

C*AV*IAR

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INTRODUCTION

Caviar is the first to offer digital assets and real estate in a single cryptographic token available on the Ethereum blockchain. Our mission is to provide token holders with a diversified, risk adjusted, data-driven portfolio with exposure to both stable real estate and select crypto-currencies and crypto-assets, maximizing return on investment while hedging against markets downturns. Caviar Platform brings utility to Caviar token holders, enabling real estate developers to raise money for projects using a crowdfunding mechanism, while providing Caviar token holders and the underlying fund an opportunity to participate in projects and earn interest.

Caviar will issue tokens in a one-time token sale event, and will invest in fast appreciating crypto-assets and crypto-currencies, allowing investors to capitalize on the high upside of digital currency markets, while achieving diversification and profit sharing from a less volatile and more traditional income-producing short term loan portfolio secured by real estate in the United States and other countries.

Caviar is the successor to Caviar Capital LP, which, for the past 5 years, has been providing financing to real estate developers. Fully guaranteed by underlying real estate assets and unlimited personal guarantees by the borrowers, Caviar Capital provides short term loans for the purpose of purchasing, improving and selling single and multi-family homes in the Northeastern United States.

Caviar seeks to capture higher rates of return (“alpha”), while providing a unique opportunity for crypto-investors to diversify their portfolio through exposure to real estate. At the same time, Caviar provides traditional investors the upside of high returns in a diversified digital currencies portfolio. Crypto investors have long sought shelter from volatility in assets like Tether, Digix, DigiDao and others. However, many of these assets have proven unreliable, with undercapitalized reserves, and were still prone to volatility.

Caviar’s tokenization approach to real estate and crypto-assets and currencies lowers operating costs , reduces entry fees for investors, and removes the “illiquidity barrier” that keeps investors’ equity locked up for years. Caviar has developed a proprietary Intelligent Predictive Model for crypto-assets and crypto-currency price forecasting in both short and long term projection timescales, allowing for stronger predictive power and more effective asset allocation. To guarantee transparency, Caviar deploys CAView, a proprietary set of monitoring tools, which provides portfolio audit and guarantees honest and anonymous profit sharing and distribution.

INVESTMENT THESIS

Caviar seeks to reduce investment volatility (“beta”) while capturing higher than average rates of return (“alpha”). Caviar will achieve these goals by combining investments in fast-appreciating crypto-assets with income-generating short-term loans, backed by real estate in the United States and other countries. By re-allocating funds between crypto and real estate markets, Caviar aims to provide income and growth via dual market exposure in a single token.

COMPANY HISTORY AND PROFILE

Caviar is the successor to Caviar Capital LP, a real estate debt fund operating since 2013. Over the past five years, Caviar Capital successfully financed over 20 redevelopment projects. With a 0% default rate, 0 late payments and an average IRR (internal rate of return) of 16% per annum, Caviar Capital provides its clients and investors a stable, income-producing and dependable vehicle for financing and investments. Since its inception, Caviar Capital has consistently outperformed S&P 500 Real Estate¹ and S&P 500 Bond² indices by over 300%

WHAT IS PRIVATE REAL ESTATE LENDING?

A private real estate loan is a broad term that generally describes a short-term loan made at a higher interest rate. It provides real estate developers with what is sometimes known as bridge financing. This type of financing helps close the gap between the date when money is needed and the date when either long-term funding or a buyer for that investment becomes available.

WHY USE PRIVATE REAL ESTATE DEBT?

The reality of this type of loan is that it is often the best financing option when a bank loan is not available. These types of loans are secured by personal guarantees and real estate as collateral.

THE BENEFITS OF PRIVATE REAL ESTATE LENDING ARE:

- Fast access to capital for borrowers
- Higher LTV
- Construction financing

¹ <http://us.spindices.com/indices/equity/sp-500-real-estate-index>
² <http://us.spindices.com/indices/fixed-income/sp-500-bond-index>

For investors, this type of lending presents a unique opportunity. U.S. real estate assets are considered to be among the most stable, yet currently available investment vehicles such as REITs are expensive to set up and maintain, have a high minimum investment threshold, and provide slow or no liquidity.

Furthermore, buying, improving and selling real estate assets is a very lucrative business. In 2013, according to USA Today³, an American newspaper, investors bought and sold over 158,000 properties, for an average profit of over \$58,000. In some states, profits exceeded \$100,000 per project. Given the average time it takes to buy, improve and sell a property is six months, and investors can undertake multiple projects simultaneously, investors can earn hundreds of thousands or millions of dollars per year.

ASSET TOKENIZATION

Traditionally, if an investor wanted to invest in real estate, they had two options: either purchase the real estate directly, or invest in a REIT (Real Estate Investment Trust). However, both of these options have a number of downsides. The first option, buying real estate directly, is a cumbersome and protracted process, requiring specialized expertise, time, and an established ecosystem of service providers. The second option might seem more attractive, until a deeper look reveals REITs often have high investment minimums and long periods of illiquidity. Most importantly, the returns on these investments have been poor according to The Wall Street Journal⁴.

It has become clear that traditional funds such as REITs are inferior in key areas where Caviar's tokenized approach excels. According to Professor Stephen McKeon from the University of Oregon⁵, tokenizing traditional investment funds solves many challenges. It lowers the cost of fund management, lowers the administrative costs of friction for investors to enter the fund, and removes the "illiquidity barrier" that keeps investors' equity locked up for years. All of these factors elevate the real returns from Caviar's real estate investments and allow Caviar to capture additional "alpha".

What to Expect

REIT returns could be meager after adding up three variables

COMPONENTS OF RETURN	HIGH PRICES PERSIST	PRICES REVERT TO HISTORICAL NORMS
Dividend Yield	4%	4%
Reserves for replacement	-2	-2
Real constant-quality price change	0	-2
Expected real return	2%	0%

Sources: S&P, Research Affiliates
THE WALL STREET JOURNAL.

³ <https://www.usatoday.com/story/money/business/2014/02/02/6-best-states-to-flip-a-house/5115321/>

⁴ <https://www.wsj.com/articles/considering-a-reit-heres-how-to-evaluate-likely-returns-1486350480>

⁵ <https://medium.com/@stephenbmckeon/traditional-asset-tokenization-b8a59585a7e0>



BUSINESS MODEL

Caviar has developed a proprietary, data driven, dual purpose investment model to capture growth from fast appreciating cryptocurrencies and crypto-assets, while providing exposure to income generating U.S. real estate.



ADVANTAGES

The rise of blockchain markets produced a number of funds that invest in cryptocurrencies and assets. Some of these funds offer their investors profit-sharing options and promise diversification by keeping a portion of their assets in Bitcoins. However, in highly volatile crypto-markets, monthly or quarterly profits are not guaranteed. Although Bitcoin is arguably the least volatile and most liquid crypto-currency today, it is still part of the same asset class and is prone to volatility.

Caviar provides investors with an opportunity to diversify their portfolios beyond cryptocurrencies and tokens via the fund's exposure to lower-risk real estate markets. Caviar is in a unique position to be able to shift funds from crypto-markets to real estate and vice versa in order to modify allocation, maximize returns and minimize risk. Caviar's business model takes a more balanced approach to investing through a combination of fast-appreciating crypto-assets and stable income-producing real estate. This is a proven systematic method for achieving growth and income via dual market exposure in a single token.

BENEFITS



Dual purpose with strong upside

We diversify crypto-currencies and crypto-assets with income producing real estate loans, resulting in a risk-sensitive portfolio



Downside protection backed by stable assets

In case of a bear market in real estate or crypto, we can shift investments to maximize upside



Profit Sharing

Our token holders receive 75% of quarterly profits via smart contract



Stronger predictive power and more effective asset allocation

A proprietary Intelligent Predictive Model for Crypto Asset and Crypto Currency price forecasting backed by real data science



Transparency

Transactions and investments are visible on blockchain



Strong historical performance

5 years of previous real estate loan investment experience



Experienced team

Years of fixed income, equity, debt, crypto-markets and academic experience



Low minimum entry compared to traditional funds

No minimum investment during the crowd sale



Token value growth

20% of profits are reinvested



Liquidity

Capital set-aside quarterly to buy back and burn tokens to provide liquidity



Fully compliant

Caviar is fully compliant under international KYC/AML rules

CRYPTO INVESTMENT ACTIVITIES

Through strong fundamental analysis and models based on a proprietary framework, Caviar will be making long term cyclical investments in fast appreciating crypto-currencies and assets with over \$100m in market cap, while also investing in new, high upside projects with “real world” enablement, payments and finance, blockchain platforms, privacy and other use-cases; utilizing our proprietary Intelligent Predictive Model.

CAVIAR INTELLIGENT PREDICTIVE MODEL (IPM)

Caviar has developed an innovative predictive model for CryptoAsset (CA) and CryptoCurrency (CC) price forecasting in both short and long term projection timescales. (Figure 1) The predictive model relies on historical data to derive linear equations relating historical prices and growth rates to historical time-variant quantities, and a mixture of time-invariant qualitative/quantitative metrics. The derived linear equations are then weighted by characteristic R^2 values. These linear equations combined with a suite of patented logical elements are used to project the growth of a CA in comparison to that of Bitcoin (BTC).

