ONENAME GLOBAL, INC.

A Delaware Corporation

Proposed Sale of 70,000,000 Tokens

“onG Coin”

Confidential Initial Token Offering Circular

http://ong.social

INTRODUCTION& SUMMARY

This Confidential Initial Token Offering Circular (this "***Circular***") has been prepared by OneName Global, Inc.. for use by individuals and entities to whom OneName Global. is offering (the "***Proposed Sale***") the opportunity to purchase the right to acquire in the future pursuant to a Token Purchase Agreement(the "***TPA***") units of onG Coin to be developed, produced and offered by OneName Global. ("***onG,***" or the "***Tokens***"). Unless the context requires otherwise, in this Circular the terms "***OneName Global,"*** "***the Company***," "***we***," "***us***" and "***our***" refer to OneName Global, Inc. and its subsidiaries and all dollar ($) amounts set forth herein refer to United States dollars.

Ong. Social is the first social dashboard to incentivize community members with cryptocurrency rewards, allowing anyone to streamline social media while maximizing speed of ROI. The dashboard allows users to connect, create, consume and distribute information to centralized "status quo" social networks and decentralized social networks, creating a bridge to both. This provides users with simplicity and overall control of their digital identities. Combined with flexible tools that allow community members to be rewarded with multiple cryptocurrency rewards, onG altogether changes the landscape of social media.

In the Proposed Sale, the Company will offer up to 70,000,000 Tokens at a price of $0.50 per Token with a decreasing discount rate tiers that will increase the price of the onG Coin up to $2.00 as the sale continues. The Proposed Sale shall commence on August 11, 2016 at 11:11. E.D.T. The Proposed Sale shall continue from time to time until the sooner of the entirety of the 70,000,000 Tokens are sold, until Company management elects, in their sole and absolute discretion, to no longer offer the Tokens for sale, or until September 12th, 2017 at 11:12 P.S.T. The Token has a fixed supply of 300,000,000 Tokens. The Tokens are concurrently generated off either the Ethereum or WAVES blockchain.

The Tokens will be available for delivery within forty-five (45) days of receipt of payment. Payment may be made by Cryptocurrency, Ethereum or U.S. Dollar. All sales are deemed final upon the Company's receipt of payment. The purchase of Tokens is not tantamount to an acquisition of the capital stock of the Company. Accordingly, the purchase of Tokens will not entitle the purchaser to any ownership interest in the Company, nor will the purchaser acquire dividend, interest or any rights upon any liquidation of the Company. The Tokens do not afford the purchaser with any voting rights *pari passu* or otherwise with the stockholders of the Company.

As further delineated herein, the acquisition of Tokens will afford the purchaser with certain participation rights within the crypto-economy created within the onG.social website. As such, the Tokens may not hold significant value as a digital currency or medium of exchange outside of the Company's platform. The Tokens do not provide the purchaser with a titular ownership interest in the onG.social website or any asset of the Company, but rather represent a limited license to access and use those elements of the Company's technology and corresponding website that it makes accessible to Token holders to utilize the Tokens.

The "White Paper" prepared by the Company and further describing the Company, its Operations and the Proposed Sale is attached as Exhibit A hereto, and incorporated by reference herein.

PRELIMINARY CONSIDERATIONS

By accepting a copy of this Confidential Initial Token Circular, the Recipient expressly acknowledges, affirms and agrees that such Recipient has read and comprehends the following "Preliminary Considerations" without reference to any other section of this Circular.

