



RoseCoin Terms & Conditions

TERMS OF TOKEN SALE

PLEASE READ THESE TERMS OF TOKEN SALE CAREFULLY. NOTE THAT SECTION 14 CONTAINS A BINDING ARBITRATION CLAUSE AND CLASS ACTION WAIVER, WHICH, IF APPLICABLE TO YOU, AFFECT YOUR LEGAL RIGHTS. IF YOU DO NOT AGREE TO THESE TERMS OF SALE, DO NOT PURCHASE TOKENS.

Your purchase of RoseCoin Tokens (“RoseCoin”) during the RoseCoin sale period (“Sale Period”) or pre-sale period (“Pre-Sale Period”) from Whispers.Live Inc. (“Company,” “we,” or “us” or “Whispers Live” or “Whispers”) is subject to these Terms of Sale (“Terms”). Each of you and Company is a “Party,” and together the “Parties.”

By purchasing RoseCoins from us during the Pre-Sale Period or Sale Period and/or using RoseCoins in connection with the Services (as defined below), you will be bound by these Terms and all terms incorporated by reference. If you have any questions regarding these Terms, please contact us at support@whispers.live.

You and Company agree as follows:

1. Purpose and Use of RoseCoins in Connection with the Services

RoseCoins are intended to function as a means to purchase access to the Whispers Live service and technology (the “Services”). Important additional details regarding the Services are provided in Exhibit A.

Ownership of RoseCoins carries no rights, express or implied, other than as a means to purchase the Services. In particular, you understand and accept that RoseCoins do not represent or confer any ownership right or stake, share or security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Company and its corporate affiliates or its property, other than rights relating to the receipt of Services, subject to limitations and conditions in these Terms and applicable Whispers Live Terms and Policies (as defined below).

RoseCoins are not intended to be a security, commodity or any other kind of financial instrument.

2. Scope of Terms

Unless otherwise stated herein, these Terms govern only your purchase of RoseCoins from us during the Pre-Sale Period and Sale Period.

The use of RoseCoins in connection with the Services may be governed by other applicable terms and policies (collectively, the “Whispers Live Terms and Policies”). Any Whispers Live Terms and Policies we promulgate will be available at <https://Whispers.Live> and/or <https://rosecoin.io>. We may add terms or policies to the Whispers Live Terms and Policies in our sole discretion, and may update each of the Whispers Live Terms and Policies from time to time according to modification procedures set forth therein. To the extent of any conflict with these Terms, the Whispers Live Terms and Policies shall control with respect to any issues relating to the use of RoseCoins in connection with the Services.

3. Cancellation; Refusal of Purchase Requests

Your purchase of RoseCoins from us during the Pre-Sale Period and Sale Period is final, and there are no refunds or cancellations except (a) if the Activation Threshold is not reached, pursuant to applicable procedures set forth in Exhibit B or (b) as may be required by applicable law or regulation. We reserve the right to refuse or cancel RoseCoin purchase requests at any time in our sole discretion.

4. RoseCoin Sale Procedures and Specifications

Important information about the procedures and material specifications of our RoseCoin sale is provided in Exhibit B, including, but not limited to, details regarding the timing and pricing of the RoseCoin sale, the amount of RoseCoin we will sell, and our anticipated use of the RoseCoin sale proceeds. By purchasing RoseCoins, you acknowledge that you understand and have no objection to these procedures and material specifications.

5. Acknowledgment and Assumption of Risks

You acknowledge and agree that there are risks associated with purchasing RoseCoins, holding RoseCoins, and using RoseCoins in connection with the Services, as disclosed and explained in Exhibit C. If you have any questions regarding these risks, please contact us at support@whispers.live. BY PURCHASING ROSECOINS, YOU EXPRESSLY ACKNOWLEDGE AND ASSUME THESE RISKS.