A separate model will take into account trends in the underlying cryptocurrency ecosystem by analyzing Bitcoin social signals and trends and comparing these metrics to historical Bitcoin price fluctuations in order to model the underlying trend in the BTC/USD ratio. The BTC/USD trend model will employ artificial intelligence (AI) algorithms and machine learning simulations to make predictions about future trends and then estimate a BTC/USD ratio at a specified date. The two models will be calculated independently of one another, and then multiplied to predict the CA/CC pricing in USD at a specified future date.

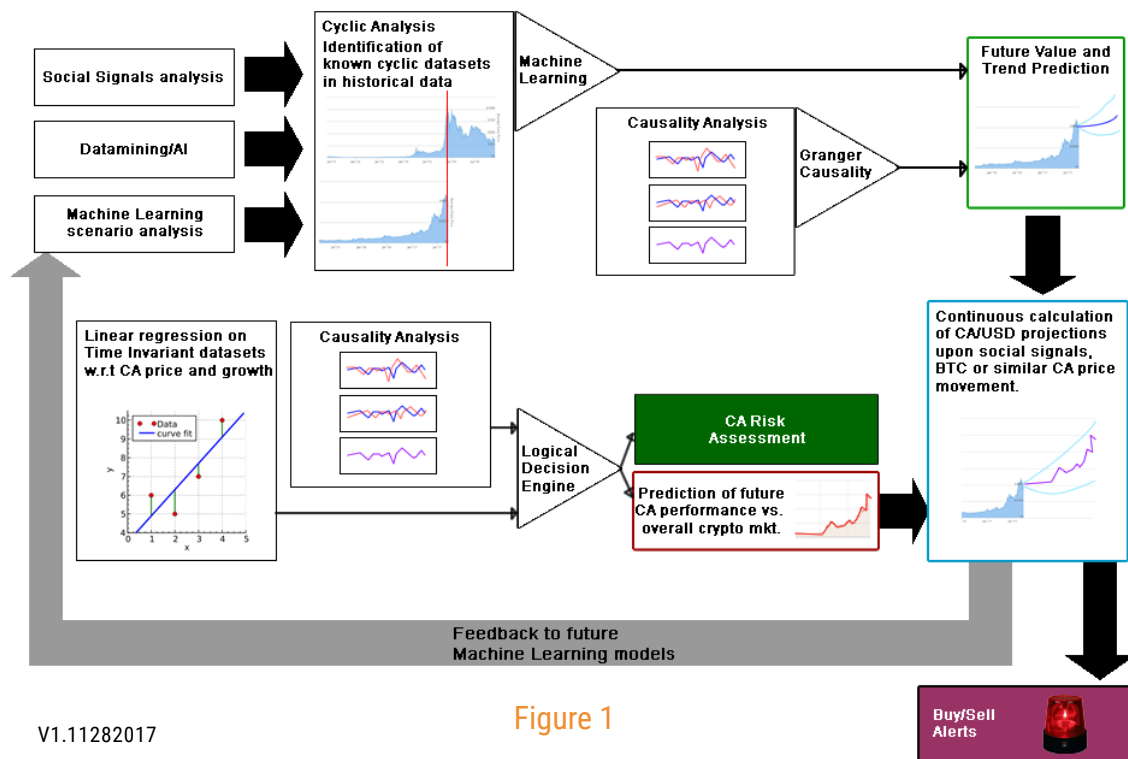
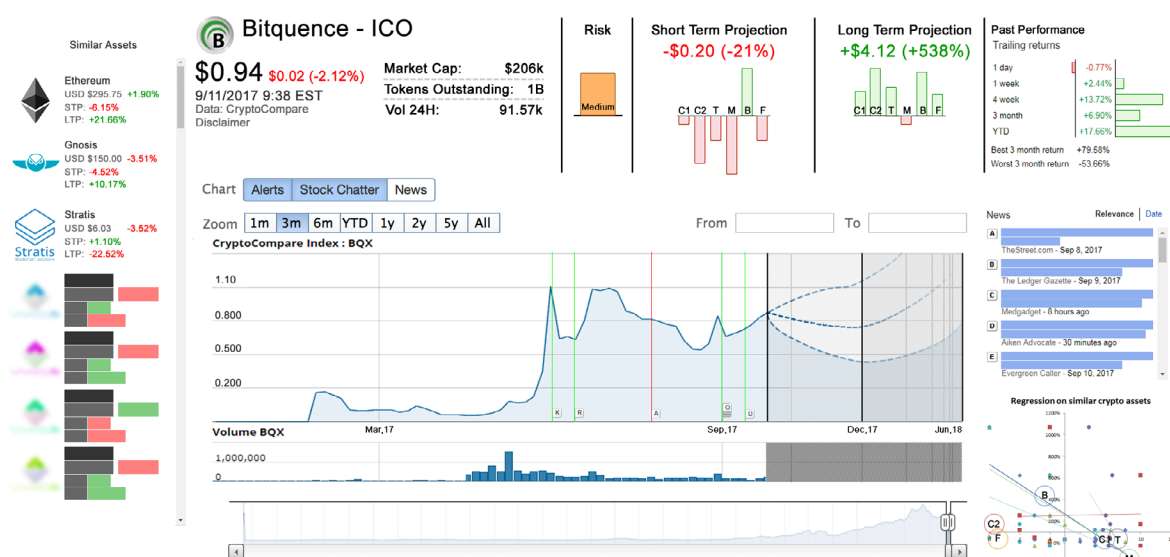


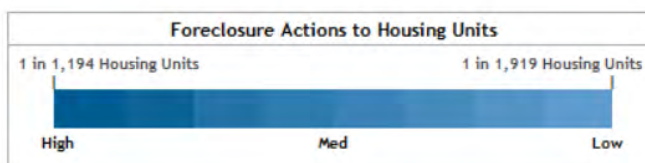
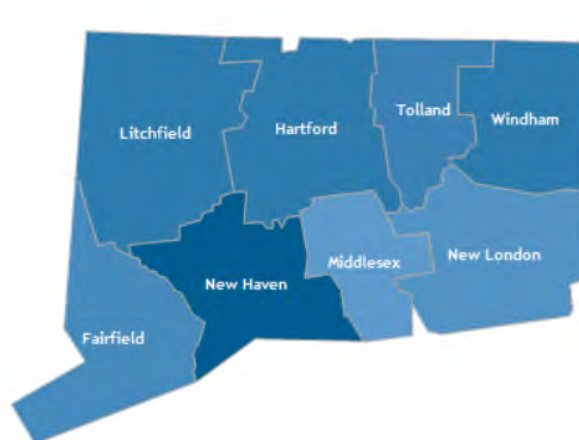
Figure 1

Both models will pull data automatically from public sources to instantly update the underlying algorithms and linear equations in order to make judgments in real time regarding increases or decreases in CA/CC projected growth and/or risk. The model is fully automated and is designed to alert analysts when an asset held in a portfolio experiences a significant change in volatility, when a new asset appears online, or when an asset not currently held in a portfolio rises above a predetermined expected growth threshold. This real time data collection and mining, working dynamically with an AI predictive scheme based on machine learning, allows for stronger predictive power and more effective asset allocation.



REAL ESTATE LENDING ACTIVITIES

A portion of Caviar's assets will be used for lending to real estate entrepreneurs for the purposes of purchasing, improving and selling real estate assets. Past loans have been extended mostly in the Northeastern region of the United States, specifically in the state of Connecticut (CT), which is located between two major metropolitan areas - New York City and Boston. CT is a fairly small state, and is ranked #1 in the United States for per capita income of \$69,311 (from BEA⁶). The state of CT is



6 <https://www.bea.gov/regional/bearfacts/pdf.cfm?fips=09000&areatype=STATE&geotype=3>

considered one of the biggest insurance hubs in the world, and is home to corporations such as Aetna, Cigna, The Hartford, as well as Xerox, Sikorski, and many others. Caviar already has a strong presence, business network and connections spanning the states of CT, MA and NY, and will continue to build and expand this network regionally if necessary.

The real estate market in the state of CT is very robust. There are many opportunities for Caviar's prospective customers to purchase, improve and resell property. According to RealtyTrac, a real estate statistics service, foreclosures in CT in June 2017 were approximately 1400⁷, up slightly from around 1300 the same time last year. This reality points to a robust market for our partners, who are often involved in purchasing foreclosed or distressed property.

Caviar will continue to focus on lending for single and two-family homes in the Northeastern United States, with a total loan amount of under \$500,000, while also expanding to other areas in US and Europe by utilizing Caviar Platform. With this model and focus on properties in the lower to middle price range, a number of advantages exist:

1. Properties in this price range sell faster
2. Higher cash re-lending results, thus increasing IRR
3. Risk profile is lower with a higher number of loans

— REAL ESTATE LENDING PROCESS

Caviar follows a strict lending process when issuing debt to its borrowers. The following criteria are used to determine each applicant's ability to receive funding:

Borrower CScore above 800

After Rehab Value under 75%

Loan to Value ratio at purchase under 95% including construction cost

Favorable location

Favorable market conditions



APPLICATION AND CREDIT CHECK

Caviar receives an application for a new project and performs a credit check on the borrower. Caviar uses a proprietary scoring system called CScore to rate each borrower. CScore is assigned based on a number of factors such as experience, Experian credit score, personal net worth and more, and ranges from 0 to 1000.