Considerations Concerning Risk of Loss

A. **THE PURCHASE OF THE TOKENS CARRY A RISK OF LOSS. SEE "RISK FACTORS" FOR A DISCUSSION OF CERTAIN FACTORS THAT SHOULD BE CONSIDERED PRIOR TO PURCHASING THE TOKENS.**

B. **THE TOKENS MAY BE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE IN THE UNITED STATES. THERE IS NO ACTIVE MARKETS FOR THE EXCHANGE OF THETOKENS INTO ANY CURRENCY, AND THERE IS NO ASSURANCE THAT ANY SUCH MARKET WILL DEVELOP. MOREOVER, THERE CAN BE NO ASSURANCE THAT THE TOKENS CAN BE PLEDGED, HYPOTHECATED OR OTHERWISE ASSIGNED. AND, THEREFORE, PROSPECTIVE PURCHASERS MUST BE ABLE TO BEAR THE COST OF ANY PURCHASE OF THE TOKENS. IN MAKING A PURCHASE DECISION, PROSPECTIVE PURCHASER MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY, THE TOKEN AND THE TERMS OF THE PROPOSED SALE, INCLUDING THE MERITS AND RISKS INVOLVED. THE PURCHASER OF THE TOKENS MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THE PURCHASE FOR AN INDEFINITE PERIOD OF TIME.**

C. **THE PRICE AT WHICH THE COMPANY INTENDS TO OFFER THE TOKENS IN THE PROPOSED SALE WAS DETERMINED BY COMPANY MANGEMENT IN AN ARBITRARY MANNER AND DOES NOT NECESSARILY BEAR ANY RELATIONSHIP TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.**

Considerations Concerning Disclosure of Information

D. **THE INFORMATION HEREIN WAS PREPARED BY THE COMPANY AND IS FURNISHED BY THE COMPANY AND ITS AGENTS SOLELY FOR THE PROSPECTIVE PURCHASER'S USE IN CONNECTION WITH THE PROPOSED SALE OF THE TOKENS.NO THIRD PARTY HAS INDEPENDENTLY VERIFIED THE INFORMATION CONTAINED HEREIN OR OTHERWISE MADE AVAILABLE IN CONNECTION WITH THE PROPOSED SALE. NEITHER THE COMPANY NOR ITS AGENTS MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN. NOTHING CONTAINED HEREIN SHOULD BE RELIED ON AS A PROMISE OR REPRESENTATION AS TO THE COMPANY'S FUTURE PERFORMANCE.**

E. **VARIOUS AGREEMENTS MAY BE SUMMARIZED IN THIS CIRCULAR, BUT PROSPECTIVE PURCHASERS SHOULD NOT ASSUME THAT THE SUMMARIES ARE COMPLETE. THE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE COMPLETE TEXT OF SUCH AGREEMENTS. MOREOVER THIS CIRCULAR MAY INCLUDE STATISTICAL INDUSTRY DATA TAKEN OR DERIVED FROM INDEPENDENT SOURCES. WHILE THE COMPANY BELIEVES THAT THE DATA IS GENERALLY RELIABLE, PROSPECTIVE PURCHASERS SHOULD NOT PLACE UNDUE RELIANCE ON INDUSTRY DATA.**

F. **NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH PROPOSED SALE OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS CIRCULAR. IF GIVEN OR MADE, OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR ITS AGENTS. THE COMPANY AFFORDS YOU AN OPPORTUNITY TO OBTAIN ADDITIONAL INFORMATION AND TO ASK QUESTIONS OF, AND TO RECEIVE ANSWERS FROM THE COMPANY CONCERNING THE PROPOSED SALE, THE TOKENS AND OTHER RELEVANT MATTERS. THE COMPANY AND ITS AGENTS DISCLAIM LIABILITY FOR EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES CONTAINED IN, OR OMISSIONS FROM, THIS CIRCULAR OR ANY OTHER WRITTEN OR ORAL COMMUNICATION TRANSMITTED OR MADE AVAILABLE TO YOU. YOU SHOULD NOT CONSTRUE THIS CIRCULAR AS TAX OR LEGAL ADVICE. THIS CIRCULAR SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER AND SUCH PURCHASER'S INVESTMENT, TAX OR OTHER ADVISORS, ACCOUNTANTS AND LEGAL COUNSEL.**