6. Security

You are responsible for implementing reasonable measures for securing the wallet, vault or other storage mechanism you use to receive and hold RoseCoins you purchase from

us, including any requisite private key(s) or other credentials necessary to access such storage mechanism(s). If your private key(s) or other access credentials are lost, you may lose access to your RoseCoins. We are not responsible for any such losses.

7. Personal Information

We may determine, in our sole discretion, that it is necessary to obtain certain information about you in order to comply with applicable law or regulation in connection with selling RoseCoins to you. You agree to provide us such information promptly upon request, and you acknowledge that we may refuse to sell RoseCoins to you until you provide such requested information and we have determined that it is permissible to sell you RoseCoins under applicable law or regulation.

8. Taxes

The purchase price that you pay for RoseCoins is exclusive of all applicable taxes. You are responsible for determining what, if any, taxes apply to your purchase of RoseCoins, including, for example, sales, use, value added, and similar taxes. It is also your responsibility to withhold, collect, report and remit the correct taxes to the appropriate tax authorities. We are not responsible for withholding, collecting, reporting, or remitting any sales, use, value added, or similar tax arising from your purchase of RoseCoins.

9. Representations and Warranties

By transferring Ether to the smart contract system (“Smart Contract System”, as explained in Exhibit B) to purchase RoseCoins from us, you represent and warrant that:

- You have read and understand these Terms (including all Exhibits);
- You have a sufficient understanding of the functionality, usage, storage, transmission mechanisms and other material characteristics of cryptographic tokens like Bitcoin and Ether, token storage mechanisms (such as token wallets), blockchain technology and blockchain-based software systems to understand these Terms and to appreciate the risks and implications of purchasing RoseCoins;
- You have carefully reviewed the code of the Smart Contract System located on the Ethereum blockchain at the addresses set forth in Exhibit B and fully understand and accept the functions implemented therein;
- You have obtained sufficient information about RoseCoins to make an informed decision to purchase RoseCoins;
- You understand the restrictions and risks associated with the creation of RoseCoins by the Smart Contract System as set forth herein, and acknowledge and assume all such risks;
- You understand, acknowledge and assume the risks associated with the purchase, holding and use of RoseCoins in connection with the Services and Platform, as explained and disclosed in Section 5 and Exhibit C;
- You understand that RoseCoins confer only the right to receive Services, and confer

no other rights of any form with respect to the Company or its corporate affiliates or property, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights;

- You are purchasing RoseCoins solely for the purpose of receiving Services and supporting the development, testing, deployment and operation of Whispers Live, being aware of the commercial risks associated with the Company and Whispers Live. You are not purchasing RoseCoins for any other purposes, including, but not limited to, any investment, speculative or other financial purposes;
- Your purchase of RoseCoins complies with applicable law and regulation in your jurisdiction, including, but not limited to, (i) legal capacity and any other applicable legal requirements in your jurisdiction for purchasing RoseCoins, using RoseCoins, and entering into contracts with us, (ii) any foreign exchange or regulatory restrictions applicable to such purchase, and (iii) any governmental or other consents that may need to be obtained;
- You will comply with any applicable tax obligations in your jurisdiction arising from your purchase of RoseCoins;
- If you are purchasing RoseCoins on behalf of any entity, you are authorized to accept these Terms on such entity's behalf and that such entity will be responsible for breach of these Terms by you or any other employee or agent of such entity (references to "you" in these Terms refer to you and such entity, jointly);
- You are not resident or domiciled in New York State or purchasing RoseCoins from a location in New York State; and
- You are not, nor are you an agent of, (i) a citizen or resident of a country or territory in which access to or use of the Services is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a country or territory that is subject to sanctions or embargoes imposed by the United States or any other country, or (iii) an individual or entity, nor an individual or entity employed by, acting on behalf of, or affiliated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals and Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List (collectively, "Restricted Party Lists"). You further agree that you will not use the RoseCoin or Services in connection with transactions (i) in any country or territory that is subject to U.S. or other sanctions or embargoes, (ii) with any individual or entity that is identified on the Restricted Party Lists, nor (iii) otherwise prohibited by U.S. sanctions and export control laws and regulations including the sanctions regulations administered by the U.S. Department of the Treasury Office of Foreign Assets Control, 31 C.F.R. §§ 500-599, and the Export Administration Regulations, 15 C.F.R. §§ 730-774. You agree that if your country of residence or any other circumstances change such that the above representations are no longer accurate, then you will immediately cease using the Services and notify the Company. If you are registering to use the Services on behalf of a legal entity, you further represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the