MARKET

Caviar's team analyzes the local market, number of properties for sale, past sales performance and other factors.



PROPERTY INSPECTION

Caviar's team meets with the borrower to inspect and review the property, understand the scope of work, and determine if the proposed property improvement budget can be approved by one of Caviar's expert estimators. The project can move ahead if the estimator approves the budget.



ARV (AFTER REHAB VALUE) DETERMINATION

After the property inspection, Caviar team determines the ARV based on the projected post-rehab value of the property. Caviar loans are always below 75% of the ARV.



CLOSING

After all due diligence is completed, and both sides approve the deal, Caviar's legal team conducts the closing and funds for property purchase and initial draw are released.



IMPROVEMENT

Throughout the rehab process, draws are provided on a previously agreed upon schedule. Before the next draw is approved, a member of Caviar's team personally drives to the property to examine it. Based on the inspection and the team's observation of progress made, the draw is either approved or denied.

REAL ESTATE LENDING PAST PERFORMANCE

333-335 GLENBROOK RD. STAMFORD, CT

Stamford, CT is the third largest city in the state and the seventh largest city in New England. Conveniently located on the main branch of Metro-North's New Haven Line, Stamford serves as a vital and vibrant business center and is home to numerous Fortune 500 companies, as well as the headquarters and research facilities of numerous major corporations. Stamford has long been considered one of the country's most desirable cities because of its ability to offer an attractive suburban lifestyle amid a dynamic economy. This gem of a property sits on 8,100 sq. ft. lot. This 9 bedroom, 3 baths multi-family home is approximately 3,962 sq. ft., and ready to move in!



89 WHITEHILL DR. WEST HARTFORD, CT

Hartford, CT is a lovely town that is located in North Central Connecticut just minutes from the Connecticut River and Suffield. The city is located along the Connecticut River, 40 miles from the Long Island Sound. This gem of a property sits on 0.26 acres as a refashioned ranch house offering an impressive package with lots of attention to detail. The kitchen is updated with new stainless-steel appliances and attractive tile backsplash. The house is roomy and airy with the kitchen open to the dining room area and then into the living room where you will find an inviting marble fireplace to sit by. The property also has a circular driveway in the front of the house and a 2-car garage on the side attached both add plenty of room for you and some guests. And, don't forget the enclosed porch!



35 SKYLINE DR. FARMINGTON, CT

Renovated cape features modern and tasteful updates throughout! This gem of a property sits on 0.48 acres and features over 1800 Sq. ft., currently 4 beds with possibility of a 5th on 2nd floor. Lots of character and spacious rooms. Includes two more beds with views of Hartford skyline from the bedroom on the right side. Great curb appeal and Ideal location. prime location along With Private Yard- this house has it all!



Over 20

Average deals funded

6 months

Average loan term

\$170,000

Average deal size

Zero

Late payments

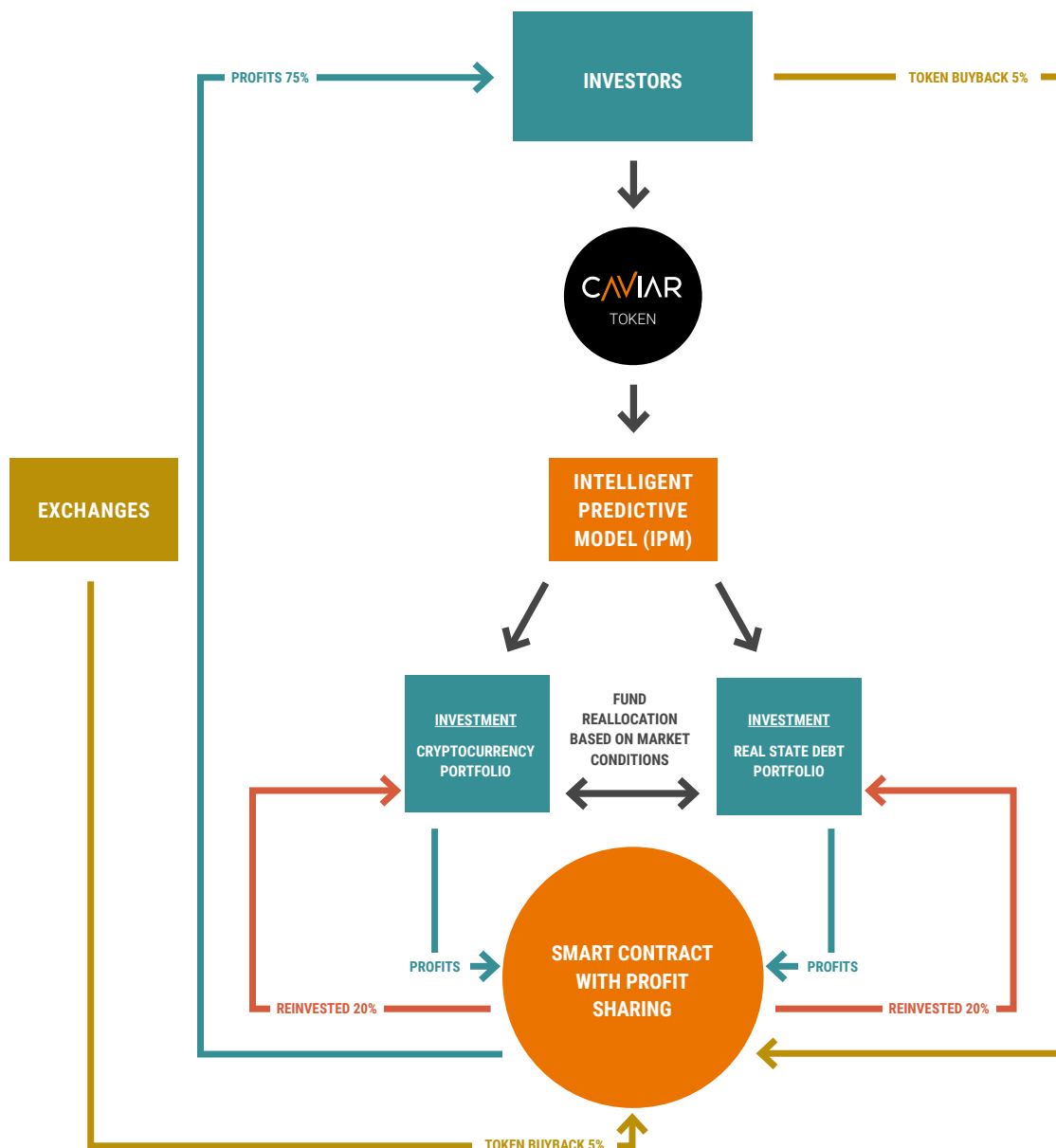
16% per year

IRR

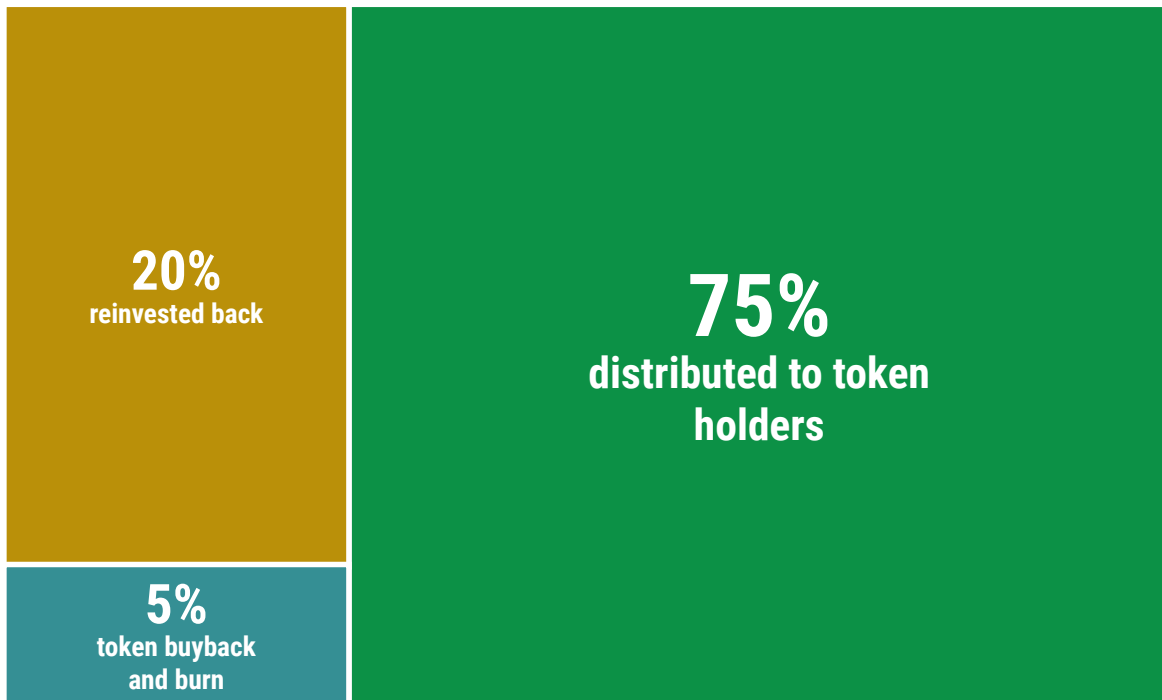
COLLATERAL

All real estate debt provided by Caviar is secured by a personal guarantee from the borrower(s) as well as a first lien position against the real estate asset. In case of foreclosure, Caviar will repossess the real estate property, complete the construction needed to bring the project to market, list and sell the property. Unlike other lenders that only focus on the lending side of the business, Caviar has the in-house construction infrastructure to help both in underwriting the asset, and if needed, improving the asset. While some lenders end up foreclosing on bad debt and then selling the assets for pennies on the dollar, Caviar can use its in-house infrastructure to complete the deal and sell the asset for a profit. This further de-risks Caviar's loan portfolio.