Legal and Compliance Considerations

G. **THE COMPANY, IN ITS INDEPENDENT ANALYSIS, AND IN CONJUNCTION WITH ITS LEGAL ADVISORS,HAS A GOOD FAITH BELIEF THAT THE PROPOSED SALE CONSTITUTES AN OFFERING OF "SECURITIES" AS DEFINED BY THE SECURITIES ACT OF 1933 AND THE SECURITIES EXCHANGE ACT OF 1934. ACCORDINGLY, THE TOKENS BEING TO BE SOLD IN THE PROPOSED SALE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OF THE SECURITIES LAWS OF ANY STATE. THE LAWS OF THE UNITED STATE PROVIDE THAT PURCHASERS OF SECURITIES MAY NOT SELL, TRANSFER OR DISPOSE OF UNREGISTERED SECURITIES UNLESS A VALID EXEMPTION FROM REGISTRATION APPLIES.**

H. **THE COMPANY, IN ITS INDEPENDENT ANALYSIS, AND IN CONJUNCTION WITH ITS LEGAL ADVISORS, HAS A GOOD FAITH BELIEF THAT THE TOKENS CONSTITUTE A "COMMODITY" AS DEFINED IN THE COMMODITIES EXCHANGE ACT. ACCORDINGLY, THE COMPANY HAS NOT SOUGHT TO REGISTER AS A COMMODITY FUTURES MERCHANT OR COMMODITY POOL OPERATOR WITH THE COMMODITIES FUTURES TRADING COMMISSION.**

I. **THE PURCHASE OF THE TOKENS CONTEMPLATED IN THE PROPOSED SALE HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE REGULATORY AUTHORITY. THESE AUTHORITIES HAVE NOT CONCOMPANYED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS CIRCULAR.**

General Considerations

J. **THE INFORMATION CONTAINED IN THIS CIRCULAR IS CONFIDENTIAL AND PROPRIETARY AND IS SUBMITTED SOLELY FOR YOUR CONFIDENTIAL USE. BY ACCEPTING DELIVERY OF THIS CIRCULAR, YOU AGREE TO RETURN THIS CIRCULAR AND ANY OTHER INFORMATION FURNISHED IF YOU ELECT NOT TO PURCHASE THE TOKENS OR IF PROPOSED SALE IS TERMINATED OR WITHDRAWN. YOU AGREE NOT TO DISCUSS THE INFORMATION CONTAINED HEREIN OR RELEASE, REPRODUCE OR USE THIS CIRCULAR FOR ANY PURPOSE OTHER THAN EVALUATING A POTENTIAL PURCHASE OF THE TOKENS.**

K. **THIS CIRCULAR IS DEEMED DELIVERED TO EACH RECIPIENT SOLELY FOR THE PURPOSE OF DISCLOSING CERTAIN INFORMATION CONERNING THE PROPOSED**

SALE. THIS CIRCULAR MAY NOT CONTAIN ALL OF THE INFORMATION THAT THE RECIPIENT MAY DESIRE IN INVESTIGATING THE PROPOSED SALE AND THEREFORE MUST CONDUCT AND RELY ON THEIR OWN EVALUATIONS OF THE COMPANY, THE TOKENS AND THE PROPOSED SALE.

L. NO EFFORT HAS BEEN MADE BY THE COMPANY TO INDEPENDENTLY VERIFY THE SUITABILITY THE TOKENS TO BE SOLD IN THE PROPOSED SALE FOR ANY PROSPECTIVE PURCHASER. BY PURCHASING ANY TOKENS, THE RECIPIENT ACKNOWLEDGES THAT SUCH RECIPIENT IS QUALIFIED TO BEAR ANY RISK OF LOSS INHERENT IN THE TOKENS

THE INFORMATION ON THE COMPANY'S WEBSITE IS NOT A PART OF THIS CIRCULAR.

All communications or inquiries relating to this Circular and this offering should be directed to:

OneName Global, Inc.
Success@ong.social

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain of the statements contained in this Circular discuss future expectations, contain projections of results of operations or financial condition or state other "forward-looking" information. The words "believe," "expect," "anticipate," "intend," "estimate," "may," "should," "could," "will," "plan," "future," "continue," and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters identify forward-looking statements. These forward-looking statements are based largely on the expectations or forecasts of future events, can be affected by inaccurate assumptions, and are subject to various business risks and known and unknown uncertainties, a number of which are beyond the control of management. Therefore, the actual results could differ materially from the forward-looking statements contained in this Circular.