jurisdiction of its organization, and (ii) you are duly authorized by such legal entity to act on its behalf.

10. Indemnification

To the fullest extent permitted by applicable law, you will indemnify, defend and hold harmless Company and our respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the “Company Parties”) from and against all claims, demands, actions, damages, losses, costs and expenses (including attorneys’ fees) that arise from or relate to: (i) your purchase or use of RoseCoins, (ii) your responsibilities or obligations under these Terms, (iii) your violation of these Terms, or (iv) your violation of any rights of any other person or entity.

Company reserves the right to exercise sole control over the defense, at your expense, of any claim subject to indemnification under Section 10(a). This indemnity is in addition to, and not in lieu of, any other indemnities set forth in a written agreement between you and Company.

11. Disclaimers

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT AS OTHERWISE SPECIFIED IN A WRITING BY US, (A) ROSECOINS ARE SOLD ON AN “AS IS” AND “AS AVAILABLE” BASIS WITHOUT WARRANTIES OF ANY KIND, AND WE EXPRESSLY DISCLAIM ALL IMPLIED WARRANTIES AS TO ROSECOINS, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT; (B) WE DO NOT REPRESENT OR WARRANT THAT ROSECOINS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN ROSECOINS WILL BE CORRECTED; AND (C) WE CANNOT AND DO NOT REPRESENT OR WARRANT THAT ROSECOINS OR THE DELIVERY MECHANISM FOR ROSECOINS ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

Some jurisdictions do not allow the exclusion of certain warranties or disclaimer of implied terms in contracts with consumers, so some or all of the exclusions of warranties and disclaimers in this section may not apply to you.

12. Limitation of Liability

(A) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW: (I) IN NO EVENT WILL COMPANY OR ANY OF THE COMPANY PARTIES BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, WHERE RELATED TO LOSS OF REVENUE, INCOME OR PROFITS, LOSS OF USE OR DATA, OR DAMAGES FOR

BUSINESS INTERRUPTION) ARISING OUT OF OR IN ANY WAY RELATED TO THE SALE OR USE OF ROSECOINS OR OTHERWISE RELATED TO THESE TERMS, REGARDLESS OF THE FORM OF ACTION, WHETHER BASED IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, SIMPLE NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR ANY OTHER LEGAL OR EQUITABLE THEORY (EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE); AND (II) IN NO EVENT WILL THE AGGREGATE LIABILITY OF COMPANY AND THE COMPANY PARTIES (JOINTLY), WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), OR OTHER THEORY, ARISING OUT OF OR RELATING TO THESE TERMS OR THE USE OF OR INABILITY TO USE ROSECOINS, EXCEED THE AMOUNT YOU PAY TO US FOR ROSECOINS. (B) THE LIMITATIONS SET FORTH IN SECTION 12(A) WILL NOT LIMIT OR EXCLUDE LIABILITY FOR THE GROSS NEGLIGENCE, FRAUD OR INTENTIONAL, WILLFUL OR RECKLESS MISCONDUCT OF COMPANY.

(C) Some jurisdictions do not allow the limitation or exclusion of liability for incidental or consequential damages. Accordingly, some of the limitations of this section may not apply to you.

