

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

HYGH AG

THESE ARE SPECULATIVE SECURITIES WHICH INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE SECURITIES.

600,000,000 Tokens

HYGH AG, A Limited Company located in SWITZERLAND ("hereinafter referred to as "Company"), is offering an opportunity to purchase 600,000,000 tokens for according to the price schedule on page 15 pursuant to a private offering solely to (i) "U.S. persons" as defined by Regulation S under the Securities Act of 1933, and (ii) Swiss residents not qualifying as "U.S. persons" as defined by Regulation S under the Securities Act of 1933 (hereinafter referred to as "Swiss Residents"). Swiss Residents shall refer to section "Additional Information for Swiss Residents" in this private placement memorandum. This offering shall be made solely to those who are "accredited investors, as defined in Regulation D of the Securities Act. Each token shall be made to use solely on its web platform. The offering price per token has been arbitrarily determined by the Company - See Risk Factors: Offering Price.

The maximum number of tokens to be offered is 600,000,000. HYGH AG plans to develop the token on the Ethereum block chain and are ERC-20 compatible. If Company is unable to do so, Company intends to cause all tokens to be converted into warrants for HYGH Tokens on whichever blockchain is used in the development of "HYGH Tokens"; however, there can be no certainty or assurance that HYGH AG will develop the HYGH Tokens or the platform for the utilization of HYGH Tokens.

THESE ARE SPECULATIVE SECURITIES THAT INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE SECURITIES.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), THE SECURITIES LAWS OF THE STATE OF NEVADA, OR UNDER THE SECURITIES LAWS OF ANY U.S. STATE OR JURISDICTION IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION PROVIDED BY THE ACT AND REGULATION D RULE 506 PROMULGATED THEREUNDER, AND THE COMPARABLE EXEMPTIONS FROM REGISTRATION PROVIDED BY OTHER APPLICABLE SECURITIES LAWS.

**HYGH AG
Dammstrasse 16
6300 Zug Switzerland**

The Date of this Memorandum is November 27th, 2018

(1) The Securities are being offered and sold in reliance on an exemption from the registration requirements of the Securities Act. The Securities may not be offered for sale, pledged, hypothecated, sold, assigned or transferred at any time except pursuant to a registration or exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and other such securities laws. Potential investors should be aware that they may be required to bear the financial risks of the Securities for an indefinite period of time and may lose their entire investment in the Securities.

None of the Securities and Exchange Commission (the “SEC”), any state securities commission, any foreign securities authority or any other federal, state or foreign regulatory authority has approved of, disapproved of, endorsed or recommended the Securities or the Offering or passed upon the merits or fairness of the Offering. No independent person has determined if this Memorandum is accurate, truthful or complete. Any representation to the contrary is illegal and may be a criminal offense.

(2) The Offering will commence on the date of this private placement memorandum terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate or (b) the date upon which all Securities have been sold, or (c) such date as may be extended from time to time by the Company, but not later than 180 days thereafter (the “Offering Period”.)

THIS OFFERING IS NOT UNDERWRITTEN. THE OFFERING PRICE HAS BEEN ARBITRARILY SET BY THE MANAGEMENT OF THE COMPANY. THERE CAN BE NO ASSURANCE THAT ANY OF THE SECURITIES WILL BE SOLD.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SECURITIES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THERE IS NO TRADING MARKET FOR THE COMPANY’S SECURITIES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE SECURITIES WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE SECURITIES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE SECURITIES IS BEING UNDERTAKEN PURSUANT TO RULE 506 OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER



DISPOSITION OF ANY OF THE SECURITIES WHICH ARE PURCHASED PURSUANT HERETO MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

No person is authorized to give any information or make any representation not contained in the Memorandum and any information or representation not contained herein must not be relied upon. Nothing in this Memorandum should be construed as legal or tax advice.

All the information provided herein has been provided by the Management of the Company. The Company makes no express or implied representation or warranty as to the completeness of this information or, in the case of projections, estimates, future plans, or forward-looking assumptions or statements, as to their attainability or the accuracy and completeness of the assumptions from which they are derived, and it is expected that each prospective investor will pursue his, her, or its own independent investigation. It must be recognized that estimates of the Company's performance are necessarily subject to a high degree of uncertainty and may vary materially from actual results.

This Memorandum is directed only to (i) "U.S. persons" (as such term is defined in Regulation S under the Securities Act) who are "accredited investors" (as such term is defined in Regulation D under the Securities Act) and (ii) persons other than "U.S. persons" in "offshore transactions" (in each case, as such term is defined in Regulation S under the Securities Act), in each case, to whom it is delivered by, or on behalf of, the Company, and it has been prepared solely for use by potential investors in the Securities and will be maintained in strict confidence. Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) the Company and its affiliates derive independent economic value from such confidential information not being generally known, (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy, and (iv) the disclosure of such confidential information is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction, publication or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, is prohibited. Each person who has received this Memorandum is deemed to agree to use this Memorandum and its contents solely in connection with such person's evaluation of a potential investment in the Securities. Any other use is prohibited. Each person who has received this Memorandum is deemed to agree to return this Memorandum to the Company upon request. The existence and nature of all conversations regarding the Company and the Offering must be kept confidential.



The Company reserves the right in its sole discretion to reject any subscription in whole or in part for any reason by not executing a Subscription Agreement (as defined herein) with the potential investor. In the event that the Offering is terminated or withdrawn, all funds received in connection with the Offering will be returned as soon as practicable.

Other than the Company's management, no one has been authorized to give any information or to make any representation with respect to the Company or the Securities that is not contained in this Memorandum. Prospective investors should not rely on any information not contained in this Memorandum.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy to anyone in any jurisdiction in which such offer or solicitation would be unlawful or is not authorized or in which the person making such offer or solicitation is not qualified to do so.

This Memorandum does not constitute an offer if the prospective investor is not qualified under applicable securities laws. To ensure your qualification as a prospective investor please refer to "Summary of Offering".

This offering is made subject to withdrawal, cancellation, or modification by the Company without notice and solely at the Company's discretion. The Company reserves the right to reject any subscription or to allot to any prospective investor less than the number of Securities subscribed for by such prospective investor.

This Memorandum has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Company. Distribution of this Memorandum to any person other than the prospective investor to whom this Memorandum is delivered by the Company and those persons retained to advise them with respect thereto is unauthorized. Any reproduction of this Memorandum, in whole or in part, or the divulgence of any of the contents without the prior written consent of the Company is strictly prohibited. Each prospective investor, by accepting delivery of this Memorandum, agrees to return it and all other documents received by them to the Company if the prospective investor's subscription is not accepted or if the Offering is terminated.

By acceptance of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation and due diligence before considering a purchase of the Securities. The contents of this Memorandum should not be considered to be investment, tax, or legal advice and each prospective investor should consult with their own counsel and advisors as to all matters concerning an investment in this Offering.

Money Services Business

The federal government regulates money transmission pursuant to the Bank Secrecy Act (BSA), as amended, and administered by a bureau of the United States Treasury called the Financial Crimes Enforcement Network (FinCEN). The BSA was passed to prevent money laundering and requires money service businesses (MSBs) to report and record certain transactions. The purpose is to prevent people from concealing the receipt and possession of money in connection with crimes. The regulations promulgated by FinCEN require that “money services businesses” register with FinCEN, keep information about transactions, report certain transactions, and implement certain procedures to prevent money laundering. Under FinCEN regulations, “persons registered with, and regulated or examined by, the Securities and Exchange Commission” are excluded from the definition of a “Money Services Business.” Accordingly, we do not expect to be required to comply with FinCEN regulations.

However, states also regulate money transmitter businesses, separate from the federal regulatory regime. The states have not adopted a uniform definition of a Money Transmission so the definition may vary state to state. Although we do not intend to engage in traditional money transmissions, depending on the state, engaging in the business of exchanging virtual currency for fiat currency or virtual currency for another virtual currency may be considered money transmission and our business may therefore be subject to the same licensing and other requirements as other businesses performing money transmission.

To become licensed, prospective licensees must file an application that typically includes the submission of credit reports, fingerprints, a business plan, financial statements, and a surety bond. In many states, the prospective licensee must provide evidence of policies, procedures, and internal controls that will facilitate the organization’s compliance with state and federal regulations, including required FinCEN registration and documentation of a BSA/AML compliance program. It is unclear if a state requirement to register with FinCEN is superseded by a FinCEN exemption from registration at the federal level. A BSA/AML compliance program requires policies, procedures, and internal controls to detect and deter money laundering and other illegal activity. In most states, prospective licensees undergo rigorous requirements with the state agencies that include dialogue with the applicant regarding their business plan. Further, the financial condition of the application is evaluated to ensure the company has the financial capacity to engage in money services business activities. Once a license is granted, management is required to maintain requisite permissible investments, surety bonds, and submit periodic reports that often include financial statements, permissible investments calculations, branch and agent reporting, and transmission volume activity.

Regulatory Oversight of Blockchain Assets

The following is a summary of recent regulatory actions taken with regard to Blockchain Assets. We believe that these actions will impact the Company; however, regulation of the blockchain industry is evolving rapidly. The regulatory landscape may differ from country to country, but we expect for the foreseeable future that regulators will maintain an increased focus on Blockchain Assets.

Regulation of Blockchain Assets by U.S. federal and state governments, foreign governments and self-regulatory organizations remains in its early stages. As Blockchain Assets have grown in popularity and in market size, the Federal Reserve Board, U.S. Congress and certain U.S.

agencies such as the SEC, the CFTC, FinCEN and the Federal Bureau of Investigation, have begun to examine the nature of Blockchain Assets and the markets on which they are traded.

The SEC has not formally asserted regulatory authority over all Blockchain Assets, although it has taken various actions against persons or entities using bitcoin in connection with fraudulent schemes (i.e., Ponzi schemes), inaccurate and inadequate publicly disseminated information, and the offering of unregistered securities. In addition, on July 25, 2017, the SEC issued Release No. 81207 (“the DAO Report”), in which it analyzed a certain issuance of tokens, and indicated that “whether or not a particular transaction involves the offer and sale of a security – regardless of the terminology used – will depend on the facts and circumstances, including the economic realities of the transaction”. The SEC clarified that the registration requirements “apply to those who offer and sell securities in the United States, regardless whether the issuing entity is a traditional company or a decentralized autonomous organization, regardless whether those securities are ...distributed in certificated form or through distributed ledger technology...” On December 4, 2017, and December 11, 2017, the SEC announced enforcement actions relating to the PlexCoin and Munchee token launches, respectively. On December 11, 2017, SEC Chairman Jay Clayton published a public statement entitled Cryptocurrencies and Initial Coin Offerings. The SEC has made a concerted effort to monitor the ICO market and address—through the DAO Report and the more recent SEC guidance—transactions and behaviors it believes are both inconsistent with and in violation of U.S. securities laws. In early 2018, media reports indicated that the SEC has subpoenaed around 80 cryptocurrency firms as part of a targeted probe. On March 7, 2018 the Divisions of Enforcement and Trading and Markets issued a public statement stating that many digital assets are likely to be securities under the federal securities laws and urged investors to use platforms for trading such assets that are registered with the SEC, such as a national securities exchange, alternative trading system (“ATS”), or broker-dealer.

Commissioners of the CFTC have expressed the belief that bitcoin meets the definition of a commodity and that the CFTC has regulatory authority over futures and other derivatives based on Blockchain Assets, subject to facts and circumstances. On September 17, 2015, the CFTC instituted and settled an action against Coinflip, a bitcoin derivatives trading platform. The Coinflip order found that the respondents (i) conducted activity related to commodity options transactions without complying with the provisions of the CEA and CFTC regulations, and (ii) operated a facility for the trading of swaps without registering the facility as a SEF or DCM. The Coinflip order was significant as it was the first time the CFTC determined that “virtual currencies” are properly defined as commodities under the CEA. Based on this determination, the CFTC applied CEA provisions and CFTC regulations that apply to transactions in commodity options and swaps to the conduct of the bitcoin derivatives trading platform. Significantly, the CFTC appears to have taken the position that virtual currencies are not encompassed by the definition of currency under the CEA and CFTC regulations. The CFTC defined “virtual currencies” as “a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value, but does not have legal tender status in any jurisdiction. Bitcoin and other virtual currencies are distinct from ‘real’ currencies, which are the coin and paper money of the United States or another country that are designated as legal tender, circulate, and are customarily used and accepted as a medium of exchange in the country of issuance.” The CFTC affirmed its approach to the regulation of Blockchain Assets

and virtual currency-related enterprises on June 2, 2016, when the CFTC settled charges against Bitfinex, a Bitcoin Exchange based in Hong Kong. In its Order, the CFTC found that Bitfinex engaged in “illegal, off-exchange commodity transactions and failed to register as a futures commission merchant” when it facilitated borrowing transactions among its users to permit the trading of bitcoin on a “leveraged, margined or financed basis” without first registering with the CFTC. On March 6, 2018, the United States District Court for the Eastern District of New York ruled that “virtual currencies can be regulated by CFTC as a commodity” but left the door open for other regulatory bodies to regulate virtual currency concurrently.