Important factors that may cause the actual results to differ from the forward-looking statements, projections or other expectations include, but are not limited to, the following:

- our ability to raise sufficient capital to implement our business plan;
- our ability to introduce our planned technology and product offerings;
- whether there will be a market for one or more of our products;
- our ability to commercialize our intellectual property, products and production processes, commence substantial revenue operations and then achieve profitable results of operation;
- whether we will be able to adapt our technology to new and different uses;
- competition from larger, more established companies with far greater economic and human resources than us;
- our ability to attract and retain customers and quality employees;
- the effect of changing economic conditions;
- changes in government regulations, tax rates and similar matters; and

We do not promise to update forward-looking information to reflect actual results or changes in assumptions or other factors that could affect statements made in this Circular.

SUMMARY OF THE PROPOSED SALE

The summary below describes the principal terms of the Proposed Sale and the Tokens sold therein. Certain of the terms and conditions described below are subject to important limitations and exceptions. Prospective purchasers should review the entirety of form of Token Purchase Agreement, attached as Exhibit B hereto. The summary below is qualified in its entirety by reference to the actual text of the form of Token Purchase Agreement.

Company:	OneName Global, Inc.
Tokens to be Sold:	Up to 70,000,000 onG Coins.
Maximum Tokens:	300,000,000 Tokens available
Blockchains:	Contemporaneous generation as demanded from either the Ethereum or WAVES blockchain.
Proposed Sale:	The Proposed Sale shall begin on August 11, 2017 at 11:11 Pacific Standard Time and shall continue indefinitely until the sooner of (a) the sale of 70,000,000 Tokens (b) when Company management, in its sole and absolute discretion, declares the Proposed Sale to be closed or (c) September 12, 2017 at 11:11 Pacific Standard Time.
Purchase Price:	Tiered: $0.50 per Token up to $2.00 per Token.
Maximum Proceeds:	$87,500,000 gross proceeds. The Company may, in its sole and absolute discretion, elect to pay selling commissions to third parties who contribute to the fulfillment of the Proposed Sale. Moreover, the Company may be required to pay merchant processing or transaction fees.
Minimum Proceeds:	There is no minimum amount of Tokens that the Company may sell. All proceeds, irrespective of aggregate amounts, will be credited towards the maximum Proposed Sale.
Form of Payment:	U.S.dollars,Cryptocurrency,EtherandWAVES. The Token Purchase Agreement shall be deemed in U.S. dollars, and payments in Cryptocurrency, Ether and WAVES shall be valued in U.S. dollars at an exchange ratio equivalent to the volume-weighted average hourly price of Cryptocurrency, Ether and WAVES across exchanges in the one hour preceding the entry into this SAFT; *provided, however*, that in the event that such exchanges experience technical issues in such period that affect the accuracy of the volume-weighted average price, the Company will use its reasonable best efforts to determine the volume-weighted average price of Cryptocurrency, Ether and WAVES for such period.
Rescission Rights:	None. All Token purchases are deemed final upon receipt of the purchase price by the Company.

Token Delivery:	Tokens will be delivered within forty-five (45) days of execution of any Token Purchase Agreement.
Use of Proceeds:	We plan to use the proceeds from this offering to: (i) continue developing our intellectual property; (ii) support further expansion in our sales and marketing activities (iii) fund research and development activities and staffing; (iv) increase our working capital requirements.
Grant of Rights:	The Purchaser of any of the Tokens or any subsequent holder thereof shall be granted an indefinite non-exclusive license to utilize the Token on the onG.social website where, from time to time, the Company affords the Token holder to utilize the Token within the Company's platform.
Documentation:	Purchase and sale of the rights shall be on the terms and conditions set forth in the Token Purchase Agreement, which shall be prepared by Company's counsel, and which will contain certain representations, warranties and covenants of the Company and the purchasers of the Tokens, closing conditions and other provisions.
Dissolution Event.	Upon the occurrence of a Dissolution Event, which shall include (a) a voluntary termination of operations of the Company, (b) a general assignment for the benefit of the Company's creditors or (c) any other liquidation, dissolution or winding up of the Company, whether voluntary or in voluntary, the Company, in its sole and absolute discretion, may elect to terminate any or all rights and privileges hereinbefore obtained by any purchaser of the Tokens immediately, and without notice. A Dissolution Event shall not create an direct and implied right to redemption or payment for such Tokens.