PROFIT AND DIVIDEND DISTRIBUTION



Quarterly Profit Distribution



Caviar tokens are issued on a smart contract, using the ERC20 protocol on a fully decentralized and auditable Ethereum blockchain. Quarterly profit sharing is guaranteed by a fully auditable smart contract.

Every quarter, a distribution in the form of ETH will be made via a smart contract to all Caviar token holders, representing 75% of Caviar's net quarterly profits after management fees and operating expenses.

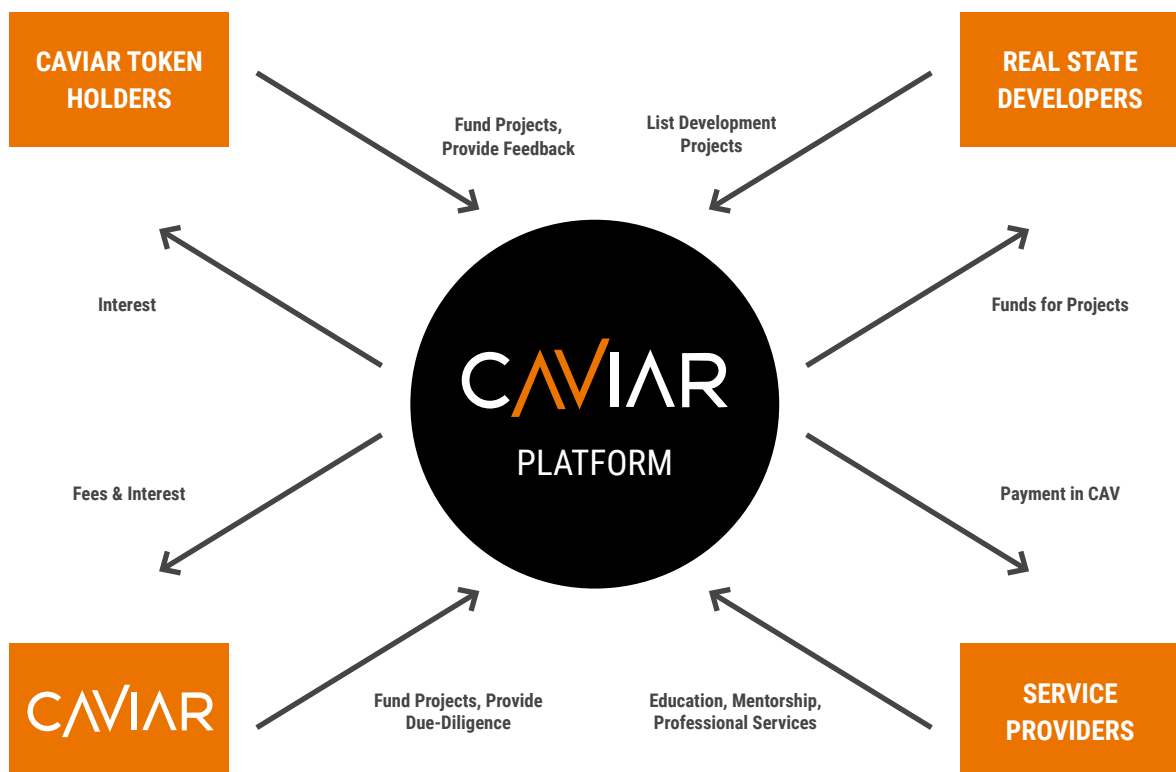
— REINVESTMENT / TOKEN BUYBACK

20% of net quarterly profits will be reinvested back for token value growth.

5% of net quarterly profits will be used to buy back and burn Caviar tokens to provide additional liquidity and increase token value.

CAVIAR PLATFORM

With well over 150,000 real estate assets⁸ being purchased for purposes of improvement and resale in the United States every year, and the ability for investors to earn hundreds of thousands, or even millions of dollars per year, this is an opportunity many are interested in embracing as a business venture of their own. So there exists a need for a community of peers, mentors and service providers to educate, disseminate information on deals, and provide peer to peer communications. This community also gives real estate developers a platform from which to raise funds for their projects. By building a community of real estate developers and entrepreneurs, Caviar will further its goals, improve its deal-flow and provide token holders with additional opportunity to earn profits.



8 <https://www.usatoday.com/story/money/business/2014/02/02/6-best-states-to-flip-a-house/5115321/>

Caviar will use part of the proceeds from the token sale to build an advanced platform that will include:

- Community boards for education and mentorship
- A crowdfunding platform for Caviar token holders and real estate developers

CAVIAR
Wallet: 48,500.0 CAV
DEPOSIT
Sample User

Courses and Discussions

Introduction to Real Estate
Instructor: Alex Shaveyetsky
Course length: 2-4hrs
Subjects: Flipping, RDI, Basics of Home Improvement

50 CAV

Home Improvement
Instructor: Kirill Bensonoff
Course length: 1-2hrs
Subjects: When to hire professionals vs. DIY

10 CAV

How to get started flipping
Investopedia
Jan 07, 2017

Property Tax Strategies
Caviar.io
Dec 20, 2017

General Discussion
Moderators: CaviarMod, KAV, Static
This board is for general discussion unrelated to Caviar.io

Threads: 1021
Replies: 213

Projects
Moderators: Kevin
This board is for discussion and instruction related to Caviar projects

Threads: 5124
Replies: 1225

CAVIAR
Wallet: 48,500.0 CAV
DEPOSIT
Sample User

Services
(within 10mi of Boston, MA)

Jordan Emanuel - Real Estate Appraiser
Years of experience: 11
Location: Boston, MA

500 CAV

Nicole Yates - Property Inspector
Years of experience: 5
Location: Brockton, MA

350 CAV

Kent Ebell - General Contractor
Years of experience: 36
Location: Waltham, MA

550 CAV

Brian Richards - Property Inspector
Years of experience: 28
Location: Boston, MA

450 CAV

James Ardell - Engineer
Years of experience: 5
Location: Lynn, MA

650 CAV

Brian Richards - Architect
Years of experience: 12
Location: Boston, MA

950 CAV

Caviar Platform will be open to anyone in the world for viewing. Participants in project funding activities will be required to:

- Register and complete KYC/AML verification
- Have a minimum required balance of CAV tokens in their wallets

Caviar has a strong network and footprint in USA and will start accepting US-based real estate projects only. This will be followed by EU countries that have the highest demand for short term real estate financing.






To list projects on Caviar platform developers will be required to:

- Register and complete KYC/AML verification
- Submit detailed information about the project, including:
 - » Project details (location, estimated before and after value)
 - » Requested loan amount
 - » Loan term length (up to 12 months)
 - » Annual/Monthly interest
 - » Detailed description of improvements, including number of stages for work completion and draw amounts requested for each stage of the project (if applicable)
 - » Accepted payment (BTC, ETH, CAV, USD)
- Pay a one-time listing & pre-screening fee

Caviar will conduct full due diligence of every property, including but not limited to:

- Review of documentation
- Title search
- Price verification
- Budget review
- On-site property inspection by a Caviar partner

Projects

				
\$250,520.00 USD (45.55 BTC)	\$1,255,160.00 USD (228.21 BTC)	\$44,215.00 USD (126.33 ETH)	\$612,000.00 USD (6,120,000 CAV)	\$450,068.00 USD (234.59 ETH)
Project Type: Single Family House Location: Baltimore, MD Investment Type: Manually Vetted Estimated ROI: 21% Interest rate: 13.42% Completion expected: 05/2018	Project Type: 3 Family House Location: San Diego, CA Investment Type: Pre-Vetted Estimated ROI: 31% Interest rate: 12.16% Completion expected: 08/2018	Project Type: 2 Family House Location: Detroit, MI Investment Type: Manually Vetted Estimated ROI: 10% Interest rate: 19.42% Completion expected: 01/2019	Project Type: Single Family House Location: Austin, TX Investment Type: Pre-Vetted Estimated ROI: 25% Interest rate: 9.45% Completion expected: 02/2019	Project Type: 2 Family House Location: Ft Wayne, IN Investment Type: Pre-Vetted Estimated ROI: 19% Interest rate: 14.52% Completion expected: 09/2018
INVEST	INVEST	INVEST	INVEST	INVEST



HAVE A HOME IMPROVEMENT PROJECT?

Submit your own home improvement project for funding on Caviar.io!

[START HERE](#)

Caviar will take first lien position against every project funded through the network. In case of a default, Caviar will execute a foreclosure or a lien-in-lieu process to repossess the property, sell it and return the proceeds to investors.

Active Caviar community members and service providers may also participate in all projects by offering services such as property inspections, appraisals or other contractor work in return for CAV tokens.

Caviar reserves the right to make selective investments into projects listed on the Caviar platform, at the same terms as other investors. This is an additional benefit to both Caviar and real estate developers looking to quickly raise funds for their projects.