Local and state regulators may also regulate or seek to regulate Blockchain Assets. In July 2014, the New York State Department of Financial Services (the “NYDFS”) proposed the first state regulatory framework for licensing participants in “virtual currency business activity.” The proposed regulations, known as the “BitLicense,” are intended to focus on consumer protection and, after the closure of an initial comment period that yielded 3,746 formal public comments and a re-proposal, the NYDFS issued its final “BitLicense” regulatory framework in June 2015. The “BitLicense” regulates the conduct of businesses that are involved in “virtual currencies” in New York or with New York customers and prohibits any person or entity involved in such activity to conduct activities without a license. On April 17, 2018, the New York State Attorney General launched the Virtual Markets Integrity Initiative to investigate the policies and procedures of platforms trading Blockchain Assets. The Initiative makes clear that the Attorney General’s office is taking a very broad approach in investigating the Blockchain Asset trading platforms’ compliance with regulatory requirements and investor protection initiatives under New York State law.

Not all regulations of Blockchain Assets are restrictive. For example, on June 28, 2014, California repealed a provision of its Corporations Code that prohibited corporations from using alternative forms of currency or value. The bill indirectly authorizes the use of bitcoin as an alternative form of money in the state. In March 2018, Wyoming passed five bills which have been viewed as favorable to the blockchain industry, which among other things, exempt certain activities related to Blockchain Assets from Wyoming state securities and state money transmitter laws.

The IRS has released guidance treating bitcoin and certain Blockchain Assets that are utilized as cryptocurrencies as property that is not currency for U.S. federal income tax purposes. Taxing authorities of a number of U.S. states have also issued their own guidance regarding the tax treatment of bitcoin and other Blockchain Assets for state income or sales tax purposes. The tax treatment of Blockchain Assets may be the subject of future tax related legislation and/or regulation.

To the extent that Blockchain Assets are determined to be a security, commodity future or other regulated asset, or to the extent that a U.S. or foreign government or quasi-governmental agency exerts regulatory authority over Blockchain Assets or the trading and ownership thereof, trading or ownership of Blockchain Assets may be adversely affected.

Blockchain Assets also face an uncertain regulatory landscape in many foreign jurisdictions.

DSSRLQWHGIDVSHFLDOFRPPLWVHHDXWKRULHGWRHDPLQH WKH UHJXODWLRQRIILMVXDQFHV
EUSWRJUDSKLFFXUUHQFLHYWRWKHSXEOLFZLWKWKHDLPRIIRUPXODWLQJJDOLVWRUHFPPHQGDWL
WKDWZLOOSURYLGHDQLQLWLDUHUJXODWRUJHVSRQVHLQWKHRSLQLRQRWKH6\$WRWKLVIHOG

2Q\$XJXVW WKH & DQDGLDQ 6HFULWLHV \$GPLQLWUDWRUM 6\$SXEOLVKHGIDVWDI
SRVLWLRQRQWKHSURSRVDO IHHULQJRIEUSWRJUDSKLFWRNHQVWRWKHSXEOLFZKH MWDI SRVLWLR
LQGLFDWHG WKDW WKHUHLYDQLQFUHDYLQJWUHQQGLQWKHRIHUVRIEUSWRJUDSKLFWRNHQVWRM
LQFOXGLQJWKHRIHULQJMRIEUSWRJUDSKLFWRNHQVZKLFKDUHFKDUDFWHULHGIDV VHFULWLHV
GHULYDWLYHV DQG WKHUHRLUHQWKHVHEDVHVWKH & DQDGLDQ VHFULWLHV DQGGHULYDWLYHV
DSSO WRWKH & 2M QDGGWLWRQWRWKH & 2GHILQLWLRQWKHSXEOLF DLWRQIQFOXGHV UHUUHQ
UHJLVWUDWLRQDQGGGLVFORVXUHUHTXLUHPHQWVWKHYDULRXVWUDGLQJSODWIRUPMUHOHYDQ
KRZWKH DUH PDUNHWHGWRWKHLQYHVWPHQWIXQGVWKDWRIIHUEUSWRJUDSKLFFXUUHQFLHYDQG
UHJXODWRU6DQGER6HJDUGLQJWKHTXHVWLRQRIZKHWKHUEUSWRJUDSKLFWRNHQVDUHMHFULWL
WKH & 6\$SRVLWLRQVWDWHVWKDWEDQRWKH & 2M WKDWZHUHHDPLQHGRXQGWRIEHWKDWWK
WRNHQVIMVXHGLQWKLVSURFHHGLQJDUHMHFULWLHVQFOXGLQJLQOJJKWRWKHIDFWWKDW
ERQVLGHUHG DYLVQYHVWPHQWERQWUDEFW

ZKHRYHUQPHQWRILEUDOWDUKDVHQDFWHG WKH JLDQDQLDO 6HUYLFHVIMVWULEXWHGZHGJH
ZHEKQRORJBURYLGHUM5HJXODWLRQVWKH 75HJXODWLRQVZKLFKEDPHLQWRHIIHFRQ
DQXDU WKH \$ULPDU\$XUSRVHRIWKH 75HJXODWLRQVIMWRIFUHDWHIDVDIH
HQYLURQPHQWIRU75HJXODWHGEXVLQHVMHVWRIRSHUDWHDQGGIQQRDWHZKLOHIMLPXOWDQ
SURWHEWLQJERQVXPHUVDQGMDIHJXDUGLQJLEUDOWDUMUHSXWDWLRQDWDWUXVWHG DQGMW
EXVLQHVMKXELRPSDQLHVZKLFKXVHEORENFKDLQWHFKQRORJWRVWRUHRUWUDQVPLWYDOX
EHORQJLQJWRWKHUMIHDRIEXVLQHVM DUHEDXJKW EWKH 75HJXODWLRQVDQGUHTXLUHD
OLFHQVHLQLEUDOWDUZKHDFWLYLWRIRXQGHUWDNLQJ DWRNHQVDOHGRHVQRWDXWRPDWLEDOO
WKHMFRSHRIWKH 75HJXODWLRQVEXWPDGSHSHQGRQWKHPDQQHULQZKLFKWKHMDOHRIWRNHQV
LQVWUXFWXUHG DQGWKHFKDUDFWHULVWLFVRIWKHWRNHQVZKHLEUDOWDUJLDQDQLDO6
& RPPLVLRQWKH 6 & KRZHYHU KDV DQQRXQFHG SODQVWRIFUHDWHIDFRPSOHPHQWDU
UHJXODWRUJUDPHZRUNWKDWERYHUVWKHSURPRWLRQDQGMDOHRIWRNHQVDOJQHGLZLWKWK
5HJXODWLRQVWKH & RPSOHPHQWDUJUDPHZRUNIMQQRWFOHDUZKHQWKH & RPSOHPHQWDU
JUDPHZRUNZLOOEHEIFUHDWHG DQGGIPSOHPHQWHG DQGWZKDWUHTXLUHPHQWVIMVZLOOIPSRV
SHUVRQVRIHQWLWLHVZLVKLQJWRIRXQGHUWDNHWRNHQVDOHIDFWLYLWRU DQ SURPRWLRQDO
ERQQHFWLRQWKHUHZLWKLQRUIWRPZLWKLQLEUDOWDU

2YHUYLHZRIZUDQVIHU5HVWULFWLRQVIRU86BHUVRQV

This Memorandum describes the transfer restrictions applicable to the Warrants. Investors should carefully review this Memorandum, including the transfer restrictions under “Summary of the Offering” on page 64, which contain important information regarding the Securities. Investors should consult with their own legal and financial advisors regarding the transfer restrictions by which they will be bound. The below summary is intended to provide a summary overview of applicable transfer restrictions and is qualified by referencet o the transfer restrictions set forth under “Summary of the Offering” on page 64.

For U.S. persons who are accredited investors:

- Until at least the expiry of one year from the date of closing of the respective Offering, the Securities may not be offered, sold, pledged or otherwise transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, any “U.S. person” (as such term is defined in Regulation S under the Securities Act), except (i) to persons other than “U.S. persons” in “offshore transactions” (in each case, as such term is defined in Regulation S under the Securities Act) and pursuant to a transaction otherwise meeting the requirements of Rule 901 through Rule 905 (including Preliminary Notes) of Regulation S; (ii) pursuant to an effective registration statement under the Securities Act; or (iii) pursuant to an exemption from the registration requirements of the Securities Act, and, in each case, in accordance with all applicable securities laws, including securities laws of the states of the United States and any other applicable jurisdictions.
- In general, any purchaser of Securities who is not an affiliate of the Company and who has not been an affiliate of the Company at any time during the three months preceding may resell any Securities that such purchaser has beneficially owned for at least one year in or into the United States or to, or for the account or benefit of, any “U.S. person” (as such term is defined in Regulation S under the Securities Act) without any restrictions under Rule 144 under the Securities Act.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This Memorandum contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. Forward-looking statements may include, but are not limited to, statements relating to the Company's current and projected operations, financial results, business and products. In some cases, you can identify forward-looking statements by words such as “anticipate,” “may,” “believe,” “could,” “should,” “estimate,” “expect,” “intend,” “plan,” “predict,” “potential,” “forecasts,” “project,” and other similar expressions, also are forward- looking statements. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on the Company. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks and uncertainties. Many important factors could cause actual results, performance or achievements to differ materially from any future results, performance or achievements expressed in or implied by the Company's forward-looking statements, including the risk factors described below. Many of the factors that will determine future events or achievements are beyond the Company's ability to control or predict.

All forward-looking statements in this Memorandum speak only as of the date hereof. You should not place undue reliance on forward-looking statements. The



Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based. The Company's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements, including, but not limited to, the risks the Company faces as described under the section titled "Risk Factors" beginning on page 20 and risks described elsewhere in this Memorandum. We can give you no assurance that any of the events anticipated by the forward-looking statements will occur or, if any of them do, what impact they will have on our future results, performance or achievements.

HYGH AG

TABLE OF CONTENTS

The Business	12
Summary of The Offering	15
Allocation of Funds	19
Risk Factors	20
Additional Information	48
Jurisdictional Legend	49

THE BUSINESS

SUMMARY

HYGH connects owners of public displays with advertisers in a peer to peer fashion. The HYGH platform empowers everyone to become an advertiser regardless of advertising competence or company size. Our easy to use app turns any screen into a highly flexible space, whether it's a tablet located at a convenience store, a TV screen in a small shop window, or professionally mounted billboard in Times Square.

OUR VISION

Our mission is to redefine how we, as a society, handle advertisements in our cities. Who should provide the infrastructure? Who should be advertising? As of now, the market for Digital Out of Home Advertising is slow-moving, centralized, inflexible, and inaccessible for small businesses. Our objective is to establish an easy to use standard that empowers small businesses to conduct targeted advertising in a very specific and easy to use way. For instance, a small beauty salon, using our platform, would be able to elect to advertise only at barber shops and drug stores in its geographic area, only during the week, and only during daylight hours.

We have given ourselves the task of going above and beyond the status quo as well as the task of democratizing the advertising industry. Generating passive income and running custom ad-campaigns will become a breeze with the easy to use HYGH platform. By reducing the time needed to publish an advertisement from months to mere seconds, HYGH will open a new global market for dynamic real-time advertising to everyone with access to a screen.

The current Out-of-Home-Advertising industry is not transparent. Customers have no way of verifying when, where, and for how long an advertisement was played.



By recording every event that occurs in our ecosystem to a distributed Blockchain, HYGH generates trust, transparency, and datasets while simultaneously eliminating the need for such trust by creating a verifiable and constantly recorded ledger on the Blockchain. This recorded ledger will also allow advertisers to conduct research on, and build upon, advertising trends and data.

We are offering a security token because we believe that we should be taking the first steps into the future of advertising and real world technology. We see the Blockchain as a useful, innovative, and valuable addition, both to our company and the world as a whole.

BENEFITS

Advertise anywhere and everywhere or provide a display and get paid!

Display Providers

- Easy setup and low maintenance
- Control of the contents on your display
- Use of HYGH as a content management system for your displays
- Passive income just for allowing access to any screen that you own

Advertisers

- Ability to run a custom, hyper-local ad-campaign for as low as \$5.00 per day
- Run advertisements in reaction to current events as they unfold
- Massive increase in potential market reach and precision

BUSINESS MODEL

Within our structure, an advertiser will be afforded the opportunity to plan a campaign and then view each available display provider. This will allow the advertiser to analyze and review the price of running their campaign on a specific screen or number of screens provided by a single, or multiple, display providers. Each time the campaign is shown on a screen, we account this as a transaction or “play” which is recorded as an individual event on the blockchain and is charged as a single event for revenue and accounting purposes. For every play, tax will be subtracted from the amount for compliance and legal purposes; after that, 83.5% of the price of the transaction will go directly to the display provider. The remaining 16.5% of the price is split as follows: 9% will be split pro rata between staking HYGH Token holders as a benefit for holding the token and interacting as



part of the network, 2.5% will go to our trusted validators, and the remaining 5% will go to HYGH AG as a fee for the use of the service and the network.

REVENUE STRUCTURE

HYGH AG will receive a 7.5% fee from each transaction, (with 2.5% going to trusted validators in the system to ensure that the content is safe and legal for all parties, and to ensure that the screens are properly set up to prevent fraud). As a result, HYGH AG will receive 5% of the transaction cost as its fee. This 5% will go to HYGH AG directly to maintain and grow the business and the ecosystem.

The amount of net revenue that is split, pro-rata between the Token holders will be recalculated and adjusted at intervals of every five (5) years by HYGH AG in its sole discretion. HYGH AG plans and intends that the adjustment shall not exceed a change of -/+ 3% of the total net revenue. HYGH AG may review and/or amend the recalculation interval or the net distribution to Token holders change at its sole discretion. The first adjustment is planned for January 1st, 2024.