RISK FACTORS

The purchase of the Tokens carry risk of loss. You should consider carefully the risks described below, together with all of the other information contained in this Circular and the Token Purchase Agreement, before making an investment decision. The following risks entail circumstances under which, our business,financialcondition,resultsofoperationsandprospectscouldsuffer.

Risks Associated with the Company

We are a developmental stage company and expect to incur significant operating losses for the foreseeable future.

We have limited operating history. We have not generated any significant revenues as of the date of this circular. The likelihood of the Company obtaining sufficient market share so as to become profitable must be considered in light of the expenses, difficulties, complications and delays encountered with starting a venture of this kind. Specifically, we are faced with significant competition and barriers to entry from established, highly capitalized competitors. Accordingly, we expect to incur significant losses in the foreseeable future. We recognize that if we are unable to generate funding, we will not be able to earn profits or continue operations. There exists no history upon which to base any reasonably assumption as to the likelihood that we will generate revenues or ever achieve profitable operations.

We expect to continue to generate operating losses and experience negative cash flow and it is uncertain whether we will achieve future profitability

We expect to continue to incur operating losses until such time, if ever, as we are able to achieve sufficient levels of revenue from operations. Our ability to commence revenue operations and achieve profitability will depend on our products functioning as intended, the market acceptance of our technology and our capacity to develop, introduce and bring additional products to market. There can be no assurance that we will ever generate sales or achieve profitability. Accordingly, the extent of future losses and the time required to achieve profitability, if ever, cannot be predicted at this point.

Additional Financing.

We may need to raise additional capital beyond the amounts sought in the Proposed Sale. There is no assurance that the Company will be able to obtain additional financing. In the absence of additional financing, the Company may not be able to continue to develop its technology at a commercially reasonable rate. If that is the case, the Company may become uncompetitive within the marketplace and be unable to fully execute its business plan.

We have broad discretion in the application of proceeds.

We intend to use the net proceeds of this offering primarily fund operations. Due to the number and variability of factors that will be analyzed before we determine how to use such net proceeds, we will have broad discretion in allocating a significant portion of the net proceeds from this offering without any action or approval of our stockholders. Specifically, as we have not engaged in significant efforts to market our product, upon doing so, our management, in its sole and absolute discretion, may determine that the net proceeds of this offering are best applied to, for instance, employee wages and commissions as opposed to direct marketing efforts. Management shall endeavor to apply the net proceeds of this offering in any such manner which it deems to be most appropriate and necessary for the Company to reach profitability, however, it does not guarantee that the application of funds will result in profitability. Prospective purchasers will not have the opportunity to evaluate the economic, financial and other relevant information which will be considered by us in determining the application of such net proceeds.

Net Worth of the Company.

The Company has no material net worth.

Reliance on Company Management.

Prospective purchasers assessing the risks and rewards of this investment should appreciate that they will, in large part, be relying on the good faith and expertise of the management of the Company. The Bylaws of the Company does not provide a mechanism for the removal of management. It is likely that an act of fraud or gross negligence or the failure to meet the performance standard would only be recognized by the Company if it were a decision made by a court of law. It may therefore be difficult, time-consuming and expensive to remove the management of the Company.

General Economic and Market Conditions.

Segments of our industry have experienced significant economic downturns characterized by decreased product demand, price erosion, work slowdowns and layoffs. The Company's operations may in the future experience substantial fluctuations from period to period as a consequence of general economic conditions affecting the timing of orders from major customers and other factors affecting capital spending. Therefore, any economic downturns in general would have a material adverse effect on the Company's business, operating results and financial condition.