Caviar will charge 5% fee of the funds collected. If the project does not reach its funding goal, the funds will be returned to the participants and the fee will not be charged.



AUDIT AND SECURITY

Caviar will utilize CAView, a proprietary set of monitoring tools that allows investors to verify funds' activities including loan payments, trading histories, balance, etc. It guarantees full transparency and honest and anonymous profit sharing and distribution.

Caviar will use the highest security standards, including multi-signature hardware, cold storage and secure wallets.

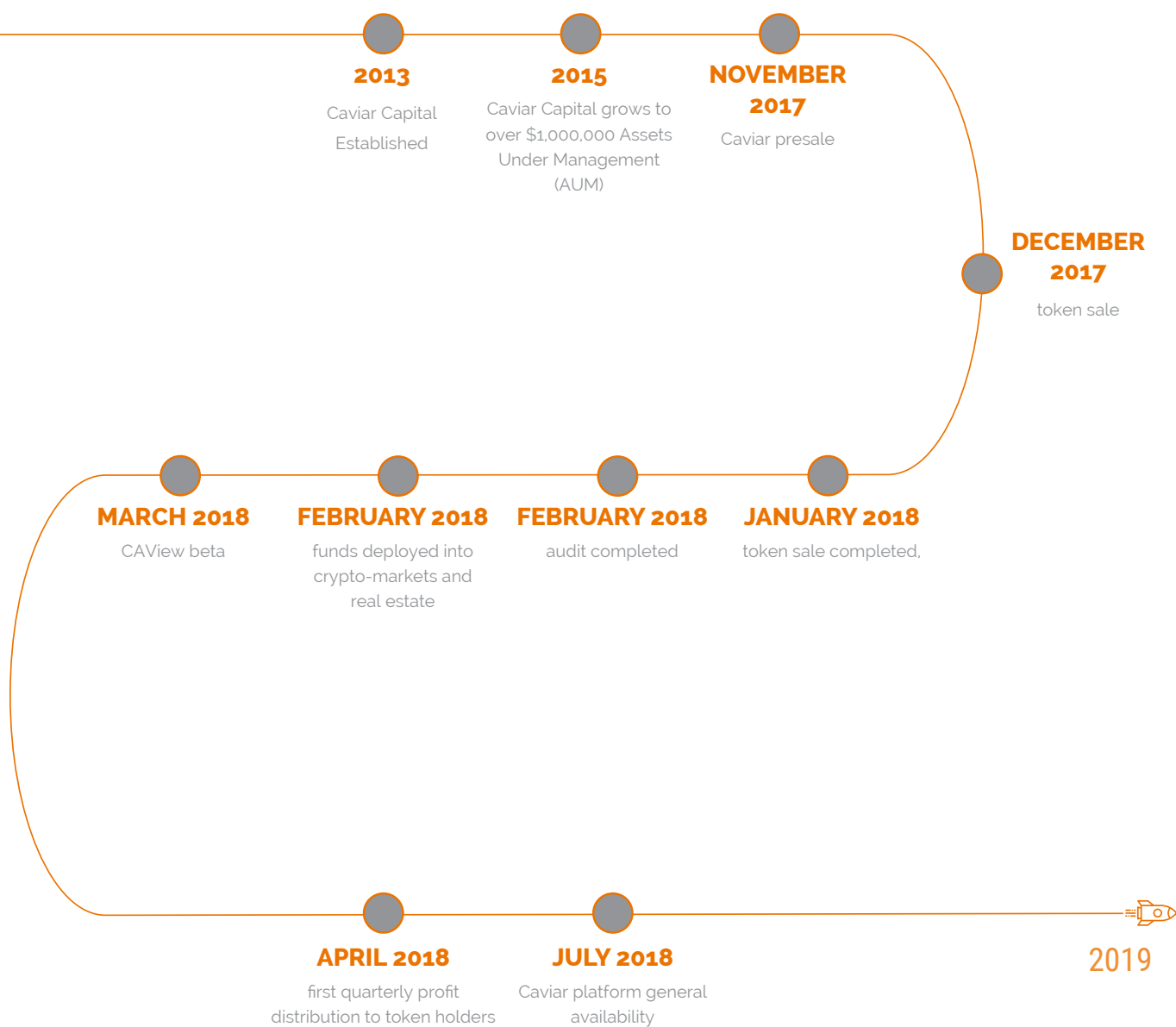
The fund will also undergo an accounting audit post token sale, by KPMG or a similar reputable firm.



COMPLIANCE

Caviar intends to comply with all applicable regulations before, during and after the token sale. All applicable laws as well as KYC/AML will be applied.

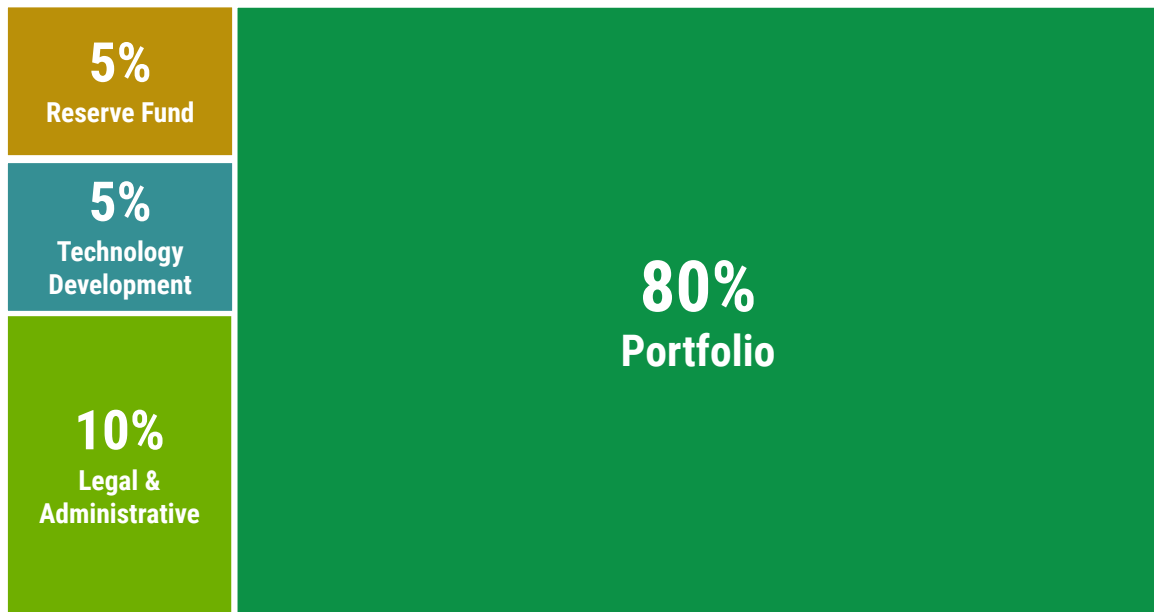
TIMETABLE/ROADMAP



TOKEN GENERATING EVENT

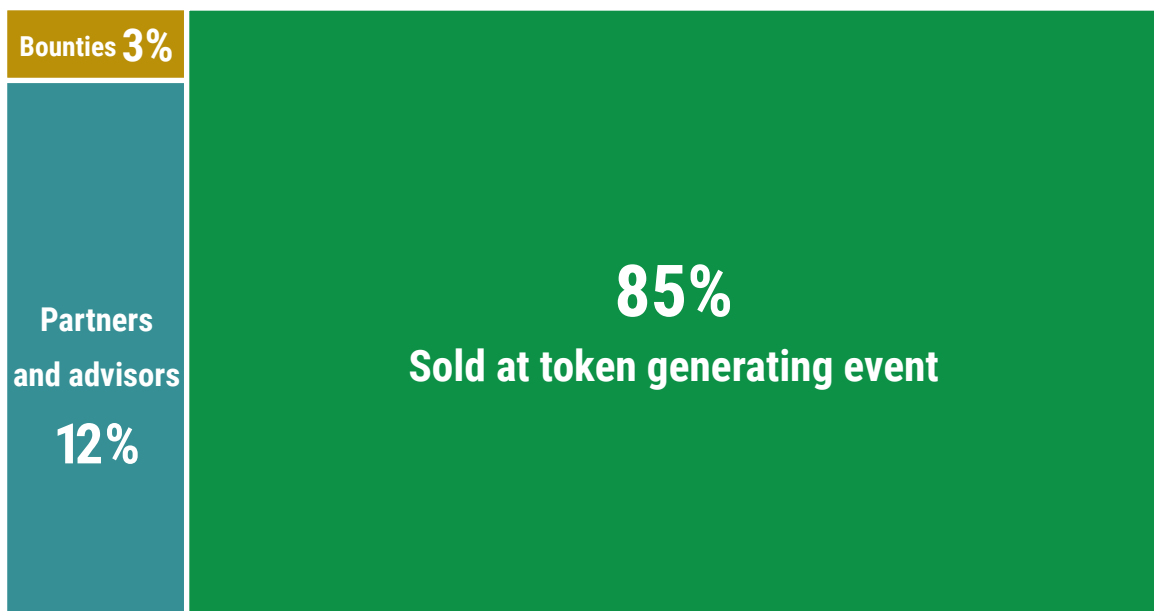
Goal Raise Amount	\$25 million
Token Type	ERC20, Ethereum Blockchain
Maximum token supply	375,000,000
Price per token	\$0.10
<hr/>	
Bonuses:	
Days 1 - 3	15%
Days 4 - 6	12.5%
Days 7 - 9	10%
Days 10 - 12	7.5%
<hr/>	
Presale Minimum	\$500
Presale Discount	Up to 30%
Pre-Sale Period	December 1 - December 7
Crowd Sale Period	December 12 - January 31
Token Issuance	Within 30 days of token generating event
Vesting Period for Partners	6 months

USE OF FUNDS



Caviar will keep reserves in the form of fiat to provide additional profit payout liquidity during market downturns or when closing position/loan is ill-advised. Reserve Fund will always be replenished first to the original amount with the following quarter's profits.