13. Release

To the fullest extent permitted by applicable law, you release Company and the other Company Parties from responsibility, liability, claims, demands and/or damages (actual and consequential) of every kind and nature, known and unknown (including, but not limited to, claims of negligence), arising out of or related to disputes between users and the acts or omissions of third parties. You expressly waive any rights you may have under California Civil Code § 1542 as well as any other statute or common law principles that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

14. Dispute Resolution; Arbitration

PLEASE READ THE FOLLOWING SECTION CAREFULLY BECAUSE IT CONTAINS ADDITIONAL PROVISIONS APPLICABLE ONLY TO INDIVIDUALS LOCATED, RESIDENT, OR DOMICILED IN THE UNITED STATES. IF YOU ARE LOCATED, RESIDENT, OR DOMICILED IN THE UNITED STATES, THIS SECTION REQUIRES YOU TO ARBITRATE CERTAIN DISPUTES AND CLAIMS WITH COMPANY AND LIMITS THE MANNER IN WHICH YOU CAN SEEK RELIEF FROM US.

Binding Arbitration. Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, "Disputes") in which either Party seeks injunctive or other equitable relief for the alleged unlawful use of intellectual property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and Company (i) waive your and Company's respective rights to have any and all Disputes arising from or related to these Terms resolved in a court, and (ii) waive your

and Company's respective rights to a jury trial. Instead, you and Company will arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).

No Class Arbitrations, Class Actions or Representative Actions. Any Dispute arising out of or related to these Terms is personal to you and Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a Dispute as a representative of another individual or group of individuals. Further, a Dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals.

Federal Arbitration Act. The enforceability of this Section 14 will be both substantively and procedurally governed by and construed and enforced in accordance with the Federal Arbitration Act, 9 U.S.C. § 1 et seq. (the "FAA"), to the maximum extent permitted by applicable law.

Notice; Informal Dispute Resolution. Each Party will notify the other Party in writing of any Dispute within thirty (30) days of the date it arises, so that the Parties can attempt in good faith to resolve the Dispute informally. Notice to Company shall be sent by e-mail to Company at RoseCoinnotice@turinginc.com. Notice to you shall be by email to the then-current email address in your Account. Your notice must include (i) your name, postal address, email address and telephone number, (ii) a description in reasonable detail of the nature or basis of the Dispute, and (iii) the specific relief that you are seeking. If you and Company cannot agree how to resolve the Dispute within thirty (30) days after the date notice is received by the applicable Party, then either you or Company may, as appropriate and in accordance with this Section 14, commence an arbitration proceeding or, to the extent specifically provided for in Section 14(a), file a claim in court.

Any arbitration will occur in San Mateo County, California. Arbitration will be conducted confidentially by a single arbitrator in accordance with the rules of the Judicial Arbitration and Mediation Services ("JAMS"), which are hereby incorporated by reference. The state and federal courts located in San Mateo County, California will have exclusive jurisdiction over any appeals and the enforcement of an arbitration award. You may also litigate a Dispute in the small claims court located in the county where you reside if the Dispute meets the requirements to be heard in small claims court.

Authority of Arbitrator. As limited by the FAA, these Terms and the applicable JAMS rules, the arbitrator will have (i) the exclusive authority and jurisdiction to make all procedural and substantive decisions regarding a Dispute, including the determination of whether a Dispute is arbitrable, and (ii) the authority to grant any remedy that would otherwise be available in court; provided, however, that the arbitrator does not have the authority to conduct a class arbitration or a representative action, which is prohibited by these Terms. The arbitrator may only conduct an individual arbitration and may not consolidate more than one individual's claims, preside over any type of class or representative proceeding or preside over any proceeding involving more than one individual.

Severability of Dispute Resolution; Arbitration. If any term, clause or provision of this

Section 14 is held invalid or unenforceable, it will be so held to the minimum extent required by law, and all other terms, clauses and provisions of this Section 14 will remain valid and enforceable. Further, the waivers set forth in Section 14(b) are severable from the other provisions of these Terms and will remain valid and enforceable, except as prohibited by applicable law.

15. Governing Law and Venue

These Terms will be governed by and construed and enforced in accordance with the laws of the State of Delaware, without regard to conflict of law rules that would cause the application of the laws of any other jurisdiction.