Our Business is Dependent on New Laws Pertaining to Cryptocurrency

Continued development of the cryptocurrency industry may be impacted by future legislation regarding the use of cryptocurrency. Any number of factors outside of our control could slow or product development and marketing efforts. New legislation that restricts the use of cryptocurrency may have a material adverse impact on our business prospects.

Risks Associated with Operations

The processing, storage, use and disclosure of personal data could give rise to liabilities as a result of governmental regulation, conflicting legal requirements or differing views of personal privacy rights.

We receive, transmit and store a large volume of personal information and other user data (including credit card data) in connection with the processing of search queries, the provision of online products and services, transactions with users and customers and advertising on our mobile application. The sharing, use, disclosure and protection of this information are determined by the respective privacy and data security policies of our various businesses. These policies are, in turn, subject to federal, state and foreign laws and regulations, as well as evolving industry standards and practices, regarding privacy and the storing, sharing, use, disclosure and protection of personal information and user data (for example, various state regulations concerning minimum data security standards, industry self-regulating principles that become standard practice and more stringent contractual protections regarding privacy and data security (and related compliance obligations).

In addition, if an online service provider fails to comply with its privacy policy, it could become subject to an investigation and proceeding for unfair or deceptive practices brought by the U.S. Federal Trade Commission under the Federal Trade Commission Act (and/or brought by a state attorney general pursuant to a similar state law), as well as a private lawsuit under various U.S. federal and state laws. In general, personal information is increasingly subject to legislation and regulation in numerous jurisdictions around the world,

the intent of which is to protect the privacy of personal information that is collected, processed and transmitted in or from the governing jurisdiction.

U.S. legislators and regulators may enact new laws and regulations regarding privacy and data security. In February 2012, the White House released a proposed Consumer Privacy Bill of Rights, which is intended to serve as a framework for new privacy legislation. In March 2012, the U.S. Federal Trade Commission released a staff report making recommendations for businesses and policy makers in the area of consumer privacy. Similarly, new privacy laws and regulations at the state level, as well as new laws and directives abroad (particularly in Europe), are being proposed and implemented. For example, new legislation in the state of California that became effective on January 1, 2014 requires companies that collect personal information to disclose how they respond to web browser *"Do Not Track"* signals. In addition, existing privacy laws that were intended for brick-and-mortar businesses could be interpreted in a manner that would extend their reach to our businesses. New laws and regulations (or new interpretations of existing laws) in this area may make it more costly to operate our businesses and/or limit our ability to engage in certain types of activities, such as targeted advertising, which could adversely affect our business, financial condition and results of operations.

As privacy and data protection have become more sensitive issues, we may also become exposed to potential liabilities as a result of differing views on the privacy of consumer and other user data collected by our businesses. Also, we cannot guarantee that our security measures will prevent security breaches. In the case of security breaches involving personal credit card data, credit card companies could curtail our ability to transact payments and impose fines for failure to comply with Payment Card Industry (PCI) Data Security Standards. Moreover, any such breach could decrease consumer confidence in the case of the business that experienced the breach or our businesses generally, which would decrease traffic to (and in turn, usage and transactions on) the relevant website and/or our mobile application and which in turn, could adversely affect our business, financial condition and results of operations. The failure of any of our businesses, or their various third party vendors and service providers, to comply with applicable privacy policies, federal, state or foreign privacy laws and regulations or PCI standards and/or the unauthorized release of personal information or other user data for any reason could adversely affect our business, financial condition and results of operation

Our products and services may contain undetected software errors, which could harm our business and operating results.

Our products and services incorporate complex software and we encourage employees to quickly develop and help us launch new and innovative features. Our software has contained, and may now or in the future contain, errors, bugs or vulnerabilities. Some errors in our software code may only be discovered after the product or service has been released. Any errors, bugs or vulnerabilities discovered in our code after release could result in damage to our reputation, loss of users, loss of platform partners, loss of advertisers or advertising revenue or liability for damages, any of which could adversely affect our business and operating results.

We rely in part on application marketplaces and Internet search engines to drive traffic to our products and services, and if we fail to appear high up in the search results or rankings, traffic to our platform could decline and our business and operating results could be adversely affected.