COMPETITIVE ANALYSIS

While we are aware that there is competition in the Out-of-Home-Media industry, we have observed that the space is occupied by a few traditionally big players who are slow to innovate and are inflexible in their formats and growth. HYGH is set to outpace the competition by building a complete and open ecosystem wherein anyone can participate. The entry barriers to participate in the HYGH ecosystem are negligible, which we believe will allow us to scale quickly on a global scale. This fact, combined with the advantage of being a pioneer in the advertising-blockchain space should give HYGH a big advantage through our utilization of our large and ever-growing network.

Summary of the Offering

The following material is intended to summarize information contained elsewhere in this Offering Memorandum (the “Memorandum”). This summary is qualified in its entirety by express reference to this Memorandum and the materials referred to and contained herein. Each prospective subscriber should carefully review the entire Memorandum and all materials referred to herein and conduct his or her own due diligence before subscribing for Tokens.

Issuer: HYGH AG

Securities Offered: Tokens

The Offering size: The Company is offering a maximum number of Tokens of 600,000,000.

Investors: “U.S. Persons acceptable to the Company who qualify as persons” (as defined under Regulation S under the Securities Act) who are “accredited investors” (as defined under Regulation D under the Securities Act).

Price Per Token:

Max Tokens Sold for Price	Offering Stage	Price Per Token
25,000,000	Private-Sale	\$0.020
150,000,000	Pre-Sale	\$0.030
50,000,000	Pre-Sale	\$0.035
100,000,000	STO	\$0.040
125,000,000	STO	\$0.045
150,000,000	STO	\$0.050

Form of Payment:

USD, EURO, BTC, ETH, or other fiat or cryptographic blockchain assets to be approved at the sole discretion of the company.

Minimum Investment Amount Per Investor: \$250.00

Expiration date of the offering:

Offering is scheduled to conclude once all tokens offered have been sold, unless extended or terminated at an earlier time, at the sole discretion of the company. The Company may accept funded subscriptions for Token purchases on a tolling basis with the closings for any such sales of Tokens to be held from time to time as determined at the sole discretion of the Company.

Rights of Token Holder:

Tokens entitle their respective holder to a right of participation, provided the holder has been registered with the Issuer and has been duly identified and approved through KYC/AML protocols (Registration and KYC/AML). Token holders will be entitled to a pro rata (based on token holdings) split of 9% of HYGH AG's net revenue, subject to proper Registration and KYC/AML. Revenue will be distributed to token holders quarterly only if the amount succeeds USD 10 (**Minimum Distribution Amount**). Quarterly revenue distribution amounts below the Minimum Distribution Amount will be kept by the Issuer and the Token holder will have no claim for it against the Issuer. The actual amount to be paid out will be equal to the pro rata quarterly revenue participation amount *minus* possible transaction costs *minus* possible withholding taxes (**Pay Out Amount**). It is in the sole discretion of the Issuer if he pays out the Pay Out Amount in any FIAT currency or any cryptocurrency. Note: HYGH Tokens must be held in a staking wallet, endorsed by HYGH AG to receive and collect revenue distributions.

According to Art. 1157 (1) CO, the Token holders form by operation of law a community of creditors (*Gläubigergemeinschaft*) with rights and duties described in Art. 1158 et seqq. There is no representative (*Vertreter*) appointed under the conditions of this PPM (cf. Art. 1158 (1) CO).

How to Subscribe:

To purchase tokens pursuant to this private placement subscription memorandum, each investor shall be required to complete any such documentation as requested by the Company. This may include but is not limited to 1. The execution & delivery of a subscription agreement, in the form dictated or agreed to by the Company. Said agreement shall outline the number of tokens to be purchased as well as the total purchase price of all tokens in the aggregate; and 2. Information and documentation provided shall be sufficient to verify the status, identity, and location of the investor; and 3. Information and documentation provided shall be sufficient to conduct a background check in accordance with KYC/AML requirements and laws. Deliverance of such materials and approval by the Company are requisite for participation in the offering.

Fees & Expenses:

The Company and the purchaser shall be responsible for their own costs and expenses with respect to the offering.

Amendments & Withdrawal rights:

The Company reserves the right to amend the terms of the Offering or the Securities at any time prior to the Expiration Date. If the Company amends the terms of the Offering or the Securities in any material respect, it will provide each investor with at least 3 business days to withdraw its election to purchase Tokens as contemplated by such investor's Subscription Agreement. Upon any such withdrawal, such investor's Subscription

Agreement will terminate and all funds received from such investor will be returned without interest as soon as practicable. The Currency in which the refund will be paid is at the sole discretion of the Company. The Company also reserves the right to accept or reject any subscription for Tokens in its sole discretion for any reason whatsoever and to withdraw the Offering at any time prior to the Company's acceptance of funded subscriptions for Tokens.

Use of Proceeds:

Company intends to use all or a portion of the net proceeds of the Offering to pay for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and acquisitions of complementary products, or technologies to support the development of the Company.

Transfer Restrictions:

No public market exists for the securities. These Securities have not been registered under the Securities Act or any securities laws of any state or other jurisdiction and, unless so registered, the Securities may not be offered or sold, directly or indirectly, in or into the United States or to, or for the account or benefit of, any "U.S. person" (as such term is defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other securities laws. Potential investors should be aware that they may be required to bear the financial risks of the Securities for an indefinite period of time and may lose their entire investment in the Securities.

Any acquisition or transfer of the Securities made in violation of the eligibility and transfer restrictions contained in this Memorandum or in the applicable Subscription Agreement or made based upon any false or inaccurate representation made by the investor or a transferee to the Company, will be void and of no force or effect.

No Other rights of Token Holders:

Except as provided in this document, Tokens do not entitle the holder to any rights or privileges of a holder of equity securities or preferred shares, specifically including any voting rights, alternative dividend rights, or cash payments.

Risk of no Pay-Out for Small Investors:

In view of the Minimum Investment Amount Per Investor and the Minimum Distribution Amount, small investors acknowledge the risk that the probability is relatively high that they may in particular in the first years, but also in following quarters, receive no distribution amounts paid out.

Secondary Market Transactions:

The Issuer agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effect the transfer of any Tokens, such notice is deemed given by all parties involved in any secondary market transaction as an electronic record by inclusion of the relevant transaction on a block on the Token's underlying blockchain. The Issuer, any Investor and any other party in any secondary market transaction with the Token acknowledge a token transfer valid according to any rule of law by subscribing Tokens and by using the blockchain as underlying technology of the Tokens for holding and transferring Tokens.

General Suitability Standards:

The Tokens will not be sold to any "U.S. person" unless such prospective purchaser or his or her duly authorized representative shall have represented in writing to the Company that:

- (a) The prospective purchaser has adequate means of providing for his or her current needs and personal contingencies and has no need for liquidity in the investment of the Tokens;
- (b) The prospective purchaser's overall commitment to investments which are not readily marketable is not disproportionate to his, her, or its net worth and the investment in the Tokens will not cause such overall commitment to become excessive; and

The prospective purchaser is an "Accredited Investor" suitable for purchase in the Tokens.

ALLOCATION OF FUNDS

We will use the net proceeds from the sale of Securities offered by us under this Memorandum for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and acquisitions of complementary products, or technologies to support the development of HYGH. The timing and amount of our actual expenditures will be based on many factors, including our ability to develop the platform as anticipated. As a result, unless otherwise indicated in any supplemental materials, our management will have broad discretion to allocate the net proceeds of the offering.

Generally, we intend and plan the funds raised to be used in accordance with the following percentages approximately:

40% Development & Operations

35% Marketing

10% Maintenance

5% Public Relations

5% Exhibitions & Outreach

5% Legal

Risk Factors

Investing in the Securities involves a high degree of risk. You should carefully consider the risks we describe below, along with all of the other information set forth in this Memorandum, including the section titled “Cautionary Statements Regarding Forward-Looking Statements” beginning on page 10 before deciding to purchase any Securities. The risks and uncertainties described below are those significant risk factors, currently known and specific to us, that we believe are relevant to an investment in the Securities. If any of these risks materialize, our business, results of operations or financial condition could suffer, the price of our Securities could decline substantially and you could lose part or all of your investment. Additional risks and uncertainties not currently known to us or that we now deem immaterial may also harm us and adversely affect your investment in the Securities.

You may lose all monies that you spend purchasing Securities. If you are uncertain as to our business and operations or you are not prepared to lose all monies that you spend purchasing Securities, we strongly urge you not to purchase any Securities. We recommend you consult legal, financial, tax and other professional advisors or experts for further guidance before participating in the Offering as further detailed in this prospectus. Further, we recommend you consult independent legal advice in respect of the legality of your participation in the sale of the Securities.

It is not recommended that you purchase Securities unless you have prior experience with Blockchain, cryptographic, cryptocurrency assets, or blockchain based software and distributed ledger technology and unless you have received independent professional advice.

Inadequacy of Funds

If only a fraction of this Offering is sold, or if certain assumptions contained in Management's business plans prove to be incorrect, the Company may have inadequate funds to fully develop its business and may need debt financing or other capital investment to fully implement the Company's business plans.

Dependence on Management

In the early stages of development, the Company's business will be significantly dependent on the Company's management team. The loss of any core or executive team member could have a materially adverse effect on the Company.

Market Acceptance

Although the Company believes that its screenplay is more appealing over competitive options, no assurance can be given that Company's efforts will attain a degree of acceptability to the regional, national, or international markets, although it's likely with the person(s) involved in this production there is no guarantee to generate revenues sufficient for sustained profitable operations.

Regulatory hurdles

We are seeking, or plan to seek registrations with all relevant government agencies in the United States and in other jurisdictions where we may operate. The registration process may be lengthy and difficult. If we fail to qualify for regulatory registrations, we may be unable to execute on some or all aspects of our business plan. This would have a broad impact on us and would materially harm our business, financial condition, results, operations, prospects, and reputation. As a result, investors could lose all or most of their investment.

Risk of theft and vulnerabilities

The Smart Contract System concept, the underlying software application and software platform (i.e. the blockchain) may be exposed to attacks by hackers or other individuals including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Any such successful attacks could result in theft or loss of contributions or Tokens, adversely impacting the ability to develop the project or network and derive any usage or functionality from Tokens. You must take appropriate steps to satisfy yourself of the integrity and veracity of relevant websites, systems and communications. Furthermore, because there is a risk that a third party or a member of the Company's team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of HYGH's Network, which could negatively affect the HYGH Network and Tokens.

Competition

While there does exist some current competition in other forms, Management believes that HYGH is unique in nature, cutting across all competition with a unique and proprietary five platform technology engineered to drive revenue, demand and the ecosystem behind its ERC20 token. The expertise of Management combined with integration of talent and experienced team members will set the Company apart from its competitors. There is the possibility that new competitors could seize upon HYGH AG's principles and produce competing showpieces. Likewise, these new competitors could be in the existing sector and better capitalized as HYGH AG which could give them a significant advantage.

Risk of incompatible wallet service

The wallet or wallet service provider used to receive Tokens must be endorsed by HYGH AG. The failure to ensure such conformity may impede access to, or cause loss of, Tokens.

Risk of an unfavorable fluctuation of Ethereum and other currency value

The Company intends to use the contributions received to fund the development of HYGH and various other operating expenses. The contributions received may be converted into other cryptographic assets and fiat currencies. If the value of accepted currencies fluctuates unfavorably during or after the Token Sale, the Company may not be able to fund the development of, or may not be able to maintain, the HYGH Network in the manner that it intended.

Risks associated with the development and maintenance of HYGH

HYGH is still under development and may undergo significant changes over time. Although we intend for Tokens and Network to function as described in the Whitepaper and intend to take commercially reasonable steps towards those ends, we may have to make changes to the specifications of Tokens or to the platform for any number of legitimate reasons. Moreover, we may not be able to retain full and effective control over how other participants will use the token/platform/network, what products or services will be offered by third parties, or how third-party products and services will utilize Tokens (if at all). This could create the risk that Tokens, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop HYGH, it is still possible that HYGH will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact HYGH and/or HYGH's Network.

General Economic Conditions

The financial success of the Company may be sensitive to adverse changes in general economic conditions in the United States, such as recession, inflation, unemployment, and spending patterns. Such changing conditions could reduce the pool of possible success. HYGH AG has no control over these changes.

Trend in Consumer Preferences and Spending; Possible Fluctuations in Operating Results

The Company's operating results may fluctuate significantly from period to period as a result of a variety of factors, including purchasing patterns of end consumers, competitive pricing, possible debt service/principal reduction payments, and general economic conditions. Consequently, the Company's revenues will depend on franchisee success, and may vary by quarter, and the Company's operating results may experience fluctuations.

Unanticipated Obstacles to Execution of the Business Plan

The Company's business plans may change significantly. Many of the Company's potential business endeavors are capital intensive. Management believes that the Company's chosen activities and strategies are achievable. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

Management Discretion as to Use of Proceeds

The net proceeds from this Offering will be used for the purposes described under "Allocation of Funds". The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which it deems to be in the best interests of the Company and its shareholders in order to address changed circumstances or opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of Management with respect to application and allocation of the net proceeds of this Offering. Investors for the Token offered hereby will be entrusting their funds to the Company's Management, upon whose judgment and discretion the investors must depend.

The Blockchain Asset markets and the financial services industries in which we operate are subject to extensive, evolving regulation that imposes significant costs and competitive burdens that could materially impact our business.

Most aspects of our anticipated broker-dealer and advisory operations will be highly regulated, including regulatory oversight over sales and reporting practices, operational compliance, capital requirements and licensing of employees, among other things. Accordingly, we face the risk of significant intervention by regulatory authorities such as the SEC and FINRA in the U.S. and their equivalents in other countries.