16. Severability

If any term, clause or provision of these Terms is held unlawful, void or unenforceable, then that term, clause or provision will be severable from these Terms and will not affect the validity or enforceability of any remaining part of that term, clause or provision, or any other term, clause or provision of these Terms.

17. Miscellaneous

These Terms constitute the entire agreement between you and us relating to your purchase of RoseCoins from us. We may make changes to these Terms from time to time as reasonably required to comply with applicable law or regulation. If we make changes, we will post the amended Terms at <https://Rosecoin.io> and/or <https://whispers.live> and update the “Last Updated” date above. We may also attempt to notify you through the RoseCoin’s website at <https://RoseCoin.io>. The amended Terms will be effective immediately. We may assign our rights and obligations under these Terms. Our failure to exercise or enforce any right or provision of these Terms will not operate as a waiver of such right or provision. We will not be liable for any delay or failure to perform any obligation under these Terms where the delay or failure results from any cause beyond our reasonable control. Purchasing RoseCoins from us does not create any form of partnership, joint venture or any other similar relationship between you and us. Except as otherwise provided in herein, these Terms are intended solely for the benefit of you and us and are not intended to confer third-party beneficiary rights upon any other person or entity. You agree and acknowledge that all agreements, notices, disclosures, and other communications that we provide to you, including these Terms, will be provided in electronic form.

Exhibit A

Description of Company, Whispers Live, and RoseCoins:

1. Overview of Company

The Company is incorporated in the State of Delaware and will have primary responsibility for the provision of Services and for administering the development of Whispers Live.

2. Overview of Whispers Live and RoseCoin Functionality

Whispers currently provides a platform where adults can meet each other live via video chats from anywhere, anytime.

Development plans include global expansion, but we will start with the United States, Vietnam and Philippines first (due to the higher Vietnamese and Filipino populations abroad and total remittances to these two countries). We will continuously enhance Whispers Live platform to eventually include celebrities and people with saleable skills via live video chat. We also intend to create a payment system using RoseCoins within our app for global gifts exchange.

Further details regarding Whispers Live and RoseCoins are described in the Whitepaper. The information contained in the Whitepaper and Whispers Live websites are of descriptive nature only, and do not, unless explicitly incorporated herein, form part of the Terms.

Although Company intends to develop Whispers Live and the Services in the manner generally described above, it reserves the right to modify features, functionalities or development plans in its sole and absolute discretion.

3. Overview of Intellectual Property

The Company has filed a provisional patent to cover the inventions involved in the use cases for Whispers and their implementation. The Company intends to develop a patent portfolio centered on the intersection of live streaming and cryptocurrency/blockchain in order to acquire and maintain an exclusive right to operate services based on its inventions.

Exhibit B

Token Sale Procedures and Specifications

1. Total Number of RoseCoins to be Created and Sold

The Company has created 1,000,000,000.0000 RoseCoins through the Smart Contract System. Prior to the Sale Period, 50,000,000.0000 RoseCoins is allocated to Pre-Sale Period purchasers, exclusive of the 20% bonus. Of the total pool of RoseCoins created, a pool of 400,000,000.0000 RoseCoins have been pre-allocated to the Company ("Company RoseCoins") and another pool of 200,000,000.0000 were allocated to certain Company team members and shareholders. Furthermore, an additional pool of 200,000,000.0000 RoseCoins pre-allocated for future Company's expenses, our Advisors, and auxiliary costs associated with the ICO. As a result, a separate pool of 100,000,000.0000 RoseCoins has been created by the Smart Contract System for sale by the Company to purchasers during the Sale Period. And additional 50,000,000.0000 RoseCoins can be carved out from the pre-allocated pool to the Company and to be sold at 1.3x premium during the Sale Period, if demands require it. All RoseCoins will be of equal value and functionality.