We rely on application marketplaces, such as Apple's App Store and Google's Play, to drive downloads of our mobile applications. In the future, Apple, Google or other operators of application marketplaces may make changes to their marketplaces which make access to our products and services more difficult. We also depend in part on Internet search engines, such as Google, Bing and Yahoo!, to drive traffic to our website. For example, when a user types an inquiry into a search engine, we rely on a high organic search result ranking of our webpages in these search results to refer the user to our website. However, our

ability to maintain high organic search result rankings is not within our control. Our competitors' search engine optimization, or SEO, efforts may result in their websites receiving a higher search result page ranking than ours, or Internet search engines could revise their methodologies in a way that would adversely affect our search result rankings. For example, Google has integrated its social networking offerings, including Google+, with certain of its products, including search, which has negatively impacted the organic search ranking of our webpages. If Internet search engines modify their search algorithms in ways that are detrimental to us, or if our competitors' SEO efforts are more successful than ours, the growth in our user base could slow. Our website has experienced fluctuations in search result rankings in the past, and we anticipate similar fluctuations in the future. Any reduction in the number of users directed to our mobile applications or websites through application marketplaces and search engines could harm our business and operating results

Our business is subject to the risks of earthquakes, fire, power outages, floods and other catastrophic events, and to interruption by man-made problems such as terrorism.

A significant natural disaster, such as an earthquake, fire, flood or significant power outage could have a material adverse impact on our business, operating results, and financial condition. Our headquarters are located in a region known for seismic activity. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems at our data centers could result in lengthy interruptions in our services. In addition, acts of terrorism and other geo-political unrest could cause disruptions in our business. All of the aforementioned risks may be further increased if our disaster recovery plans prove to be inadequate.

We do not carry business interruption insurance sufficient to compensate us for the potentially significant losses, including the potential harm to our business that may result from interruptions in our ability to provide our products and services.

Mobile communications technology is changing rapidly, and we may not be successful in working with these new technologies.

Mobile networking and mobile handset technologies are undergoing rapid innovation. New hand held devices with more advanced processors and supporting advanced programming languages continue to be introduced. We have no control over the demand for, or success of, these products or technologies. The development of new, technologically advanced applications to match the advancements in hand held technology is a complex process requiring significant research and development expense, as well as the accurate anticipation of technological and market trends. If we fail to anticipate and adapt to these and other technological changes, the available channels for our application may be limited and our market share and our operating results may suffer. Our future success will depend on our ability to adapt to rapidly changing technologies, develop mobile applications to accommodate evolving industry standards and improve the performance and reliability of our application. In addition, the widespread adoption of networking or telecommunications technologies or other technological changes could require substantial expenditures to modify or adapt our mobile application.

Technology changes in our industry require us to anticipate, sometimes years in advance, which technologies we must implement and take advantage of in order to make our mobile application competitive in the market. We may not be able to achieve these goals, or our competition may be able to achieve them more quickly and effectively than we can. In either case, our products may be technologically inferior to those of our competitors, less appealing to end users or both. If we cannot achieve our technology goals within the original development schedule of our products, then we may delay their release until these technology goals can be achieved, which may delay or reduce our revenues, increase our development expenses and harm our reputation. Alternatively, we may increase the resources employed in research and development in an attempt either to preserve our product launch schedule or to keep up with our competition, which would increase our development expenses. In either case, our business, operating results and financial condition could be materially harmed.

We are uncertain of our ability to protect our proprietary technology and information

In addition to seeking patent protection, we rely on trade secrets, know-how and continuing technological advancement to achieve and thereafter maintain a competitive advantage. Although we have entered into or intend to enter into confidentiality and invention agreements with our employees, consultants, certain potential customers and advisors, no assurance can be given that such agreements will be honored or that we will be able to effectively protect our rights to our unpatented trade secrets and know-how. Moreover, no assurance can be given that others will not independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets and know-how.