Compliance with regulations may require us to dedicate significant financial and operational resources which could negatively affect our profitability. In addition, regulatory burdens or uncertainty could result in clients leaving our markets or decreasing their trading activity, or prevent potential clients from entering the markets for Blockchain Assets. We expect to incur significant costs to comply with the extensive regulations that apply to our business.

As we expand our business, we may be exposed to increased and different types of regulatory requirements. We may become subject to new regulations or changes in the interpretation or enforcement of existing regulations, which may adversely affect our business. Also, regulatory changes that impact how our customers conduct their business may impact our business and results of operations. The U.S. federal government and other governments outside of the United States may implement new or revised regulatory requirements for the financial services industry and blockchain industry. Any changes to the regulatory rules could cause us to expend more significant compliance, business and technology resources, incur additional operational costs and create additional regulatory exposure.

If we fail to comply with applicable laws, rules or regulations, we may be subject to censure, fines, cease-and-desist orders, suspension of our business, removal of personnel or other sanctions, including revocation of our planned broker-dealer and investment adviser registrations.

Failure to attract customers and attrition of any existing customer accounts would have a material adverse effect on our business, financial condition and results of operations and cash flows.

We believe our customer base will be primarily comprised of individual high net worth retail customers. Although we intend to offer products and tailored services designed to educate, support and retain our customers, our efforts to attract new customers or reduce the attrition rate of existing customers may not be successful. If we are unable to generate a substantial number of new customers or maintain existing customers in a cost-effective manner, our business, financial condition and results of operations and cash flows would likely be adversely affected. Although we plan on devoting significant financial resources on sales and marketing expenses and related expenses and plan to do so, these efforts may not be cost-effective at attracting new customers. In particular, we believe that rates for desirable advertising and marketing placements, including online, search engine, print and television advertising, are likely to increase in the foreseeable future, and we may be disadvantaged relative to our larger competitors in our ability to expand or maintain our advertising and marketing commitments. Additionally, our sales and marketing methods are subject to regulation in the United States and in other jurisdictions. The rules and regulations of these activities impose specific limitations on our sales methods, advertising and marketing. If we do not achieve our advertising objectives, our profitability and growth may be materially adversely affected.

No Assurances of Protection for Proprietary Rights; Reliance on Trade Secrets

In certain cases, the Company may rely on trade secrets to protect confidential marketing initiatives which the Company has developed or may develop in the future. There can be no assurances that secrecy obligations will be honored or that others will not independently develop similar or more appealing intellectual properties. The protection of proprietary properties and ancillaries through claims of trade secret status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defense of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area. The Company, in common with

other firms, may also be subject to claims by other parties with regard to the use of technology information and data which may be deemed proprietary to others.

Limited Transferability and Liquidity

To satisfy the requirements of certain exemptions from registration under the Securities Act, and to conform with applicable state securities laws, each investor must acquire his Tokens for investment purposes only and not with a view towards distribution. Consequently, certain conditions of the Securities Act may need to be satisfied prior to any sale, transfer, or other disposition of the Tokens. Some of these conditions may include a minimum holding period, availability of certain reports, including financial statements from HYGH AG, limitations on the percentage of Tokens sold and the manner in which they are sold. HYGH AG can prohibit any sale, transfer or disposition unless it receives an opinion of counsel provided at the holder's expense, in a form satisfactory to HYGH AG, stating that the proposed sale, transfer or other disposition will not result in a violation of applicable federal or state securities laws and regulations. No public market exists for the Tokens. Consequently, owners of the Tokens may have to hold their investment indefinitely and may not be able to liquidate their investments in HYGH AG or pledge them as collateral for a loan in the event of an emergency.

Broker - Dealer Sales of Securities

The Company's Securities are not presently included for trading on any exchange, and there can be no assurances that the Company will ultimately be registered on any exchange. The NASDAQ Stock Market, Inc. has recently enacted certain changes to the entry and maintenance criteria for listing eligibility on the NASDAQ Small Cap Market. The entry standards require at least \$4 million in net tangible assets or \$750,000 net income in two of the last three years. The proposed entry standards would also require a public float of at least 1 million shares, \$5 million value of public float, a minimum bid price of \$1.00 per share, at least three market makers, and at least 300 shareholders. The maintenance standards (as opposed to entry standards) require at least \$2 million in net tangible assets or \$500,000 in net income in two of the last three years, a public float of at least 500,000 shares, a \$1 million market value of public float, a minimum bid price of \$1.00 per share, at least two market makers, and at least 300 shareholders.

No assurance can be given that the Securities of the Company will ever qualify for inclusion on the NASDAQ System or any other trading market. As a result, the Company's Common Securities are covered by a Securities and Exchange Commission rule that opposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors. For transactions covered by the rule, the broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written agreement to the transaction prior to the sale. Consequently, the rule may affect the ability of broker-dealers to sell the Company's securities and may also affect the ability of shareholders to sell their Securities in the secondary market.

Long Term Nature of Investment

An investment in the Tokens may be long term and illiquid. As discussed above, the offer and sale of the Tokens will not be registered under the Securities Act or any foreign or state securities laws by reason of exemptions from such registration that depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Tokens for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Tokens must be willing and able to bear the economic risk of their investment for an indefinite period of time. It is likely that investors will not be able to liquidate their investment in the event of an emergency.

No Current Market for Tokens

There is no current market for the Tokens offered in this Private Offering and no market is promised to develop in the near future.

Compliance with Securities Laws

The Tokens are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act, applicable New York Securities Laws, and other applicable state securities laws. If the sale of Securities were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of Securities. If a number of purchasers were to obtain rescission HYGH AG would face significant financial demands that

could adversely affect HYGH AG as a whole, as well as any non-rescinding purchasers.

Company has no operating history

HYGH Token is a newly formed digital asset and HYGH AG is a recently formed company under the laws of Switzerland and has no operating history. Documents should be evaluated on the basis that HYGH AG or any third party's assessment of the prospects of the HYGH's Ecosystem may not prove accurate, and that HYGH AG will not achieve its investment objective. Past performance of HYGH AG or any similar digital asset is not predictive of future results.

Offering Price

The price of the Tokens offered has been arbitrarily established by HYGH AG, considering such matters as the state of the Company's business development and the general condition of the industry in which it operates. The Offering price bears no relationship to the assets, net worth, or any other objective criteria of value applicable to HYGH AG.

Lack of Firm Underwriter

The Tokens are being offered on a "best efforts" basis by the officers and directors of HYGH AG without compensation and on a "best efforts" basis through certain FINRA registered broker-dealers that enter into Participating Broker-Dealer Agreements with the Company. Accordingly, there is no assurance that the Company, or any FINRA broker-dealer, will sell the maximum amount of Tokens offered or any lesser amount and no guarantee that the minimum funding amount will be realized.

We have not identified all the persons that we will need to hire to provide services and functions critical to the development of the business and no assurance can be given that we will be able to hire the necessary persons on acceptable terms, if at all.

Our business is in its developmental stage and we have not identified all the persons that we will need to hire to provide services and functions critical to the development of the business. If we are unable to hire persons with the necessary expertise, on terms acceptable to us, then we will not be able to develop our business as contemplated. Further, even if we are able to hire such service providers, they might be unable to meet our specifications and requirements, which could have a material adverse effect on our ability to develop and launch our business plan.

Our compliance and risk management programs might not be effective and may result in outcomes that could adversely affect our reputation, financial condition and operating results.

Our ability to comply with applicable laws and rules is largely dependent on our establishment and maintenance of compliance, review and reporting systems, as well as our ability to attract and retain qualified compliance and other risk management personnel. We face the risk of significant intervention by regulatory authorities, including extensive examination and surveillance activity.

We cannot assure you that our compliance policies and procedures will always be effective or that we will always be successful in monitoring or evaluating our risks. In the case of alleged non-compliance with applicable laws or regulations, we could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits, including by customers, for damages, which could be significant. Any of these outcomes may adversely affect our reputation, financial condition and operating results.

Banks may not provide banking services, or may cut off banking services, to businesses that provide blockchain related services, which could affect our ability to execute our business plan and damage the public perception of Blockchain Assets, which could have a material adverse effect on our results of operations and business prospects.

A number of companies that provide blockchain-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to blockchain-related companies or companies that accept Blockchain Assets for a number of reasons, such as perceived compliance risks or costs. We may also face difficulties in obtaining banking services, which may have a material adverse effect on our operations. In addition, even if we are able to obtain banking services, the difficulty that many businesses that provide blockchain-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of Blockchain Assets as a payment system and harming public perception of Blockchain Assets as a viable asset class.

If the Company loses certain senior management and key personnel, or is unable to attract and retain skilled employees when needed, it may not be able to operate successfully.

The success of the Company depends largely on its management team including its founders. The loss of any key member of the management team may substantially limit the Company's ability to execute its business plans.

Technology relied upon by the Company for its operations may not function properly.

The technology relied upon by the Company may not function properly, which would have a material impact on the Company's operations and financial conditions. There are few alternatives available if such technology does not work as anticipated. This technology may malfunction because of internal problems, the blockchain networks on which it relies or as a result of cyber-attacks or external security breaches. These technological problems would adversely impact the Company's business and operating results.

Our business plan depends on our proprietary technology. Any inability to develop, or disruption or corruption of our proprietary technology could have a material adverse effect on our business, financial condition and results of operations and cash flows. We may experience failures while developing our proprietary technology.

We will rely on our proprietary technology to receive and properly process internal and external data. Any disruption for any reason in the proper functioning, or any corruption, of our software or erroneous or corrupted data may cause us to make erroneous trades, accept customers from jurisdictions where we do not possess the proper licenses, authorizations or permits, or require us to suspend our services and could have a material adverse effect on our business, financial condition and results of operations and cash flows. In order to remain competitive, we need to continuously develop and redesign our proprietary technology. In doing so, there is an ongoing risk that failures may occur and result in service interruptions or other negative consequences, such as slower quote aggregation, slower trade execution, erroneous trades, or mistaken risk management information.

We may face competition from other methods of investing in Blockchain Assets.

The Company intends to compete with direct investments in Blockchain Assets and other potential financial vehicles, including derivatives on Blockchain Assets and/or potentially other securities backed by or linked to Blockchain Assets. Market and financial conditions, and other conditions beyond the Company's control, may make it more attractive to invest in other financial instruments or to invest in Blockchain Assets directly, which could adversely impact our business and results of operations.

Operational risks, such as misconduct and errors of our employees or entities with which we do business, are difficult to detect and deter and could cause us reputational and financial harm.

Our employees and agents could engage in misconduct which may include conducting in and concealing unauthorized activities, improper use or unauthorized disclosure of confidential information or violations of applicable securities laws. Further, our employees could make errors in recording or executing transactions for customers that would cause us to enter into transactions that customers may disavow and refuse to settle. It is not always possible to deter misconduct by our employees, and the precautions we take to prevent and detect this activity may not be effective in all cases. Our ability to detect and prevent errors or misconduct by entities with which we do business may be even more limited. Such misconduct could subject us to financial losses or regulatory sanctions and materially harm our reputation, financial condition and operating results.

Blockchain Assets have a short, volatile history.

Bitcoin was invented in 2009; the asset and its trading history, and that of other newer Blockchain Assets have existed for a relatively short time, which limits a potential investor's ability to evaluate their risks and performance. Our business model depends on the continued viability of the Blockchain Asset market, and should the Blockchain Asset market experience sustained downturns, our ability to attract new customers may suffer.

A decline in the adoption of Blockchain Assets would negatively impact our Company.

As a new asset class and technological innovation, the market for Blockchain Assets is subject to a high degree of uncertainty. The adoption of Blockchain Assets will require growth in its usage and in the blockchain,

for various applications. Adoption of Blockchain Assets will also require an accommodating regulatory environment. Our business model assumes continued growth in the market for Blockchain Assets. A lack of expansion in usage of Blockchain Assets and blockchain could adversely affect an investment in our Company.

In addition, there is no assurance that such Blockchain Assets will maintain value over the long-term. The value of Blockchain Assets is subject to risks related to their usage. Even if growth in adoption occurs in the near or medium-term, there is no assurance that such usage will continue to grow over the long-term. A contraction in the use of a Blockchain Asset may result in increased volatility or a reduction in the price, which would adversely impact the industry and our business model.

Blockchain Asset exchanges and other trading venues are relatively new and, in most cases, largely unregulated and may therefore be subject to fraud and failures.

When Blockchain Asset exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, such events could result in a reduction in Blockchain Asset prices or confidence and impact our success and have a material adverse effect on our business, prospects and operations.

Blockchain Asset market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, commodities or currencies. For example, during the past few years, a number of bitcoin exchanges have closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed exchanges were not compensated or made whole for partial or complete losses of their account balances. While smaller exchanges are less likely to have the infrastructure and capitalization that may provide larger exchanges with some stability, larger exchanges may be more likely to be appealing targets for hackers and “malware” (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action. We do not maintain any insurance to protect from such risks, and do not expect any insurance for customer accounts to be

available (such as federal deposit insurance) at any time in the future, putting customer accounts at risk from such events. In the event we face fraud, security failures, operational issues or similar events such factors would have a material adverse effect on our business, prospects and operations.

If we experience computer systems failures or capacity constraints, our ability to conduct our operations could be harmed.

Our failure to monitor or maintain our computer systems and networks or, if necessary, to find a replacement for this technology in a timely and cost-effective manner, would have a material adverse effect on our ability to conduct our operations. Our data centers, including those maintained by any third-party service vendors, could be subject to failure due to environmental factors, power outage and other factors. Accordingly, we may be subject to system failures and outages which might impact our revenues and relationships with customers. In addition, we will be subject to risk in the event that systems of our partners, customers or vendors are subject to failures and outages.