2. Commencement and Duration of Token Sale

The Company's sale of RoseCoins will begin at approximately 8pm PST on October 1, 2017. The sale will run for approximately 31 days and will end at the earlier of approximately 8PM PST on October 31, 2017 or such time as the cap of 150,000 Ether has been reached (the "Sale Period").

If less than 250 Ether have been received by Company during the Pre-Sale and Sale Period (the "Activation Threshold"), each purchaser will have the possibility to initiate the transfer of the respective amount of Ether submitted to the Smart Contract System from the Smart Contract System's address back to the address used by that purchaser to transfer Ether to the Smart Contract System. If, during the Sale Period, the Activation Threshold is reached, but less than 200,000 Ether has been received by Company, no additional RoseCoins will be sold during the Sale Period.

3. RoseCoins Price

1 Ether will purchase 1000 RoseCoins, making the sale price of RoseCoins 0.001 Ether per RoseCoin. There is no sale price for Company RoseCoins or Incentive RoseCoins, which were created by the Smart Contract System and pre-allocated to the Company and/or relevant team members and shareholders before the Sale Period.

4. Procedures for Buying and Receiving RoseCoins

In order to purchase RoseCoins during the Sale Period, and to receive the RoseCoins you purchase, you must have an Ethereum wallet that supports the ERC20 token standard. The Company reserves the right to prescribe additional wallet requirements.

The Company will publish an address for the RoseCoins sale via <https://rosecoin.io> for both Pre-Sale and Sale Period. To initiate a purchase of RoseCoins during the Sale Period and Pre-Sale Period, you must send an amount of Ether to an Ethereum address (the “RoseCoins Token Address”) and you must agree to these Terms. Sending Ether to the RoseCoins Token Address during the Sale Period triggers a smart contract operation, pursuant to which the Smart Contract System will automatically create and promptly deliver a RoseCoin ICO token to the ERC20 wallet address from which the Ether were sent.

Ether must be sent to the RoseCoins Token Address during the Pre-Sale and Sale Period in order to purchase and receive RoseCoins. Sending Ether to any other address may result in loss of Ether. Attempted transactions to purchase RoseCoins will be rejected if Ether is sent to the RoseCoins Token Address at any time before or after the Pre-Sale and Sale Period.

Exhibit C

Certain Risks Relating to Purchase, Sale and Use of RoseCoins

Important Note: As noted elsewhere in these Terms, the RoseCoins are not being structured or sold as securities or any other form of investment product. Accordingly, none of the information presented in this Exhibit C is intended to form the basis for any investment decision, and no specific recommendations are intended. Company expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained in this Exhibit C, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting from such information.

By purchasing, holding and using RoseCoins, you expressly acknowledge and assume the following risks:

1. Risk of Losing Access to RoseCoins Due to Loss of Private Key(s), Custodial Error or Purchaser Error

A private key, or a combination of private keys, is necessary to control and dispose of RoseCoins stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing RoseCoins will result in loss of such RoseCoins. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a digital wallet or vault service you use, may be able to misappropriate your RoseCoins. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store RoseCoins, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your RoseCoins. Additionally, your failure to follow precisely the procedures set forth in Section 4 of Exhibit B for buying and receiving RoseCoins, including, for instance, if you provide the wrong address for receiving RoseCoins, may result in the loss of your RoseCoins.

2. Risks Associated with the Ethereum Protocol

Because RoseCoins and Whispers are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on Whispers or RoseCoins. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to RoseCoins and Whispers, including the utility of RoseCoins for obtaining Services, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

3. Risk of Mining Attacks

As with other decentralized cryptographic tokens based on the Ethereum protocol, RoseCoins are susceptible to attacks by miners in the course of validating RoseCoins transactions on the Ethereum blockchain, including, but not limited to, double-spend attacks, majority mining power attacks, and selfish-mining attacks. Any successful attacks present a risk to Whispers and RoseCoins, including, but not limited to, accurate execution and recording of transactions involving RoseCoins.

