset white paper.[22] In contrast, sustainability information must, for example, be included in any whitepaper that may need to be prepared, as per Art. 6 (1) point (j) MiCA, and must *also* be provided by CASPs for each specific crypto-asset for which they offer services, as outlined in Art. 66 (5) MiCA. Therefore we are of the view, that the warning can only be understood as a general warning of the risks associated with transactions in crypto-assets.

6.3 Duty to disclose sustainability information

CASPs shall make publicly available, in a prominent place on their website, information related to the principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism used to issue each crypto-asset in relation to which they provide services.[23]

This information must be publicly accessible, free of charge, and in a downloadable format. Disclosures are expected to be clearly written, reviewed, and updated at least annually, and made available in a language commonly used in international finance.

The specific format and information required is set out in the European Securities and Markets Authority's ("**ESMA**") Final Report - Draft Technical Standards specifying certain requirements of the Markets in Crypto Assets Regulation (MiCA) - second package, dating 03 July 2024.[24]

The required information consists of general information, such as the legal entity identifier and detailed information on the consensus mechanism used. The latter requires specific information on energy consumption of the consensus mechanism. Sustainability disclosure information can be obtained from a crypto-asset white paper (if existent), third parties, or estimates. The latter two must then be specified in more detail under 'Sources and Methodologies'.

For crypto-assets that rely on an underlying blockchain, it is arguably the sustainability information relating to the consensus mechanism of the underlying blockchain that needs to be disclosed, i.e., for a crypto-asset that is issued as an ERC-20 token on Ethereum, the specific sustainability information of Ethereum's consensus mechanism needs to be disclosed.[25]

[22] *See* Art. 6 (1) point (i) MiCA.
[23] Art. 66 (5) MiCA.
[24] ESMA (2024) Final Report Draft Technical Standards specifying certain requirements of the Markets in Crypto Assets Regulation (MiCA) – second package, ESMA75-453128700-1229, 3 July 2024, pp. 189 et seq.
[25] *See* ESMA (2024) Final Report Draft Technical Standards specifying certain requirements of the Markets in Crypto Assets Regulation (MiCA) – second package, ESMA75-453128700-1229, 3 July 2024, p. 178.

6.4 No crypto-asset white paper requirement

We are of the view that CASPs are not obliged to issue a crypto-asset white paper for crypto-assets without an identifiable issuer.

Titles II, III, and IV of MiCA establish the requirement to draft and notify a crypto-asset white paper, but these obligations apply only to crypto-assets with an identifiable issuer. As clarified in Recital 22 MiCA, crypto-assets without an identifiable issuer fall outside the scope of these Titles.

Recital 22 MiCA further emphasizes that CASPs providing services for crypto-assets not covered by Titles II, III, and IV remain subject to MiCA. These CASPs must still comply with other obligations, particularly those in Title V, which include requirements for authorization and conduct of business but do not impose a duty to draft or notify a crypto-asset white paper.

Article 66 (3) MiCA requires CASPs operating a trading platform for crypto-assets, exchanging crypto-assets for funds or other crypto-assets, providing advice on crypto-assets or providing portfolio management on crypto-assets to provide hyperlinks to existing crypto-asset white papers for the crypto-assets they service. However, this obligation is secondary and applies only if such crypto-asset white papers already exist; it does not create an obligation for CASPs to produce a crypto-asset white paper where none exists. Article 66 (5) MiCA allows sustainability information to be sourced from a crypto-asset white paper but does not mandate the existence of such a document.

Crypto-assets without an identifiable issuer are excluded from Titles II, III, and IV MiCA. Consequently, no requirement exists for CASPs to draft or notify a crypto-asset white paper for the ZCHF. Recital 22 MiCA confirms that CASPs servicing crypto-assets falling outside Titles II, III, and IV remain subject to the overarching MiCA framework. Such CASPs must adhere to Title V obligations, including authorization and operational requirements, but Title V does not impose a duty to provide a white paper.

For CASPs servicing crypto-assets, Article 66 (3) MiCA requires providing hyperlinks to existing crypto-asset white papers. CASPs cannot fulfil an obligation to link to or produce a document that is not legally mandated, due to non-applicability of Titles II, III, and IV. As no crypto-asset white paper exists for ZCHF, this obligation does not apply, as CASPs cannot link to a document that is neither required nor available. Article 66(5) MiCA further allows sustainability information to be provided independently of a crypto-asset white paper, demonstrating that compliance does not rely on the existence of such crypto-asset white paper.