We plan on relying on third parties for various computer and communications systems, such as telephone companies, online service providers, data processors, and software and hardware vendors. Our systems, or those of any third-party providers, may fail or operate slowly, causing one or more of the following:

- unanticipated disruptions in service to our customers;
- slower response times;
- delays in our customers' trade execution;
- failed settlement of trades;
- incomplete or inaccurate accounting, recording or processing of trades;
- direct and indirect financial losses;
- litigation or other customer claims; and
- regulatory sanctions.

There can be no assurance that we will not experience additional systems failures in the future from power or telecommunications failures, acts of God or war, terrorist attacks, human error, natural disasters, fire, power loss, sabotage, hardware or software malfunctions or defects, computer viruses, intentional acts of vandalism and similar events. Any system failure that causes an interruption in service or decreases the responsiveness of our

service, including failures caused by customer error or misuse of our systems, could damage our reputation, business and brand name.

Our networks and those of any third-party service providers may be vulnerable to security risks, which could make our customers hesitant to use our platform and services.

The secure transmission of confidential information over public networks is a critical element of our operations. Our networks, those of any third-party service vendors, and those of our customers may be vulnerable to unauthorized access, computer viruses and other security problems. People who circumvent security measures could wrongfully use our information or cause interruptions or malfunctions in our operations, which could make our customers hesitant to use our electronic marketplaces. We may be required to expend significant resources to protect against the threat of security breaches or to alleviate problems, including reputational harm and litigation, caused by any breaches.

The loss or destruction of private keys required to access Blockchain Assets may be irreversible, which could result in the loss of use or value of such assets.

Transfers of Blockchain Assets among users are accomplished via transactions which require the use of a unique numerical code known as a "private key." In the absence of the correct private key corresponding to a holder's particular asset, the asset is inaccessible for usage. The Company intends to safeguard and keep private the private keys relating to our holdings. Although we plan on obtaining insurance, to the extent the any private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, we would be unable to access our Blockchain Asset holdings, potentially including assets held on behalf of our clients. Any such loss could materially and adversely affect our client's holdings and our business.

The extent to which Blockchain Assets are used to fund criminal or terrorist enterprises or launder the proceeds of illegal activities could materially impact our business.

The potential, or perceived potential, for anonymity in transfers of bitcoin and similar Blockchain Assets, as well as the decentralized nature of blockchain networks, has led some terrorist groups and other criminals to

solicit bitcoins and other Blockchain Assets for capital raising purposes. As Blockchain Assets have grown in both popularity and market size, the U.S. Congress and a number of U.S. federal and state agencies have been examining the operations of Blockchain Assets, their users and exchanges, concerning the use of Blockchain Assets for the purpose of laundering the proceeds of illegal activities or funding criminal or terrorist enterprises.

In addition to the current market, new blockchain networks or similar technologies may be developed to provide more anonymity and less traceability. There is also the potential that other Blockchain Asset exchanges may court such illicit activity by not adhering to know-your-customer and anti-money laundering practices. It is possible we could lose market share to companies that have less robust KYC/AML and other regulatory controls.

We may not be able to prevent illegal activity from occurring using Blockchain Assets we hold or trade. The use of Blockchain Assets for illegal purposes, or the perception of such use, could result in significant legal and financial exposure, damage to our reputation, damage to the reputation of Blockchain Assets and a loss of confidence in the services provided by our exchange and the Blockchain Asset community as a whole. This could result in regulatory penalties which could have an adverse effect on our business.

A failure to properly monitor and upgrade a blockchain protocol by the contributors to the protocol could adversely affect Blockchain Assets on that blockchain's network.

Many blockchain protocols run on open source software that can be altered. Protocols may contain unknown flaws, which, upon detection by a malicious actor, could be used to damage the blockchain network. To the extent that software developers involved in maintaining the blockchain networks are unable to address potential flaws adequately and in a timely manner, the assets stored or utilized on that blockchain may be adversely affected and any such result could adversely affect our client's holdings and our business.

A disruption of the Internet may affect blockchain networks and operations of blockchain exchanges, which may adversely affect our ability to do business.

A blockchain network's functionality relies on the Internet. A significant disruption of Internet connectivity (*i.e.*, affecting large numbers of users or geographic regions) could prevent the blockchain network's functionality and operations until the Internet disruption is resolved. An Internet disruption could adversely affect our ability to operate.

Transactions in Blockchain Assets may be irreversible and the Company may be unable to recover improperly transferred assets.

Blockchain transactions are irreversible. An improper transfer, whether accidental or resulting from theft, can only be undone by the receiver of a Blockchain Asset agreeing to send the Blockchain Asset back to the original sender in a separate subsequent transaction. To the extent the Company erroneously transfers, whether accidental or otherwise, Blockchain Assets in incorrect amounts or to the wrong recipients, the Company may be unable to recover the Blockchain Assets, which could adversely affect an investment in those assets.

A temporary or permanent “fork” on a blockchain network could adversely affect an investment in that blockchain's assets.

Most blockchain network software and protocols are open source. Any user can download the open source software, modify it and then propose that network users and participants adopt the modification. When a modification is introduced and a substantial majority of users and participants consent to the modification, the change is implemented and the blockchain network remains uninterrupted. However, if less than a substantial majority of users and participants consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a “fork” (*i.e.*, “split”) of the blockchain network (and the blockchain), with one prong running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two (or more) versions of the blockchain network running in parallel, but with each version's assets lacking interchangeability.

Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in the multiple versions of otherwise

compatible software users run. Although chain forks could be addressed by community-led efforts to merge the two chains (and in fact, several prior historical forks have been so merged), there have also been other forks where a substantial number of blockchain network users and participants adopted an incompatible version while resisting community-led efforts to merge the two chains. This is referred to as a permanent fork. Several permanent forks have occurred already (such as the fork from the bitcoin blockchain in August 2017, which resulted in the creation of “bitcoin cash”). If a permanent fork occurs, the Company would hold equal amounts of both the original asset and the alternative new asset. As a result, the holders would need to decide whether to continue to hold the original asset, the alternative new asset or both, and what action to take with respect to the unselected asset, such as the possible sale of the unselected asset. A fork could adversely affect our customers’ investments and our business.

Trading on Blockchain Asset exchanges or trading platforms located outside the United States is not subject to U.S. regulation, and may be less reliable than U.S. exchanges or trading platforms.

Some of the Company’s trading may be conducted on Blockchain Asset exchanges or trading platforms outside the U.S. Such platforms and trading on such platforms is not regulated by any U.S. governmental agency and may involve certain risks not applicable to trading on U.S. platforms or exchanges. Certain foreign markets may be more susceptible to disruption than U.S. platforms. These factors could adversely affect the performance of the Company, our reputation or our client’s holdings.

Procedures and requirements of the Patriot Act and other anti-money laundering and know your customer regulations may expose us to significant costs or penalties.

As participants in the financial services industry, we will be subject to numerous laws and regulations, including the United States Patriot Act, that require that we know our customers and monitor transactions for suspicious financial activities. The cost of complying with the Patriot Act and similar laws and regulations is significant. We face the risk that our policies, procedures, technology and personnel directed toward complying with these laws and regulations are insufficient and that we could be subject to significant criminal and civil penalties due to noncompliance. Such

penalties could have a material adverse effect on our business, financial condition and results of operations and cash flows.

The Company's holdings maybe lost, stolen, or subject to other inaccessibility.

There is a risk that part or all of the Company's Blockchain Asset holdings could be lost, stolen or destroyed. Although the Company will secure the Company's Blockchain Asset holdings to minimize the risk of loss, the Company cannot guarantee that such a loss will be prevented. Access to the Company's Blockchain Asset holdings could also be restricted by natural events (such as a hurricane or earthquake) or human actions (such as a terrorist attack). Any of these events may adversely affect the operations of the Company and, consequently, an investment in the Company.

The Company's holdings could become illiquid which could cause large losses to customers at any time or from time to time.

The Company may not always be able to liquidate its holdings at a desired price. It may become difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in the marketplace, including on blockchain trading platforms and among OTC participants.

A market disruption, such as a foreign government taking political actions that disrupt the market in its currency, its commodity production or exports, or in another major export, can also make it difficult to liquidate a position. In the event of a fork of a blockchain network, certain exchanges and/or OTC counterparties may halt deposits and withdrawals of the asset for a set period of time thus reducing liquidity in the markets. Unexpected market illiquidity may cause major losses to shareholders at any time.

Future regulations may require the company or its subsidiaries to register with other regulators.

Current and future legislation, CFTC and SEC rulemaking and other regulatory developments may impact the manner in which bitcoin or other Blockchain Assets are treated for classification and clearing purposes. In particular, bitcoin has been classified by the CFTC as "virtual currency" which may be a "commodity interest" under the CEA. In the face of such developments, the required registrations and compliance steps may result in extraordinary, nonrecurring expenses to the Company.

To the extent that bitcoin and other Blockchain Assets are deemed to fall within the definition of a “commodity interest” under the CEA, and depending on our business activities, the Company may be subject to additional regulation under the CEA and CFTC regulations. The Company or a subsidiary of the Company may be required to register as a commodity pool operator or commodity trading advisor with the CFTC and become a member of the National Futures Association and may be subject to additional regulatory requirements with respect to the Company, including disclosure and reporting requirements. These additional requirements may result in extraordinary, recurring and/or nonrecurring expenses of the Company, thereby materially and adversely impacting our operations.

It may be illegal now, or in the future, to acquire, own, hold, sell or use Blockchain Assets in one or more countries, and ownership of, holding or trading in tokens may also be considered illegal and subject to sanctions.

The United States or other jurisdictions may take regulatory actions in the future that severely restrict the right to acquire, own, hold, sell or use Blockchain Assets or to exchange Blockchain Assets for fiat currency. Such an action may also result in the restriction of ownership, holding or trading in HYGH Tokens. Such a restriction could subject the Company to investigations, civil or criminal fines and penalties, which could harm the reputation of the Company and may adversely our operations.

The transfer of the Securities is restricted.

The offer and sale of the Securities have not been registered under the Securities Act or under applicable securities laws of any state or other jurisdiction, and the Securities will constitute restricted securities under such laws. The Securities may not be resold unless the resale is subsequently registered under the Securities Act and applicable securities laws of any state or other jurisdiction, an exemption from registration is available or the resale is in accordance with the provisions of Regulation S, and, in each case, the resale is in accordance with all applicable securities laws, including securities laws of the states of the United States and any other applicable jurisdictions. Only the Company is entitled to register the Securities under the Securities Act, and the Company has no obligation to do so. The Company, in its sole discretion, may refuse to transfer the Securities in the absence of an opinion of legal counsel satisfactory to the Company's counsel that such proposed transfer is exempt from registration under the Securities Act and the applicable securities laws of any state or

other jurisdiction or is in accordance with all of the requirements of Regulation S and, in each case, such proposed transfer is in accordance with all applicable securities laws, including securities laws of the states of the United States and any other applicable jurisdictions. These restrictions on transfer may prevent investors from liquidating their investment in the future or at all.

The Company can give no assurances that an exemption from registration will be available for any resales or transfers of the Securities. In addition, the Securities offered to persons other than “U.S. persons” in the Offering are subject to the conditions listed under Section 903(b)(3), or Category 3, of Regulation S under the Securities Act. Under Category 3, “offering restrictions” (as such term is defined under Regulation S) must be in place in connection with the Offering and additional restrictions are imposed on resales of Securities. All Securities are subject to these restrictions until at least the expiry of the Distribution Compliance Period. These restrictions may remain in place or be reintroduced following the expiry of the Distribution Compliance Period, at the sole discretion of the Company.

Each purchaser of the Securities, by subscribing for such Securities, agrees (i) to reoffer or resell the Securities only pursuant to registration under the Securities Act or in accordance with the provisions of Regulation S, or pursuant to another available exemption from registration, and, in each case, the resale is in accordance with all applicable securities laws, including securities laws of the states of the United States and any other applicable jurisdictions, and (ii) not to engage in hedging transactions with regard to such Securities unless in compliance with the Securities Act and all other applicable securities laws, including securities laws of the states of the United States and any other applicable jurisdictions. Representations, warranties and certifications must be made in the applicable Subscription Agreement by those selling or acquiring the Securities. If such representations, warranties and certifications cannot be made or are not made, such purchaser’s subscription will be rejected.

Each purchaser (including any secondary purchaser) of the Securities will be required to be presented with the legends describing these restrictions on the transfer of the Securities. Each purchaser (including any secondary purchaser) at a minimum, must affirmatively signal such purchaser’s understanding of the information and provide the Company with certain representations on such purchaser’s investor status and location.

The above restrictions may severely restrict purchasers of Securities from transferring and reselling the Securities. The Securities will not be admitted for trading on any U.S. securities exchange in connection with the Offering.

Failure to comply with the rapidly evolving laws and regulations governing our businesses may result in regulatory agencies taking action against us, which could significantly harm our business.

Substantially all of our planned operations will be regulated by governmental bodies or self-regulatory organizations. Many of the regulations we are governed by are intended to protect the public, our customers and the integrity of the markets, and not necessarily holders of our securities or Tokens.

Among other things, we will be subject to regulation with regard to:

- sales and marketing activities, including our interaction with, and solicitation of, customers;
- trading practices, including the types of products we may offer;
- the methods and source of funds by which customers can fund accounts with us;
- treatment of customer assets, including custody, control, safekeeping and, in certain countries, segregation of our customer funds and securities;
- maintaining specified minimum amounts of capital and limiting withdrawals of funds from our regulated operating subsidiaries;
- continuing education requirements for our employees;
- anti-money laundering practices;

- record keeping and reporting; and supervision regarding the conduct of directors, officers, and employees.