4. Risk of Hacking and Security Weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with Whispers or RoseCoins in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing.

5. Risks Associated with Markets for RoseCoins

There could be illiquidity risk with respect to RoseCoins you hold. Secondary trading of RoseCoins may be facilitated by Whispers or third party exchanges, but such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to market-related risks. Furthermore, to the extent that third-parties do ascribe an external exchange value to RoseCoins (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero.

6. Risk of Uninsured Losses

Unlike bank accounts or accounts at some other financial institutions, RoseCoins 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, such as the Federal Deposit Insurance Corporation, or private insurance arranged by us, to offer recourse to you.

7. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of RoseCoins and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including Whispers and RoseCoins. Regulatory actions could negatively impact Whispers and RoseCoins in various ways, including, for purposes of illustration only, through a determination that RoseCoins are a regulated financial instrument or security that require registration and/or licensing. Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it

illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

8. Risks Arising from Taxation

The tax characterization of RoseCoins is uncertain. You must seek your own tax advice in connection with purchasing RoseCoins, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.

9. Risk of Alternative Platforms

It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying Whispers Live and attempt to facilitate services that are materially similar to the Services. Whispers Live may compete with these alternative platforms, which could negatively impact Whispers Live and RoseCoins, including RoseCoins's utility for obtaining Services. The Company will seek to limit such competition through the filing for and use of patents, yet there are risks that the Company will be unsuccessful in doing so.

10. Risk of Insufficient Interest in Whispers or Distributed Applications

It is possible that Whispers will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the creation and development of distributed platforms (such as Whispers Live) more generally. Such a lack of use or interest could negatively impact the development of Whispers Live and the potential utility of RoseCoins, including its utility for obtaining Services.

11. Risks Associated with the Development and Maintenance of Whispers Live

Whispers Live is still under development and may undergo significant changes over time. Although we intend for RoseCoins and Whispers Live to follow the specifications set forth in Exhibit A, and will take commercially reasonable steps toward those ends, we may have to make changes to the specifications of RoseCoins or Whispers Live for any number of legitimate reasons. This could create the risk that RoseCoins or Whispers Live, as further developed and maintained, may not meet your expectations at the time of purchasing RoseCoins. Furthermore, despite our good faith efforts to develop and maintain Whispers Live, it is still possible that Whispers Live will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact Whispers Live and the potential utility of RoseCoins, including its utility for obtaining Services.

12. Risk of an Unfavorable Fluctuation of Ether and Other Currency Value

The Company team intends to use the proceeds from selling RoseCoins to fund the maintenance and development of Whispers, as described further in Section 6 of Exhibit B. The proceeds of the sale of RoseCoins will be denominated in Ether, and may, at our discretion, be converted into other cryptographic and fiat currencies. If the value of Ether or other currencies fluctuates unfavorably during or after the Sale Period, the Company team may not be able to fund development, or may not be able to develop or maintain Whispers Live in the manner that it intended.

13. Risk of Dissolution of the Company

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of Ether (or other cryptographic and fiat currencies), decrease in RoseCoins's utility (including its utility for obtaining Services), the failure of commercial relationships, or intellectual property ownership challenges, Whispers Live may no longer be viable to operate and the Company may dissolve.

14. Risks Arising from Lack of Governance Rights

Because RoseCoins confer no governance rights of any kind with respect to Whispers Live or Company, all decisions involving Whispers Live or Company will be made by Company at its sole discretion, including, but not limited to, decisions to discontinue Whispers Live, to sell more RoseCoins for use in Whispers Live, or to sell or liquidate the Company. These decisions could adversely affect Whispers Live and the utility of RoseCoins that you hold, including RoseCoins's utility for obtaining Services.

15. Unanticipated Risks

Cryptographic tokens such as RoseCoins are a new and untested technology. In addition to the risks included in this Exhibit C, there are other risks associated with your purchase, holding and use of RoseCoins, including those that the Company cannot anticipate. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this Exhibit C.