TOKEN DISTRIBUTION



TEAM MEMBERS



KIRILL BENSONOFF

Partner

Kirill is a serial entrepreneur with over a decade of experience and several multi-million dollar exits in the IT services space. Kirill bought his first Bitcoin in 2013 and participated in dozens of token generating events. Kirill graduated from MIT's Entrepreneurial Masters program and has invested and advised over 20 companies as an active angel investor. Kirill co-hosts the Boston Crypto Meetup series.



GUY NEUMANN

Partner

Experienced entrepreneur with a demonstrated history of working in the real estate industry. Guy runs a successful construction company, and has strong expertise in development, estimation, and other areas of real estate. Strong entrepreneurial professional with a Bachelor of Applied Science (B.A.Sc.) focused on Finance and Economics from University of Hartford.



ALEX SHVAYETSKY

Partner

Alex is an entrepreneur and crypto investor. Alex holds degrees in Finance and Mathematics and has over 20 years of experience in developing and managing real estate investment properties. Alex's strong mathematics and finance background helped him successfully invest in equities and other securities. Once Alex discovered crypto, he became interested in investing and developed successful trading strategies based on proprietary models. He has been an early investor in Ethereum, and participated in over a dozen token-generating events.



KAIRAT KALIEYV

Business Advisor

Founder of Cross Coin, which successfully conducted Starta's ICO and attracted \$5 million. Currently developing FinTech direction at Astana International Financial Centre, specializing in project development.



DAVID DRAKE

Advisor

David Drake is the Chairman of LDJ Capital, a family office based in NYC; Victoria Partners, LDJ Real Estate Group; Drake Hospitality Group; and, The Soho Loft Media Group. LDJ Capital's extended network of funds of funds and hedge funds manages 15 trillion USD in assets. David previously represented the US Commerce Department at the EU and he spoke at the UK Parliament. Mr. Drake's access to 100,000 investors is maintained through his media holding investment The Soho Loft Media Group which has produced and sponsored over 1500+ global finance conferences since 2002. David Drake is actively involved in the crypto community as an advisor and speaker and has helped blockchain firms he advised raise \$101M in funding through their ICO.



JAMES JAMIL

Legal Advisor

A prominent thought leader on cryptocurrency and a partner at Thompson Hine, Jim provides insight into the unique regulatory challenges surrounding alternative financial services, and is a frequent presenter and commentator on the legal implications of Bitcoin. James is an adjunct professor at Fordham University School of Law, and is Executive Director of the Wall Street Blockchain Alliance.



BENJAMIN FINCH

Strategic Advisor

Ben specializes in technology driven marketing, strategic project planning, social media, and community building. He applies best practices from these fields to the cryptocurrency space for a number of start ups and ICOs. He has completed a total of \$75M in sales in his time as a marketer. Ben leads The Ledger Agency, the first multidisciplinary agency to specialize in blockchain development, consultation and marketing.



MIKHAIL SAVCHENKO

Advisor

Born with a ZX Spectrum in his hand, Mike is a veteran programmer with more than 20 years experience of software development, security and cryptography. His CV includes an MBA in IT Project Management and he has applied his skills to blockchain development since the early days of bitcoin. Most recently, he won a fintech hackathon at which he presented a trusted document exchange based on IPFS and Ethereum that forms a key part of ChronoBank's functionality.



IHOR PIDRUCHNY

Technology Advisor

Ihor is a prominent technology manager whose expertise includes blockchain, cryptocurrencies, social media, B2B and trading solutions. Ihor has successfully completed projects for Toronto and Silicon Valley startups, and has led development for multiple blockchain projects and ICOs.



DAVID M. WIRTH

Data Science Advisor

David is an aerospace engineer and inventor with patents in the 3D printing and hardware engineering space. He has also been heavily involved in cryptocurrency mining hardware development for the past 7 years. He has served as an Air Force officer, a technical consultant for the Discovery Channel, and a developmental engineer for the Air Force Research Lab. He is the founder of the 3D printing company, Fabric8Labs, and the original inventor of its technology. He also invented a field-augmented Lorentz accelerator (also known as the "portable railgun"). His inventions have been featured on Wired, Hackaday, Popular Science, and Make magazine - and his advancements have been recognized by NASA, the National Science Foundation, the US Air Force, and the President's Science Advisors.



KATHY BERARDI

Public Relations Advisor

Kathy is a PR strategist who leverages her 15+ years of media, analyst and influencer relations and content development expertise to increase the brand recognition and voice of Caviar in the marketplace. Her career highlights include managing content and media outreach for B2B and B2C brands, including fintech, software, cloud computing, supply chain, security and marketing technology companies. Her creative efforts have resulted in prominent placements of client stories in national media, in addition to securing hundreds of thought leadership commentary opportunities for subject matter experts in media outlets from Forbes, Fast Company, and Inc. to business,



JAMES SOWERS

ICO Advisor

ICO advisor, Founder Crypto Specialist LLC, Angel Investor and crypto capitalist, Mentor @ Alchemist accelerator.

James Sowers is a Korean-American businessman and philanthropist. He is an ICO advisor and crypto asset Executive. He has invested in over 30 startups and a dozen initial coin offerings. James is a contributor to Crypto Daily U.K. and was recently interviewed by the Huffington post on his theory of Tokenarism which was featured in economic trends.



GABRIEL JARROSSON

Advisor

Gabriel Jarrosson is a French entrepreneur, crypto investor and a founder of a private crypto investment group. Gabriel sold his first website at age 13. He started his first business in 2011 as an engineering student. In 2013 he created his second company, Le Vin de France, a wine marketplace for French winegrowers, which he sold in 2016 after 3 years of growth. In 2013 he received "best digital startup" award by Paris Town Hall. Since then, he has been a private investor, business angel, and an early crypto adopter.



IVAN LABRIE

Trading Strategy Advisor

Ivan is a top trader on Tradingview.com and has been trading for over 5 years. Ivan also runs a popular signals service. He started his career in altcoin mining, which naturally led to trading. Ivan utilizes a proprietary trading methodology, originally developed by his mentor, a successful fund manager. His unique set of skills and experience as a trader in crypto-assets, equities and FX have allowed him to outperform Bitcoin and other major indexes for the past 2 years, managing risks effectively, and timing trends with precision.



LEGAL DISCLAIMERS

1. LEGAL DISCLAIMER

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITE PAPER.

This White Paper is intended to present relevant information to potential purchasers (**Purchasers**) in connection with the proposed offering by Caviar of the Caviar Tokens (**Token Launch**), including information about the Caviar ERC20 smart contract (**Caviar Smart Contract**) and the Caviar Platform. The information contained in this White Paper is not intended to be exhaustive and the statements included in this White Paper are not intended to create a contractual relationship. Nothing in this White Paper shall be deemed to constitute a prospectus of any sort, a solicitation for investment or investment advice nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, each of Caviar (defined below), Caviar LLP, Kirill Bensonoff, Guy Neumann and Alex Shvayetsky (collectively, the **Caviar Parties**) expressly disclaim and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance on any information contained in this White Paper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

All statements, estimates and financial information contained in this White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by [Legal Name of Cayman Company Issuing Tokens] (**Caviar**) or any Caviar Party that are not statements of historical fact, constitute "forward-looking statements".

Nothing contained in this White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Caviar.

Further, the Caviar disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect

future developments, events or circumstances, even if new information becomes available or other events occur in the future.

2. DISCLOSURE SCHEDULE

The acquisition of Caviar Tokens involves a high degree of risk. Before acquiring Caviar Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Caviar, Caviar Platform and Caviar Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Caviar Platform, Caviar Token and Purchaser's Caviar Tokens may be materially and adversely affected, including the Purchaser's Caviar Token being rendered worthless or unusable.

3. DISCLOSURES REGARDING THIS WHITE PAPER

3.1 ACCURACY OF INFORMATION, NO CONSENT OF PARTIES REFERENCED IN WHITE PAPER

This White Paper includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Caviar and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in this White Paper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

Neither the Caviar nor any of the Caviar Parties has conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Caviar nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.