Compliance with these regulations is complicated, time consuming and expensive. Our ability to comply with all applicable laws and regulations is dependent in large part on our internal legal and compliance functions, as well as our ability to attract and retain qualified personnel, which we may not be able to do. Regulators and self-regulatory organizations broadly oversee the conduct of our business and several perform regular examinations of our operations to monitor our compliance with applicable laws and regulations. If a regulator finds that we have failed to comply with

applicable rules and regulations, we may be subject to censure, fines, cease-and-desist orders, suspension of our business, removal of personnel, civil litigation or other sanctions, including, in some cases, increased reporting requirements or other undertakings, revocation of our operating licenses or criminal conviction. In addition, we could incur significant legal expenses in defending ourselves against and resolving actions or investigations by such regulatory agencies. An adverse resolution of any future actions or investigations by such regulatory agencies against us could result in a negative perception of our company and cause the market price of our securities and Tokens to decline or otherwise have a material adverse effect on our business, financial condition, results of operations and cash flows.

There is no assurance that investors in the Securities will receive a return on their investment.

The Securities are highly speculative and any return on an investment in the Securities is contingent upon numerous circumstances, many of which (including legal and regulatory conditions) are beyond the Company's control. There is no assurance that investors will realize any return on their investments or that their entire investments will not be lost. For this reason, each purchaser should carefully read this Memorandum and should consult with their own attorney, financial and tax advisors prior to making any investment decision with respect to the Securities. Investors should only make an investment in the Securities if they are prepared to lose the entirety of such investment.

The purchase price to be paid by you for Securities pursuant to the terms of the applicable Offering may be too high.

The Securities are difficult to value due to the lack of a public market for them, the difficulties and uncertainties involved in predicting the future results of the operations of the Company, and other factors. The Company will determine the purchase price for the Securities based on factors it may consider in its sole discretion. The purchase price for the HYGH Tokens will be determined at a later date. The purchase price for the Securities will not necessarily bear any relationship to the Company's asset value, net worth, revenues or other established criteria of value, and should not be considered indicative of the actual value of such Securities. If the price per unit exceeds the value of such Securities, then the value of any such Securities you continue to hold may decline after the completion of the Offering.

The Securities that you purchase in the Offering are subject to dilution in the event that the Company sells additional Warrants, HYGH Tokens or other equity securities after the Offering, whether as a means of obtaining additional financing or for any other business purpose. In addition, investors will incur additional dilution upon the exercise of Preferred Shares awards granted by the Company.

The potential application of U.S. laws regarding investment securities such as HYGH Tokens is unclear.

The Securities are novel and the potential application of U.S. federal and state securities laws to them is unclear in many respects and quickly evolving. Many aspects of blockchain technology do not readily fit within the existing regulatory framework for traditional securities. Because of the differences between the HYGH Tokens and traditional investment securities, there is a risk that issues that might easily be resolved by existing law if traditional securities were involved may not be able to be resolved in the case of the HYGH Tokens. In addition, because of the novel risks posed by the Securities, it is possible that securities regulators may interpret laws in a manner that adversely affects the value of the Securities. The occurrence of an issue, dispute, uncertainty or other adverse result could have a material adverse effect on the value of the Securities and their holders.

It may be difficult to enforce a U.S. judgment against us, our officers and directors, and the experts named in this Memorandum, or to assert U.S. securities laws claims or serve process on our officers and directors and these experts, as we are incorporated in Switzerland.

We are incorporated under the laws of Switzerland. All of our assets are located outside the United States. Therefore, it may be difficult to enforce a U.S. court judgment based upon the civil liability provisions of the U.S. federal securities laws against us or any of these persons in a U.S. or a Swiss court, or to affect service of process upon these persons in the United States.

Additionally, it may be difficult for an investor, or any other person or entity, to assert U.S. securities law claims in original actions instituted in Switzerland. This is for two principal reasons: 1) because the Swiss courts may regard the U.S. law in question to be a penal, revenue or public law and therefore, under the applicable laws of Switzerland, not capable of direct or indirect enforcement in Swiss courts, or 2) because the Swiss court may stay the

claim on the grounds that Switzerland is not an appropriate forum (“forum non conveniens.”) If U.S. law is found to be applicable to a claim which the Swiss court can and is prepared to hear, the content of applicable U.S. law must be proved as a fact by expert witnesses, which can be a time-consuming and costly process. If proceedings were to be brought in Switzerland, all procedural matters would be governed by laws Switzerland. There is little case law addressing the matters described above that would be binding case law in a Swiss court.

Because there is no public market for the Securities, you may not be able to liquidate your investment.

There is currently no public market for the Securities, and the Company does not plan to list its Securities for trading on a national securities exchange or to register the Securities under the Securities Exchange Act of 1934, as amended, in the foreseeable future. If an active market does not develop, the market price and liquidity of the Securities may be adversely affected, and you may be required to bear the economic risks of this investment for an indefinite period of time.

Blockchain-based transactions are generally irrevocable and stolen, hacked or otherwise incorrectly managed Blockchain Asset transfers may be irretrievable. As a result, any incorrectly executed transactions could adversely affect holders of HYGH Tokens.

Blockchain Asset transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the processing power on such Blockchain Asset’s network. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of Blockchain Assets or a theft of Blockchain Assets generally will not be reversible. Consequently, stolen or incorrectly transferred HYGH Tokens may be irretrievable and you may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, HYGH Tokens could be transferred in incorrect amounts or to unauthorized third parties, or to uncontrolled accounts.

You may lose your entire investment if you lose your credentials to, or otherwise lose access to, your digital wallet.

The ability to receive, access and control HYGH Tokens is dependent on maintaining a valid digital wallet capable of accepting ERC-20 compatible HYGH Tokens distributed by the Company. If your own wallet credentials are lost or stolen, your HYGH Tokens will be unrecoverable and will be permanently lost. Your digital wallet will require a private key (or combination of private keys) to access, control and dispose your HYGH Tokens. Accordingly, a loss of requisite private key(s) associated with your digital wallet or vault storing your HYGH Tokens will result in loss of your ability to access, control and dispose your HYGH 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 you use, may be able to misappropriate your HYGH Tokens, in which case you would lose your entire investment.

Any errors or malfunctions caused by or otherwise related to the wallet you choose to receive and store HYGH Tokens, including your own failure to properly maintain or use such wallet, or an otherwise invalid wallet, may also result in the inability to receive HYGH Tokens or the loss of your HYGH Tokens. Additionally, the failure to correctly map a public key to your digital wallet may result in the Company being unable to recognize your HYGH Token balance. Failure to precisely follow the procedures set forth in this Memorandum and related documents and other instructions for buying and receiving Tokens, including, for instance, providing an incorrect or invalid wallet address, or providing an address that is not ERC-20 compatible, may result in the loss of your HYGH Tokens. The Company disclaims any responsibility for any loss incurred by you as a result of any of these hacks, bugs or defects, which could result in a loss of your entire investment.

HYGH Tokens may be subject to defects

HYGH Tokens will be distributed in an effort to comply with United States Securities laws (12 months after an agreement with individual US persons to purchase tokens). HYGH Tokens and related software and technology and concepts are in early stage development and are unproven and there is no warranty that the process for receipt, use and ownership of HYGH Tokens will be successful, and, if successful, uninterrupted, or error-free and there is an inherent risk that the software, Tokens, and related technologies

and theories could contain weaknesses vulnerabilities or bugs causing, inter alia, the partial or complete loss of value of the HYGH Tokens. Past performance of blockchain-related assets, including blockchain tokens, is not predicative of the use and value of HYGH Tokens.

HYGH Tokens may be subject to cybercrime.

The acquisition and management of HYGH Tokens is inherently subject to the risk of cybercrime that is difficult to manage and mitigate. This may result in concerted attempts and even successful attempts to hack the HYGH Token sale process and the sites and software used to manage subscriptions received in respect of HYGH Tokens. Hackers or other malicious groups or organizations may attempt to interfere with the HYGH Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform and HYGH Tokens rest on open source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses that may negatively affect HYGH Tokens or result in the loss of HYGH Tokens, or the ability to access or control HYGH Tokens. The HYGH Token sale process may be subject to unauthorized access, hacking and/or theft of HYGH Tokens. Any unauthorized access or cybercrime may result in theft or loss or inability to access or control subscriptions, impacting the ability to issue HYGH Tokens.

The tax treatment of the HYGH Tokens is uncertain and there may be adverse tax consequences for investors upon certain future events.

The tax characterization of the HYGH Tokens is uncertain, and each purchaser must seek its own tax advice in connection with an investment in the HYGH Tokens. An investment in the HYGH Tokens may result in adverse tax consequences to certain investors, including withholding taxes, income taxes and tax reporting requirements. The use by investors of Blockchain Assets to purchase Securities may expose purchasers to tax consequences that would not have resulted if their purchases were made in USD or other currencies. Each investor should consult with and must rely upon the advice of its own tax advisors with respect to the United States federal, state and local and non-U.S. tax consequences of an investment in the HYGH Tokens. The tax characterization of the HYGH Tokens may also affect the Company's tax liabilities in connection with the Offering.

The Company's management will have broad discretion over the use of the net proceeds from the Offering.

We expect to use the net proceeds of the Offering for general corporate purposes, capital expenditures; the building of our Platform; regulatory compliance, debt repayments, cybersecurity and short-term investments. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

Certain information relating to the Ethereum blockchain is publicly available which may give rise to privacy concerns.

Information regarding Token ownership and transfer and other information recorded on distributed ledgers is generally available to the public. For example, a blockchain-based distributed ledger may record the complete trading history from inception of the issuance of a particular Blockchain Asset. The HYGH Tokens will be represented by ledger balances and secured by cryptographic key pairs and only the public-key-derived wallet address will be exposed to the public on the distributed ledger. As such, data regarding holders of and transactions in the HYGH Tokens will be publicly available, which could have various consequences, including making it more difficult for holders of HYGH Tokens to execute certain strategies and take other actions with respect to the HYGH Tokens and the Company.

Security breaches with respect to the holders' personal identity information database could result in theft of the information necessary to link personal identity with public keys, and thus the stolen information could be used to determine the affected holder's complete trading history. Concerns over these issues may limit adoption of blockchain technology, including applications of technology relating to secondary markets for the HYGH Tokens, which could reduce or otherwise have negative implications for the liquidity of the Token and blockchain related assets more generally. There are also a number of data protection, security, privacy and other government- and industry- specific requirements that are implicated by utilizing a distributed ledger. If blockchain networks are unable to satisfy data protection, security, privacy, and other government-and industry-specific requirements, their growth could be harmed.

Additional Information

Each prospective investor may ask questions and receive answers concerning the terms and conditions of this offering and obtain any additional information which the Company possesses, or can acquire without unreasonable effort or expense, to verify the accuracy of the information provided in this Memorandum.

Compliance with Anti-Money Laundering Requirements

The Company may be subject to certain provisions of the USA PATRIOT Act of 2001 (the "Patriot Act"), including, but not limited to, Title III thereof, the International Money Laundering and Abatement and Anti-Terrorist Financing Act of 2001 ("Title III"), certain regulatory and legal requirements imposed or enforced by the Office of Foreign Assets Control ("OFAC") and other similar laws of the United States. In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities, the Company may request that investors provide additional documentation verifying, among other things, such investor's identity and source of funds to be used to purchase the Tokens. The Company may decline to accept a subscription if this information is not provided or on the basis of the information that is provided. Requests for documentation and additional information may be made at any time during which an investor holds Tokens. The Company may be required to report this information or report the failure to comply with

such requests for information, to appropriate governmental authorities, in certain circumstances without informing an investor that such information has been reported. The Company will take such steps as it determines are necessary to comply with applicable law, regulations, orders, directives or special measures, including, but not limited to, those imposed or enforced by OFAC, the Patriot Act and Title III. Governmental authorities are continuing to consider appropriate measures to implement anti-money laundering laws and at this point it is unclear what steps the Company may be required to take; however, these steps may include prohibiting an investor from making further contributions of capital to the Company, depositing distributions to which such investor would otherwise be entitled into an escrow account or causing the withdrawal of such investor from the Company.

NASAA LEGEND

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES MAY BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER FEDERAL AND STATE SECURITIES LAWS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

Jurisdictional Legends

FOR RESIDENTS OF ALL STATES: THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN A PARTICULAR STATE. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE HEREBY ADVISED TO CONTACT THE COMPANY. THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE ONLY BEEN REGISTERED IN NEW YORK AND NOT UNDER ANY OTHER STATE SECURITIES LAWS (COMMONLY CALLED "BLUE SKY" LAWS). THESE SECURITIES MUST BE ACQUIRED FOR INVESTMENT PURPOSES ONLY AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION OF SUCH SECURITIES UNDER SUCH LAWS, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED. THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT

A LEGEND MAY BE REQUIRED BY THE STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OF SALE MAY BE MADE IN ANY PARTICULAR STATE.

1. NOTICE TO ALABAMA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

2. NOTICE TO ALASKA RESIDENTS ONLY: THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA UNDER PROVISIONS OF 3 AAC 08.500-3 AAC 08.504. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF 45.55.170. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

3. NOTICE TO ARIZONA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE ARIZONA SECURITIES ACT IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PURSUANT TO A.R.S. SECTION 44-1844 (1) AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE ALSO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

4. NOTICE TO ARKANSAS RESIDENTS ONLY: THESE SECURITIES ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

5. FOR CALIFORNIA RESIDENTS ONLY: THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25104

OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

6. FOR COLORADO RESIDENTS ONLY: THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991 BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991, IF SUCH REGISTRATION IS REQUIRED.