Based on the above analysis, CASPs servicing ZCHF are not obligated to produce a crypto-asset white paper for ZCHF. While Recital 22 MiCA ensures that CASPs remain subject to the broader MiCA framework, their obligations focus on compliance with Title V requirements and the provision of hyperlinks to existing crypto-asset white papers where applicable, without extending to the creation of a crypto-asset white paper for crypto-assets not governed by Titles II, III, or IV, such as ZCHF.

It has to be noted that CASPs that are already operating as trading platforms benefit from an extended deadline for publishing a crypto-asset white paper for crypto-assets other than asset-referenced tokens and e-money tokens until December 31, 2027, provided that the crypto-asset was admitted to trading before December 30, 2024, as stipulated in Art. 143 (2) point (b) MiCA.

6.5 No prohibition of granting interest

The prohibition on granting interest when providing crypto-asset services related to e-money tokens, as outlined in Art. 50 (2) MiCA, does not apply to CASPs offering services related to the ZCHF.

According to Art. 50 (2) MiCA crypto-asset service providers shall not grant interest when providing crypto-asset services related to e-money tokens.[26] Furthermore, any remuneration or any other benefit related to the length of time during which a holder of an e-money token holds such e-money token shall be treated as interest.[27] The ZCHF is sufficiently decentralized and, as established in Section **Error! Reference source not found.**, does not fall under Title IV of MiCA, which governs e-money tokens and includes the prohibition on granting interest. Since the prohibition in Art. 50 (2) MiCA applies only to e-money tokens subject to Title IV MiCA, CASPs providing services related to the ZCHF are not bound by this restriction. This is also not contradicted by the fact that the last sentence of Recital 22 MiCA states: "Crypto-asset service providers providing services in respect of such crypto-assets should, however, be covered by this Regulation." Unlike the preceding sentence, this statement does not explicitly refer to Titles II, III, or IV of MiCA ("[…] they should not fall within the scope of Title II, III or IV of this Regulation"). Therefore, it can be assumed that only the obligations for CASPs under Title V MiCA apply to CASPs when providing services related to crypto-assets without an identifiable issuer.

As ZCHF is not subject to Title IV MiCA, CASPs may provide crypto-asset services related to it without being restricted by the prohibition on granting interest under Art. 50 (2) MiCA.

7 Qualifications

This Overview is subject to the following qualifications:

- The analysis and conclusions in this Overview are based on our current understanding of the facts. Any change in the facts may result in the need for a reassessment.
- This Overview is limited to the regulatory analysis of ZCHF. We want to emphasize that there remains a certain risk that competent authorities (or a competent court) might conclude that ZCHF nonetheless qualifies as a financial instrument or that certain obligations according to Title II, III and IV MiCA might apply.

[26] Art. 50 (2) MiCA.
[27] Art. 50 (3) MiCA.

- As communicated to the Customer, this Overview expressly does not take into account the legal or regulatory nature or requirements of any other parts of the business model (e.g., Frankencoin System). Specifically, this Overview does not address the legal and regulatory requirements for issuing and distributing ZCHF, operating the Frankencoin System, or the legal and regulatory status of the Customer and/or its affiliates itself.
- The analysis and conclusions in this Overview are based on our current understanding and interpretation of MiCA and MiFiD II. In particular, changes or extensions in the law, new court precedent and or the European Banking Authority, ESMA, European Supervisory Authorities, or national competent authorities of the EU practice may result in the need for a reassessment. We need to highlight that, while ESMA has issued various consultation papers on the regulatory treatment of blockchain based tokens and connected obligations, there is still a considerable degree of legal and regulatory uncertainty in connection with any blockchain based project.
- This Overview is solely addressed to its named addressees for their own benefit and may be relied upon only by such named addressees and not by any other person or for any other purpose.
- This Overview may not be used by or disclosed to any other person or quoted or referred to in any public document or filed with any governmental agency, except with our prior written consent. The named addressee may disclose this Overview to affiliates, agents, advisors, service providers, investors and partners to the extent necessary and only under the condition that such persons have agreed to maintain full confidentiality to the existence and content of this Overview and to not further use, disclose, quote or refer to this Overview.
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Yours sincerely,

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