3.2 TERMS USED

To facilitate a better understanding of the Caviar Tokens being offered for purchase by the Caviar, and the businesses and operations of the Caviar, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

3.3 FORWARD LOOKING STATEMENTS

All statements, estimates and financial information contained in this White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by Caviar or any Caviar Party that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Caviar’s financial position, business strategies, plans and prospects and the future prospects of the industry which the Caviar is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Caviar’s revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in this White Paper regarding Caviar are matters that are not historic facts, but only predictions.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements. These factors include, amongst others:

- a. changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Caviar conducts its respective businesses and operations;
- b. the risk that the Caviar may be unable or execute or implement their respective business strategies and future plans;
- c. changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;

- d. changes in the anticipated growth strategies and expected internal growth of the Caviar;
- e. changes in the availability and fees payable to the Caviar in connection with their respective businesses and operations;
- f. changes in the availability and salaries of employees who are required by the Caviar to operate their respective businesses and operations;
- g. changes in preferences of customers of the Caviar;
- h. changes in competitive conditions under which the Caviar operate, and the ability of the Caviar to compete under such conditions;
- i. changes in the future capital needs of the Caviar and the availability of financing and capital to fund such needs;
- j. war or acts of international or domestic terrorism;
- k. occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Caviar;
- l. other factors beyond the control of the Caviar; and
- m. any risk and uncertainties associated with the Caviar and its business and operations, the Caviar Tokens, the Token Launch and the underlying assets (each as referred to in the White Paper).

Nothing contained in this White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Caviar.

Further, the Caviar disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

3.4 NO FURTHER INFORMATION OR UPDATE

No person has been or is authorised to give any information or representation not contained in this White Paper in connection with the Caviar and its business and operations, the Caviar Tokens, the Token Launch and the underlying assets (each as referred to in the White Paper) and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of the Caviar. The Token Launch (as referred to in the White Paper) shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a

material change in the affairs, conditions and prospects of Caviar or in any statement of fact or information contained in this White Paper since the date hereof.

3.5 RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION OF WHITE PAPER

The distribution or dissemination of this White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this White Paper or such part thereof (as the case may be) at your own expense and without liability to the Caviar.

Persons to whom a copy of this White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

3.6 LANGUAGE OF WHITE PAPER

This White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

4. DISCLOSURES REGARDING CAVIAR TOKENS

4.1 NATURE OF CAVIAR TOKENS

Except as explicitly set out in the White Paper, Caviar Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the Caviar Platform. Caviar does not guarantee and is not representing in any way to Purchaser that the Caviar Tokens have any rights, uses, purpose, attributes, functionalities or features. The purchase of Caviar Tokens does not provide Purchaser with rights of any form with respect to the Caviar or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights; is not a loan to Caviar; and does not provide Purchaser with any ownership or other interest in Caviar.

4.2 CAVIAR TOKENS ARE NON-REFUNDABLE

Other than instances described in the White Paper related to the non-completion of the Token Launch, Caviar is not obliged to provide Caviar Token holders with a refund for any reason, and Caviar Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Caviar's objectives and desired work plan to achieve those objectives. and no promises of future performance or price are or will be made in respect to Caviar Tokens, including no promise of inherent value, and no guarantee that Caviar Tokens will hold any particular value.

4.3 CAVIAR TOKENS ARE PROVIDED ON AN "AS IS" BASIS

The Caviar Tokens are provided on "as is" basis. The Caviar Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding the Caviar Tokens, including any warranty that the Caviar Tokens and Caviar Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Caviar Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

4.4 NON-INVESTMENT PURPOSES

Purchaser acknowledges and agrees that Purchaser is not purchasing Caviar Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes.

4.5 CAVIAR TOKENS MAY HAVE NO VALUE

The Caviar Tokens may have no value and there is no guarantee or representation of liquidity for Caviar Tokens. The Caviar is not and shall not be responsible for or liable for the market value of the Caviar Tokens, the transferability and/or liquidity of the Caviar Tokens and/or the availability of any market for Caviar Tokens through third parties or otherwise.

4.6 LACK OF DEVELOPMENT OF MARKET FOR CAVIAR TOKENS

There are no warranties that Caviar Tokens will be listed or made available for exchange for other cryptocurrency and/or fiat money. It shall be explicitly cautioned that if Caviar Tokens

are made available on an exchange, such exchange, if any, may not be subject to regulatory oversight, and the Caviar does not give any warranties in relation to any exchange services providers. Because there has been no prior public trading market for Caviar Tokens, the Token Launch may not result in an active or liquid market for Caviar Tokens, and the price of Caviar Tokens may be volatile. Caviar Token holders may not be able to dispose of Caviar Tokens easily and where no secondary market develops, a Caviar Token holder may not be able to liquidate at all.

4.7 RISKS RELATING TO HIGHLY SPECULATIVE PRICES

The valuation of cryptocurrency in a secondary market is usually not transparent, and highly speculative. The Caviar Tokens do not hold any ownership rights to the Caviar's assets and, therefore, are not backed by any tangible asset. The value Caviar Tokens in the secondary market, any, may fluctuate greatly within a short period of time. There is a high risk that a Purchaser could lose its entire contribution amount. In the worst-case scenario, Caviar Tokens could be rendered worthless.

4.8 FORCE MAJEURE

The Token Launch and the performance of the Caviar's activities set out in White Paper development roadmap may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of this White Paper, force majeure shall mean extraordinary events and circumstances which could not be prevented by Caviar and shall include: changes in market forces or the technology, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond Caviar's control, which were not in existence at the time of Token Launch.

4.9 INSURANCE

Unlike bank accounts or accounts at financial institutions, Caviar Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Caviar to offer recourse to Purchaser.

5. GOVERNMENTAL DISCLOSURES

5.1 CAVIAR IS NOT A REGULATED MUTUAL FUND

Caviar is not regulated as a mutual fund for the purpose of the Mutual Funds Law (Revised) of the Cayman Islands on the basis that Caviar Tokens are not shares and Caviar is not a mutual fund, and neither a copy of this White Paper or details about Caviar have been filed with Cayman Islands Monetary Authority (**CIMA**). Because Caviar is not a regulated mutual fund, Caviar is not subject to the supervision of CIMA and Caviar is not required to have its accounts audited nor submit such accounts to CIMA.

If Caviar were regulated as a mutual fund under the Mutual Funds Law (Revised), it would need to comply with regulatory requirements designed to protect investors, including the requirement to limit the minimum aggregate token purchase amount to USD \$100,000 or its equivalent in any other currency in order for it not to be licensed or administered by a licensed mutual fund administrator. Caviar would also need to pay a prescribed initial registration fee. These are matters which would be required in connection with an initial registration under the Mutual Funds Law. Caviar would also then have ongoing obligations under the Mutual Funds Law following its initial registration, including the obligation to

- n. to file with CIMA prescribed details of any changes to this White Paper;
- o. to file annually with CIMA accounts audited by an approved auditor and a fund annual return; and
- p. to pay a prescribed annual fee.

If Caviar were a regulated mutual fund, it would also be subject to the supervision of CIMA, and CIMA would have wide powers to take certain actions if certain events occur.

5.2 RISK OF UNFAVORABLE REGULATORY ACTION IN ONE OR MORE JURISDICTIONS

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Caviar Tokens. Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which the Caviar Tokens are dependent.

There can be no assurance that governmental authorities will not examine the operations of Caviar Parties and/or pursue enforcement actions against Caviar Parties. All of this may subject Caviar Parties to judgments, settlements, fines or penalties, or cause Caviar Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Caviar Parties's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on the Caviar Tokens and/or the development of the Caviar Platform.

5.3 PURCHASER BEARS RESPONSIBILITY OF LEGAL CATEGORISATION

There is a risk that Caviar Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Caviar does not provide any warranty or guarantee as to whether the Caviar Tokens will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Caviar Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Caviar Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Caviar Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Caviar Tokens is not legal in its jurisdiction, it should not acquire Caviar Tokens and immediately stop using or possessing Caviar Tokens.

Acquiring Caviar Tokens in exchange for cryptocurrency will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Caviar Tokens. The legal ability of the Caviar to provide or support Caviar Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Caviar determines that the purchase or usage of Caviar Tokens is illegal in a certain jurisdiction, the Caviar may cease operations in that jurisdiction, or adjust Caviar Tokens in a way to comply with applicable law.

5.4 PURCHASER BEARS RESPONSIBILITY FOR COMPLYING WITH TRANSFER RESTRICTIONS

Caviar Tokens may be placed on third-party exchanges, giving future purchasers and users an opportunity to openly buy Caviar Tokens. A user seeking to enter the Caviar Platform following the Token Launch will have to buy Caviar Tokens on such exchanges. Conversely, Caviar Tokens may be sold on such exchanges if the holder of Caviar Tokens would like to exit the Caviar Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America and Singapore, may prohibit the sale of the Caviar Tokens to the residents of those countries. When buying Caviar Tokens, Purchaser should be aware of the restrictions on their subsequent sale.

6. GENERAL SECURITY RISKS

6.1 RISK OF THEFT AND HACKING

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's digital wallet, whether located on the Caviar Platform or otherwise, (**Purchaser's Wallet**), the Caviar Smart Contract or the availability of Caviar Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Caviar Tokens.

6.2 PRIVATE KEYS

Caviar Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Caviar Tokens will result in loss of such Caviar Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Caviar Tokens. Caviar is not responsible for any such losses.

6.3 FAILURE TO MAP A PUBLIC KEY TO PURCHASER'S WALLET

Failure of the Purchaser to map a public key to such Purchaser's Wallet may result in third-parties being unable to recognize buyer's Caviar Token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Caviar Platform.

6.4 RISK OF INCOMPATIBLE WALLET SERVICE

The wallet or wallet service provider used for the acquisition and storage of the Caviar Tokens has to be technically compatible with the Caviar Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Caviar Tokens.