7. NOTICE TO CONNECTICUT RESIDENTS ONLY: SECURITIES ACQUIRED BY CONNECTICUT RESIDENTS ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 36-409(b)(9)(A) OF THE CONNECTICUT UNIFORM SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF CONNECTICUT. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES.

8. NOTICE TO DELAWARE RESIDENTS ONLY: IF YOU ARE A DELAWARE RESIDENT, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE DELAWARE SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION

9. NOTICE TO DISTRICT OF COLUMBIA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES BUREAU OF THE DISTRICT OF COLUMBIA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

10. NOTICE TO FLORIDA RESIDENTS ONLY: THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SECURITIES REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL OFFEREEES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION

517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: "WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN [FLORIDA], ANY SALE IN [FLORIDA] MADE PURSUANT TO [THIS SECTION] IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER." THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061(11) IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11) (A)(5) AND WHO WISHES TO EXERCISE

SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE COMPANY OR TO ANY AGENT OF THE COMPANY (INCLUDING THE SELLING AGENT OR ANY OTHER DEALER ACTING ON BEHALF OF THE PARTNERSHIP OR ANY SALESMAN OF SUCH DEALER) OR AN ESCROW AGENT CAUSE A WRITTEN NOTICE OR TELEGRAM TO BE SENT TO THE COMPANY AT THE ADDRESS PROVIDED IN THIS CONFIDENTIAL EXECUTIVE SUMMARY. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.

11. NOTICE TO GEORGIA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO SECTION 9(m). THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

12. NOTICE TO HAWAII RESIDENTS ONLY: NEITHER THIS PROSPECTUS NOR THE SECURITIES DESCRIBED HEREIN HAVE BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS.

13. NOTICE TO IDAHO RESIDENTS ONLY: THESE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT IN RELIANCE UPON EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 30-1345(1) OR (8) THEREOF AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SAID ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SAID ACT.

14. NOTICE TO ILLINOIS RESIDENTS: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF THE STATE OF ILLINOIS NOR HAS THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

15. NOTICE TO INDIANA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 23-2-1-2 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-2-1-3. THEY CANNOT THEREFORE BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID LAW OR UNLESS AN EXEMPTION FORM REGISTRATION IS AVAILABLE. A CLAIM OF EXEMPTION UNDER SAID LAW HAS BEEN FILED, AND IF SUCH EXEMPTION IS NOT DISALLOWED SALES OF THESE SECURITIES MAY BE MADE. HOWEVER, UNTIL SUCH EXEMPTION IS GRANTED, ANY OFFER MADE PURSUANT HERETO IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE.

16. NOTICE TO IOWA RESIDENTS ONLY: IOWA RESIDENTS MUST MEET THE FOLLOWING STANDARDS: (1) YOU MUST HAVE A NET WORTH OF \$450,000 (EXCLUSIVE OF HOME, AUTOMOBILES, AND FURNISHINGS), IN CONJUNCTION WITH A MINIMUM PURCHASE; OR (2) YOU MUST HAVE A NET WORTH OF \$200,000 (EXCLUSIVE OF HOME, AUTOMOBILES AND FURNISHINGS), OR \$200,000 (EXCLUSIVE OF HOME, AUTOMOBILES AND FURNISHINGS), AND A 50% TAX BRACKET, IN CONJUNCTION WITH A MINIMUM PURCHASE; OR (3) YOU MUST BE AN "ACCREDITED INVESTOR" AS DEFINED IN SECTION 203.501(a)(4), (5), (6) OR (7) OF THE FEDERAL REGULATION D.

17. NOTICE TO KANSAS RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 81-5-6 OF THE KANSAS SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

18. NOTICE TO KENTUCKY RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 808 OF THE KENTUCKY SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

19. NOTICE TO LOUISIANA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 1 OF THE LOUISIANA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

20. NOTICE TO MAINE RESIDENTS ONLY: IF YOU ARE A MAINE RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING SOLD PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE BANK SUPERINTENDENT OF THE STATE OF MAINE UNDER SECTION 874-A(3) OF TITLE 32 OF THE MAINE REVISED STATUTES OF 1964, AS AMENDED, WHICH EXEMPTION RELATES TO TRANSACTIONS BY AN ISSUER NOT INVOLVING ANY PUBLIC OFFERING WITHIN THE MEANING OF SECTION 4(2) OF THE SECURITIES ACT OF 1933, AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER, INCLUDING TRANSACTIONS EXEMPT FROM REGISTRATION UNDER RULE 506 OF THE SECURITIES AND EXCHANGE COMMISSION OR ANY SUCCESSOR RULE ADOPTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY TRANSACTIONS WHICH CONSTITUTE NON-PUBLIC OFFERINGS UNDER RULES AND REGULATIONS ADOPTED BY THE BANK SUPERINTENDED PURSUANT TO SECTION 106, 807 OR 873, SUBSECTION 6 OF SAID TITLE 32. THESE SECURITIES MAY BE DEEMED RESTRICTED SECURITIES AND AS SUCH THE HOLDER MAY NOT BE ABLE TO RESELL THE SECURITIES UNLESS PURSUANT TO REGISTRATION UNDER STATE OR FEDERAL SECURITIES LAWS OR UNLESS AN EXEMPTION UNDER SUCH LAWS EXISTS.

21. NOTICE TO MARYLAND RESIDENTS ONLY: IF YOU ARE A MARYLAND RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 11-602(9) OF THE MARYLAND SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MARYLAND. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES.

22. NOTICE TO MASSACHUSETTS RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE COMMONWEALTH OF MASSACHUSETTS NOR HAS THE SECRETARY OF THE COMMONWEALTH PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. TO RESIDENTS OF MASSACHUSETTS: NO SALE OF THE SECURITIES WILL BE MADE TO RESIDENTS OF THE STATE OF MASSACHUSETTS WHO ARE UNACCREDITED INVESTORS IF THE AMOUNT OF SUCH INVESTMENT IN THE SECURITIES WOULD EXCEED TEN PERCENT (10%) OF SUCH INVESTOR'S NET WORTH (EXCLUDING PRINCIPAL RESIDENCE, FURNISHINGS THEREIN AND PERSONAL AUTOMOBILES).

23. NOTICE TO MICHIGAN RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE MICHIGAN SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

24. NOTICE TO MINNESOTA RESIDENTS ONLY: THESE SECURITIES BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.

25. NOTICE TO MISSISSIPPI RESIDENTS ONLY: THE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE SECRETARY OF STATE NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, OR APPROVED OR DISAPPROVED THIS OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. EACH PURCHASER OF THE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF THIS INVESTMENT. THE SECURITIES MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

26. FOR MISSOURI RESIDENTS ONLY: THE SECURITIES OFFERED HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE PURCHASER IN A TRANSACTION EXEMPT UNDER SECTION 4.G OF THE MISSOURI SECURITIES LAW OF 1953, AS AMENDED. THESE SECURITIES

HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MISSOURI. UNLESS THE SECURITIES ARE SO REGISTERED, THEY MAY NOT BE OFFERED FOR SALE OR RESOLD IN THE STATE OF MISSOURI, EXCEPT AS A SECURITY, OR IN A TRANSACTION EXEMPT UNDER SAID ACT.

27. NOTICE TO MONTANA RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A MONTANA RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF FIVE (5) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES.

28. NOTICE TO NEBRASKA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER CHAPTER 15 OF THE NEBRASKA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

29. NOTICE TO NEVADA RESIDENTS ONLY: IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 49:3-60(b) OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NEVADA ALLOWS THE SALE OF SECURITIES TO 25 OR FEWER PURCHASERS IN THE STATE WITHOUT REGISTRATION. HOWEVER, CERTAIN CONDITIONS APPLY, I.E., THERE CAN BE NO GENERAL ADVERTISING OR SOLICITATION AND COMMISSIONS ARE LIMITED TO LICENSED BROKER-DEALERS. THIS EXEMPTION IS GENERALLY USED WHERE THE PROSPECTIVE INVESTOR IS ALREADY KNOWN AND HAS A PRE-EXISTING RELATIONSHIP WITH THE COMPANY. (SEE NRS 90.530.11.)

30. NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY: NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

31. NOTICE TO NEW JERSEY RESIDENTS ONLY: IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

32. NOTICE TO NEW MEXICO RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE NEW MEXICO DEPARTMENT OF BANKING NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

33. NOTICE TO NORTH CAROLINA RESIDENTS ONLY: IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FORGOING AUTHORITIES HAVE NOT CONFIRMED ACCURACY OR DETERMINED ADEQUACY OF THIS DOCUMENT. REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

34. NOTICE TO NEW YORK RESIDENTS ONLY: THIS DOCUMENT HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE COMPANY HAS TAKEN NO STEPS TO CREATE AN AFTER MARKET FOR THE SECURITIES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE SECURITIES. AT SOME TIME IN THE FUTURE, THE COMPANY

35. NOTICE TO NORTH DAKOTA RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

36. NOTICE TO OHIO RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION

EXEMPT FROM REGISTRATION UNDER SECTION 107.03(2) OF THE OHIO SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

37. NOTICE TO OKLAHOMA RESIDENTS ONLY: THESE SECURITIES ARE OFFERED FOR SALE IN THE STATE OF OKLAHOMA IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION FOR PRIVATE OFFERINGS. ALTHOUGH A PRIOR FILING OF THIS MEMORANDUM AND THE INFORMATION HAS BEEN MADE WITH THE OKLAHOMA SECURITIES COMMISSION, SUCH FILING IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE AN APPROVAL, RECOMMENDATION OR ENDORSEMENT, AND IN NO SENSE IS TO BE REPRESENTED AS AN INDICATION OF THE INVESTMENT MERIT OF SUCH SECURITIES. ANY SUCH REPRESENTATION IS UNLAWFUL.

38. NOTICE TO OREGON RESIDENTS ONLY: THE SECURITIES OFFERED HAVE BEEN REGISTERED WITH THE CORPORATION COMMISSION OF THE STATE OF OREGON UNDER PROVISIONS OF OAR 815 DIVISION 36. THE INVESTOR IS ADVISED THAT THE COMMISSIONER HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE COMMISSIONER. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE COMPANY CREATING THE SECURITIES, AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

39. NOTICE TO PENNSYLVANIA RESIDENTS ONLY: EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE SECURITIES EXEMPTED FROM REGISTRATION BY SECTION 203(d), DIRECTLY FROM THE ISSUER OR AFFILIATE OF THIS ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY) OR ANY OTHER PERSON WITHIN TWO (2) BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO (2) BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED. IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1212 (70 PS § 1-207(m), YOU MAY ELECT, WITHIN TWO (2) BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER OR TELEGRAM TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. NO SALE OF THE SECURITIES WILL BE MADE TO RESIDENTS OF THE STATE OF PENNSYLVANIA WHO ARE NON-ACCREDITED INVESTORS

IF THE AMOUNT OF SUCH INVESTMENT IN THE SECURITIES WOULD EXCEED TWENTY (20%) OF SUCH INVESTOR'S NET WORTH (EXCLUDING PRINCIPAL RESIDENCE, FURNISHINGS THEREIN AND PERSONAL AUTOMOBILES). EACH PENNSYLVANIA RESIDENT MUST AGREE NOT TO SELL THESE SECURITIES FOR A PERIOD OF TWELVE (12) MONTHS AFTER THE DATE OF PURCHASE, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION. THE SECURITIES HAVE BEEN ISSUED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE PENNSYLVANIA SECURITIES ACT OF 1212. NO SUBSEQUENT RESALE OR OTHER DISPOSITION OF THE SECURITIES MAY BE MADE WITHIN 12 MONTHS FOLLOWING THEIR INITIAL SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION, AND THEREAFTER ONLY PURSUANT TO AN EFFECTIVE REGISTRATION OR EXEMPTION.

40. NOTICE TO PUERTO RICO RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE OFFICE OF THE COMMISSIONER OF FINANCIAL INSTITUTIONS OF THE COMMONWEALTH OF PUERTO RICO NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

41. NOTICE TO RHODE ISLAND RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE DEPARTMENT OF BUSINESS REGULATION OF THE STATE OF RHODE ISLAND NOR HAS THE DIRECTOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

42. NOTICE TO SOUTH CAROLINA RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

43. NOTICE TO SOUTH DAKOTA RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED FOR SALE IN THE STATE OF SOUTH DAKOTA PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SOUTH DAKOTA BLUE SKY LAW, CHAPTER 47-31, WITH THE DIRECTOR OF THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE AND REGULATION OF THE STATE OF SOUTH DAKOTA. THE EXEMPTION DOES NOT CONSTITUTE A FINDING THAT THIS MEMORANDUM IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DIRECTOR OF THE DIVISION OF SECURITIES PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

44. NOTICE TO TENNESSEE RESIDENT ONLY: THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE COMMISSIONER OF INSURANCE OF TENNESSEE. SUCH REGISTRATION DOES NOT CONSTITUTE A RECOMMENDATION OR ENDORSEMENT OF ANY SECURITY NOR DOES THE COMMISSIONER PASS UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM.

45. NOTICE TO TEXAS RESIDENTS ONLY: THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE TEXAS SECURITIES LAWS AND, THEREFORE, ANY PURCHASER THEREOF MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE SECURITIES CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER SUCH SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. FURTHER, PURSUANT TO §109.13 UNDER THE TEXAS SECURITIES ACT, THE COMPANY IS REQUIRED TO APPRISE PROSPECTIVE INVESTORS OF THE FOLLOWING: A LEGEND SHALL BE PLACED, UPON ISSUANCE, ON CERTIFICATES REPRESENTING SECURITIES PURCHASED HEREUNDER, AND ANY PURCHASER HEREUNDER SHALL BE REQUIRED TO SIGN A WRITTEN AGREEMENT THAT HE WILL NOT SELL THE SUBJECT SECURITIES WITHOUT REGISTRATION UNDER APPLICABLE SECURITIES LAWS, OR EXEMPTIONS THEREFROM.

46. NOTICE TO UTAH RESIDENTS ONLY: THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE UTAH SECURITIES ACT. THE SECURITIES CANNOT BE TRANSFERRED OR SOLD EXCEPT IN TRANSACTIONS WHICH ARE EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

47. NOTICE TO VERMONT RESIDENTS ONLY: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE STATE OF VERMONT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

48. NOTICE TO VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION UNDER SECTION 13.1-514 OF THE VIRGINIA SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

49. NOTICE TO WASHINGTON RESIDENTS ONLY: THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR PRIVATE PLACEMENT MEMORANDUM AND THE SECURITIES HAVE NOT BEEN REGISTERED IN RELIANCE UPON THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.

50. NOTICE TO WEST VIRGINIA RESIDENTS ONLY: IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 15.06(b)(9) OF THE WEST VIRGINIA SECURITIES LAW AND MAY NOT BE REOFFERED FOR SALE, TRANSFERRED, OR RESOLD

EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

51. NOTICE TO WISCONSIN RESIDENTS ONLY: IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A WISCONSIN RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF THREE AND ONE-THIRD (3 1/3) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES OFFERED HEREIN.

52. FOR WYOMING RESIDENTS ONLY: ALL WYOMING RESIDENTS WHO SUBSCRIBE TO PURCHASE SECURITIES OFFERED BY THE COMPANY MUST SATISFY THE FOLLOWING MINIMUM FINANCIAL SUITABILITY REQUIREMENTS IN ORDER TO PURCHASE SECURITIES:

- (1) A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000); AND
- (2) THE PURCHASE PRICE OF SECURITIES SUBSCRIBED FOR MAY NOT EXCEED TWENTY PERCENT (20%) OF THE NET WORTH OF THE SUBSCRIBER; AND
- (3) "TAXABLE INCOME" AS DEFINED IN SECTION 63 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, DURING THE LAST TAX YEAR AND ESTIMATED "TAXABLE SUBJECT INCOME" DURING THE CURRENT TAX YEAR, FEDERALLY LISTED AT NOT LESS THAN 33%.

IN ORDER TO VERIFY THE FOREGOING, ALL SUBSCRIBERS WHO ARE WYOMING RESIDENTS WILL BE REQUIRED TO REPRESENT IN THE SUBSCRIPTION AGREEMENT THAT THEY MEET THESE WYOMING SPECIAL INVESTOR SUITABILITY REQUIREMENTS.

53. FOR PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES: THESE SECURITIES HAVE NOT AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND , INsofar AS SUCH SECURITIES ARE OFFERED AND SOLD TO PERSONS WHO ARE NEITHER NATIONALS, CITIZENS, RESIDENTS NOR ENTITIES OF THE UNITED STATES, THEY MAY NOT BE TRANSFERRED OR RESOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES, ITS TERRITORIES OR POSSESSIONS, RESIDENTS OR ENTITIES NORMALLY RESIDENT THEREIN (OR TO ANY PERSON ACTING FOR THE ACCOUNT OF ANY SUCH NATIONAL, CITIZEN, ENTITY OR RESIDENT). FURTHER RESTRICTIONS ON TRANSFER WILL BE IMPOSED TO PREVENT SUCH SECURITIES FROM BEING HELD BY UNITED STATES PERSONS.

During the course of the Offering and prior to any sale, each offeree of the Securities and his or her professional advisor(s), if any, are invited to ask questions concerning the terms and conditions of the Offering and to obtain any additional information necessary to verify the accuracy of the information set forth herein. Such information will be provided to the extent the Company possess such information or can acquire it without unreasonable effort or expense.



EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM. IF YOU HAVE ANY QUESTIONS WHATSOEVER REGARDING THIS OFFERING, OR DESIRE ANY ADDITIONAL INFORMATION OR DOCUMENTS TO VERIFY OR SUPPLEMENT THE INFORMATION CONTAINED IN THIS MEMORANDUM, PLEASE EMAIL:

HYGH AG

Email: info@HYGH.tech

The Date of this Memorandum is November 27th, 2018.

Additional Information for Swiss Residents

The following material is directed exclusively to investors who are resident in Switzerland and do not qualify as U.S persons as defined in Regulation S under the US Securities Act (hereinafter referred to as “Swiss Residents”). The information hereunder is intended to supplement and not replace or supersede the present Private Placement Memorandum (“PPM”) or parts of it with additional information as required by articles 1156 and 652a of the Swiss Code of Obligations (“CO”). Prospective subscribers should by no means rely exclusively on this information but carefully review the entire PPM and all materials referred to herein and conduct their own due diligence before subscribing for Tokens.

ISSUER

Name: HYGH AG (translations: HYGH SA and HYGH Ltd.)

Commercial Register: The Issuer was entered in the Commercial Register of the Canton of Zug, Switzerland on 2 July 2018 under the number CHE-368.148.284.

Legal form: The Issuer is a corporation (*Aktiengesellschaft*) according to Art. 620 et seqq. CO, established under the laws of Switzerland.

Domicile: The Issuer has its domicile at Dammstrasse 16, 6300 Zug, in Switzerland.

Duration: The Issuer was formed on 20 May 2018 for an indefinite period of time.

Purpose: The purpose of the company is to develop, initiate and execute global advertising and marketing services and concepts, public relations and services related to this topic.

The company will mainly do this by development, marketing, distribution and licensing of new technologies, applications and platforms in new open and decentralized software architectures.

The company may open branch offices and subsidiaries in Switzerland and abroad. It may also acquire participations in other companies in Switzerland or abroad. The company may engage in any commercial, financial and/or other activities which are related to the purpose of the company.

Management of the Issuer: The constitution of the Issuer provides that the business and affairs of the Issuer are managed by a Board of Directors, composed of the following members:

- Daniel Biesuz, from Unterengstringen, domiciled in Zurich (Chairman);
- Fritz Frey, German citizen, domiciled in Berlin (Member);
- Antonius Paul Link, German citizen, domiciled in Berlin (Member);
- Vincent-Alexander, German citizen, domiciled in Berlin (Member).

Capital structure: The Issuer has a share capital of CHF 100,000, corresponding to 100,000 bearer shares (*Inhaberaktien*) with a nominal value of CHF 1.00 each. The share capital has been paid in entirely through a contribution in kind (*Sacheinlage*) consisting in 17 Bitcoin ("BTC") according to an agreement dated 30 May 2018. There are no preferential rights (*Vorrechte*) to any shares.

Capital increases: The Articles of Association do not contain any provision about any authorized or conditional share capital increase (*genehmigte oder bedingte Aktienkapitalerhöhung*) outstanding, nor has any (ordinary, authorized or conditional) share capital increase taken place since the establishment of the Issuer.

Participation certificates: No participation certificates (*Genussscheine*) have been issued.

Dividends: No dividends have been distributed since the establishment of the Issuer.

Audit: Limited audit (*eingeschränkte Revision*) was waived with declaration dated 30 May 2018.

Financial statements and audit report: The ordinary financial year of the Issuer commences on January 1. and ends on December 31. of each year. As the Issuer has only been entered into the Commercial Register of the Canton of Zug, Switzerland, on 2 July 2018, there exist no financial statements as of now. The Issuer will prepare its financial statements for the financial year 2018 ending 31 December 2018 based on the requirements according to the Swiss Code of Obligations and will have these financial statements audited.

Notifications: Notification of shareholders shall be made by publication in the SHAB or, if the names and addresses of the shareholders are known, by registered letter.

SUMMARY OF THE OFFERING

Securities Offered: Tokens.

Total Tokens Outstanding: Including this Offering, the total max quantity of Tokens in circulation will be limited to 1,000,000,000 (one billion).

The Offering size: The Issuer is offering a maximum number of Tokens of 600,000,000.

Resolution on issuance: The present issuance has been decided by the Board of Directors with the resolution dated November 22nd, 2018.

Investors: Persons acceptable to the Issuer who qualify (i) either as “U.S. persons” (as defined under Regulation S under the U.S. Securities Act) who are “accredited investors” (as defined under Regulation D under the U.S. Securities Act), or (ii) as Swiss Residents.

Price Per Token:

Max Tokens Sold for Price	Offering Stage	Price Per Token
25,000,000	Private-Sale	\$0.020
150,000,000	Pre-Sale	\$0.030
50,000,000	Pre-Sale	\$0.035
100,000,000	STO	\$0.040
125,000,000	STO	\$0.045
150,000,000	STO	\$0.050

Form of Payment: USD, EURO, BTC, ETH, or other fiat or cryptographic blockchain assets to be approved at the sole discretion of the Issuer.

Minimum Investment Amount Per Investor: \$250.00.

Expiration date of the offering: Offering is scheduled to conclude once all tokens offered have been sold, unless extended or terminated at an earlier time, at the sole discretion of the company. The Company may accept funded subscriptions for Token

purchases on a tolling basis with the closings for any such sales of Tokens to be held from time to time as determined at the sole discretion of the Company.

Rights of Token Holder: Tokens entitle their respective holder to a right of participation, provided the holder has been registered with the Issuer and has been duly identified and approved through KYC/AML protocols (Registration and KYC/AML). Token holders will be entitled to a pro rata (based on token holdings) split of 9% of HYGH AG's net revenue, subject to proper Registration and KYC/AML. Revenue will be distributed to token holders quarterly only if the amount succeeds USD 10 (**Minimum Distribution Amount**). Quarterly revenue distribution amounts below the Minimum Distribution Amount will be kept by the Issuer and the Token holder will have no claim for it against the Issuer. The actual amount to be paid out will be equal to the pro rata quarterly revenue participation amount *minus* possible transaction costs *minus* possible withholding taxes (**Pay Out Amount**). It is in the sole discretion of the Issuer if he pays out the Pay Out Amount in any FIAT currency or any cryptocurrency. **Note:** HYGH Tokens must be held in a staking wallet, endorsed by HYGH AG to receive and collect revenue distributions.

According to Art. 1157 (1) CO, the Token holders form by operation of law a community of creditors (*Gläubigergemeinschaft*) with rights and duties described in Art. 1158 et seqq. There is no representative (*Vertreter*) appointed under the conditions of this PPM (cf. Art. 1158 (1) CO).

How to Subscribe: To purchase tokens pursuant to this private placement subscription memorandum, each investor shall be required to complete any such documentation as requested by the Issuer. This may include but is not limited to 1. The execution & delivery of a subscription agreement, in the form dictated or agreed to by the Issuer. Said agreement shall outline the number of tokens to be purchased as well as the total purchase price of all tokens in the aggregate; and 2. Information and documentation provided shall be sufficient to verify the status, identity, and location of the investor; and 3. Information and documentation provided shall be sufficient to conduct a background check in accordance with KYC/AML requirements and laws. Deliverance of such materials and approval by the Issuer are requisite for participation in the offering.

Long Term Investment: The offer and sale of the Tokens will not be registered under the U.S. Securities Act or any foreign or state securities laws by reason of exemptions from such registration that depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Tokens for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Tokens must be willing and able to bear the economic risk of their investment for an indefinite period of time.

Fees & Expenses: The Issuer and the purchaser shall be responsible for their own costs and expenses with respect to the offering.

Amendments & Withdrawal rights: The Issuer reserves the right to amend the terms of the Offering or the Securities at any time prior to the Expiration Date. If the Company amends the terms of the Offering or the Securities in any material respect, it will provide each investor with at least 3 business days to withdraw its election to purchase Tokens as contemplated by such investor's Subscription Agreement. Upon any such withdrawal, such investor's Subscription

Agreement will terminate and all funds received from such investor will be returned without interest as soon as practicable. The Currency in which the refund will be paid is at the sole discretion of the Company. The Company also reserves the right to accept or reject any subscription for Tokens in its sole discretion for any reason whatsoever and to withdraw the Offering at any time prior to the Company's acceptance of funded subscriptions for Tokens.

Use of Proceeds: Issuer intends to use all or a portion of the net proceeds of the Offering to pay for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and acquisitions of complementary products, or technologies to support the development of the Issuer.

Transfer Restrictions: No public market exists for the securities. These Securities have not been registered under the U.S. Securities Act or any securities laws of any state or other jurisdiction and, unless so registered, the Securities may not be offered or sold, directly or indirectly, in or into the United States or to, or for the account or benefit of, any "U.S. person" (as such term is defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and such other securities laws. Potential investors should be aware that they may be required to bear the financial risks of the Securities for an indefinite period of time and may lose their entire investment in the Securities.

Any acquisition or transfer of the Securities made in violation of the eligibility and transfer restrictions contained in this PPM or in the applicable Subscription Agreement or made based upon any false or inaccurate representation made by the investor or a transferee to the Issuer, will be void and of no force or effect.

No Other rights of Token Holders: Except as provided in this document, Tokens do not entitle the holder to any rights or privileges of a holder of equity securities or preferred shares, specifically including any voting rights, alternative dividend rights, or cash payments.



The Date of this Memorandum is November 27th, 2018.