6.5 RISK OF WEAKNESSES OR EXPLOITABLE BREAKTHROUGHS IN THE FIELD OF CRYPTOGRAPHY

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Caviar Tokens, which could result in the theft or loss of Caviar Tokens.

6.6 INTERNET TRANSMISSION RISKS

There are risks associated with using Caviar Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Caviar shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Caviar Platform and Caviar Tokens, howsoever caused. Transactions in cryptocurrency may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

7. CAVIAR PLATFORM DISCLOSURES

7.1 NO GUARANTEE THAT CAVIAR SMART CONTRACT WILL BE DEVELOPED

Purchaser acknowledges, understands and agrees that Purchaser should not expect and there is no guarantee or representation or warranty by Caviar that: (a) the Caviar Platform will ever be adopted; (b) the Caviar Platform will be adopted as developed by Caviar and not in a different or modified form; (c) a blockchain utilizing or adopting the Caviar will ever be launched; and (d) a blockchain will ever be launched with or without changes to the Caviar Platform and with or without a distribution matching the fixed balance of Initial Tokens (as defined below). Furthermore, the Tokens initially generated upon the Token Launch (**Initial Tokens**) will not have any functionality or rights on the Caviar Platform and holding Initial Tokens is not a guarantee, representation or warranty that the holder will be able to use the Caviar Platform, or receive any tokens utilized on the Caviar Platform, even if the Caviar Platform is launched and the Caviar Smart Contract is adopted, of which there is no guarantee, representation or warranty made by Caviar.

7.2 RISKS ASSOCIATED WITH THE CAVIAR SMART CONTRACT AND ASSOCIATED SOFTWARE AND/OR INFRASTRUCTURE.

The Caviar Smart Contract is based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Caviar Tokens and/or the Caviar Platform to malfunction or function in an unexpected or unintended manner.

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the Caviar Smart Contract may contain intentional or unintentional bugs or weaknesses which

may negatively affect Caviar Tokens or result in the loss or theft of Caviar Tokens or the loss of ability to access or control Caviar Tokens. In the event of such a software bug or weakness, there may be no remedy and Caviar Token holders are not guaranteed any remedy, refund or compensation.

On the Ethereum blockchain timing of block production is determined by proof of work so block production can occur at random times. For example, Ether transferred to Caviar's recipient digital wallet address in the final seconds of a distribution period may not get included for that period. Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Caviar Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants or Purchaser's transaction may not be included at all.

Ether, the native unit of account of the Ethereum may itself lose value in ways similar to Caviar Tokens, and also other ways. More information about Ethereum is available at <http://www.ethereum.org>

7.3 IRREVERSIBLE NATURE OF BLOCKCHAIN TRANSACTIONS

Transactions involving Caviar Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Caviar Token, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies and digital tokens. Consequently, the Caviar may be unable to replace missing Caviar Tokens or seek reimbursement for any erroneous transfer or theft of Caviar Tokens.

7.4 AMENDMENTS TO PROTOCOL

The development team and administrators of the source code for Ethereum blockchain or the Caviar Smart Contract could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Caviar Tokens.

7.5 RISK OF MINING ATTACKS

As with other decentralized cryptocurrencies, Ethereum blockchain, which is used for the Caviar Tokens, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, “selfish-mining” attacks, and race condition attacks. Any successful attacks present a risk to the Caviar Tokens, expected proper execution and sequencing of Caviar Tokens, and expected proper execution and sequencing of Ethereum contract computations in general. Despite the efforts of the Caviar and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which the Caviar Tokens interact with and consequently the Caviar Tokens may be impacted also in that way to the extent described above.

8. CAVIAR DISCLOSURES

8.1 LEGAL STRUCTURE OF TOKEN GENERATOR

The Issuer is an exempted company incorporated in the Cayman Islands pursuant to the Companies Law (Revised). An exempted company is a body corporate which has separate legal personality capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, and having perpetual succession. The constitution of an exempted company is contained in two documents, the memorandum of association and the articles of association (**Articles**). The Articles typically provide that there must be at least one director of a Cayman company. Generally, the Articles will specify that the management of a Cayman company is the responsibility of, and is carried out by, its board of directors. If the Articles permit it, a Cayman company may indemnify officers and directors of the company from all liabilities and expenses incurred by such persons in the performance of their duties. The memorandum of association of a Cayman company must specify the authorised share capital of such company. The memorandum of association will state the aggregate amount of the authorised share capital, together with details of the number of shares into which it is divided and the par value of those shares. As a Caviar Token holder, you are not entitled to any right or interest in or to shares of Caviar and have no rights to appoint or remove the board of directors of Caviar.

Because Caviar Tokens confer no governance rights of any kind with respect to the Caviar platform or Caviar, all decisions involving the Company’s products or services within the platform or Caviar itself will be made by Caviar at its sole discretion. These decisions could adversely affect the platform and the utility of any Caviar Token you own.

8.2 DEPENDENCE ON MANAGEMENT TEAM

The ability of the Caviar Platform project team which is responsible for maintaining competitive position of the Caviar Platform is dependent to a large degree on the services of a senior management team. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Caviar Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect the Caviar's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Caviar Platform.

8.3 RISKS RELATED TO RELIANCE ON THIRD PARTIES

Even if completed, the Caviar Platform will rely, in whole or partly, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Caviar Platform.

8.4 INSUFFICIENT INTEREST IN THE CAVIAR PLATFORM AND CAVIAR TOKENS

It is possible that the Caviar Platform or Caviar Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Caviar Platform.

8.5 CAVIAR PLATFORM DEVELOPMENT RISKS

The development of the Caviar Platform and/or Caviar Smart Contract may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.

8.6 CHANGES TO CAVIAR PLATFORM

The Caviar Platform is still under development and may undergo significant changes over time. Although Caviar Parties intend for the Caviar Platform to have the features and specifications set forth in this White Paper, changes to such features and specifications may be made for any

number of reasons, any of which may mean that the Caviar Platform does not meet expectations of the Purchaser.

8.7 OTHER PROJECTS

The Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Caviar Parties, and such projects may provide no benefit to the Caviar Platform.

8.8 DISCLOSURES RELATING TO CONFLICTS OF INTEREST

Any of the Caviar Parties may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

9. EXCLUDED PERSONS

CAV will not be sold to anyone where the acquisition by such a person would cause a breach of the law or requirements of any country or governmental authority, including anti-money laundering regulations or conventions. In addition to the foregoing, the following persons (**Purchaser**) are explicitly restricted from purchasing CAV:

- 9.1 a Purchaser who is a member of the public in the Cayman Islands;
- 9.2 a Purchaser on behalf of terrorists or terrorist organisations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the US Treasury Department's Office of Foreign Asset Control¹ (OFAC);

¹ The OFAC list may be accessed on the web at <http://www.treas.gov/ofac>.

- 9.3 a Purchaser 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 figure² unless Caviar, after being specifically notified by the Purchaser in writing that it is such a person, conducts further due diligence, and determines that the investment is permitted;
- 9.4 a Purchaser or an entity acting as trustee, agent, representative or nominee for a Purchaser that is a foreign shell bank³;
- 9.5 a Purchaser who makes representations or warranties in the Terms and Conditions that are not true when given or have ceased to be true;
- 9.6 a Purchaser whose circumstances are such that, in the opinion of Caviar's directors, its continued ownership of CAV would cause an undue risk of adverse tax or other consequences to Caviar. Those circumstances include those that affect that Purchaser directly or indirectly, whether taken alone or in conjunction with another person or persons, connected or not, or any other circumstance that appears to the directors to be relevant; and

2 Senior foreign political figure means a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party or a senior executive of a foreign government-owned corporation. In addition a senior foreign political figure includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure. The immediate family of a senior foreign political figure typically includes the political figure's parents, siblings, spouse, children and in-laws. A close associate of a senior foreign political figure is a person who is widely and publicly known internationally to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

3 Foreign shell bank means a foreign bank without a physical presence in any country, but does not include a regulated affiliate.

- 9.7 a Purchaser, or a Purchaser that is an entity acting as trustee, agent, representative or nominee for a person, who is a United States person (within the meaning of Rule 902 of Regulation S of the United States Securities Act, as amended).⁴ The Purchaser must notify Caviar immediately if the Purchaser becomes a United States person or becomes aware that any person for whom the Purchaser holds shares as trustee, agent, representative or nominee has become a United States person. Despite this, if Caviar chooses to comply fully with applicable U.S. laws and regulations, Caviar may arrange for the private placement of CAV to Purchasers who are in the United States or who are U.S. Persons if, among other things, each such Purchaser delivers to Caviar a completed form of these Terms and Conditions that contains certain representations, warranties and agreements in accordance with applicable U.S. laws and regulations before acquiring any CAV.

4 "U.S. Person" means:

- (i) any natural person resident in the United States;
- (ii) any partnership or corporation organized or incorporated under the laws of the United States;
- (iii) any estate of which any executor or administrator is a U.S. Person;
- (iv) any trust of which any trustee is a U.S. Person;
- (v) any agency or branch of a non-U.S. entity located in the United States;
- (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; or
- (viii) any partnership or corporation if:
 - (A) organized or incorporated under the laws of any non-U.S. jurisdiction; and
 - (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trusts.

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