Risks Associated with Blockchain Technologies and Digital Currency

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

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

Until recently, little or no regulatory attention has been directed toward cryptocurrency by U.S. federal and state governments, foreign governments and self-regulatory agencies. As cryptocurrencies have grown in popularity and in market size, the Federal Reserve Board, U.S. Congress and certain U.S. agencies (e.g., the CFTC, FinCEN and the Federal Bureau of Investigation) have begun to examine the operations of the cryptocurrency issuers, users and cryptocurrency exchanges.

Currently, the SEC has not formally asserted regulatory authority over cryptocurrency, or cryptocurrency trading and ownership. Although the SEC has not opined on the legal characterization of cryptocurrency as a security, it has taken various actions against persons or entities misusing cryptocurrency in connection with fraudulent schemes (i.e., Ponzi scheme), inaccurate and inadequate publicly disseminated information, and the offering of unregistered securities.[13] As noted above, the CFTC in 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 is the first time the CFTC determined that bitcoin and other 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 cryptocurrency derivatives trading platform. Also of significance, is that the CFTC appears to have taken the position that cryptocurrency is not encompassed by the definition of currency under the CEA and CFTC regulations. The CFTC defined bitcoin and other "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. Cryptocurrency 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." To the extent that cryptocurrency itself is determined to be a security, commodity future or other regulated asset, or to the extent that a US or foreign government or quasi-governmental agency exerts regulatory authority over

cryptocurrency or cryptocurrency trading and ownership, trading or ownership in the Tokens may be adversely affected.

The CFTC confirmed its approach to the regulation of cryptocurrency and cryptocurrency-related enterprises on June 2, 2016, when the CFTC settled charges against Bitfinex, a Cryptocurrency 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 cryptocurrency on a "leveraged, margined or financed basis" without first registering with the CFTC.

Local state regulators such as the NYSDFS have also initiated examinations of cryptocurrency, the Cryptocurrency Network and the regulation thereof. In July 2014, the NYSDFS proposed the first US 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 NYSDFS 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.

Additionally, a U.S. federal magistrate judge in the U.S. District Court for the Eastern District of Texas has ruled that "Cryptocurrency is a currency or form of money," a Florida circuit court judge determined that cryptocurrency did not qualify as money or "tangible wealth," and an opinion from the U.S. District Court for the Northern District of Illinois identified Cryptocurrency as "virtual currency." Additionally, two CFTC commissioners publicly expressed a belief that derivatives based on cryptocurrency are subject to the same regulation as those based on commodities, and the IRS released guidance treating cryptocurrency 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 cryptocurrency for state income or sales tax purposes. On June 28, 2014, the Governor of the State of California signed into law a bill that removed state-level prohibitions on the use of alternative forms of currency or value (including cryptocurrency). The bill indirectly authorizes cryptocurrency's use as an alternative form of money in the state. In February 2015, a bill was introduced in the California State Assembly to establish a licensing regime for businesses engaging in "virtual currencies." In September 2015, the bill was ordered to become an inactive file and as of the date of this registration statement there hasn't been further consideration by the California State Assembly. As of August 2016, the bill was withdrawn from consideration for vote for the remainder of the year.[15] There is a possibility of future regulatory change altering, perhaps to a material extent, the nature of an investment in the Shares or the ability of the Trust to continue to operate. To the extent that future regulatory actions or policies limit the ability to exchange cryptocurrency or utilize them for payments, the demand for cryptocurrencies will be reduced and the value of our Tokens may decrease. Furthermore, regulatory actions may limit the ability of end-users to convert cryptocurrency into fiat currency (e.g., U.S. Dollars) or use cryptocurrency to pay for goods and services. Such regulatory actions or policies would result in a reduction of the value and utility of our Tokens.

Cryptocurrency currently faces an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions such as the European Union, China and Russia. While certain governments such as Germany, where the Ministry of Finance has declared cryptocurrency to be "*Rechnungseinheiten*" (a form of private money that is recognized as a unit of account, but not recognized in the same manner as fiat currency), have issued guidance as to how to treat cryptocurrency, most regulatory bodies have not yet issued official statements regarding intention to regulate or determinations on regulation of cryptocurrency, the Cryptocurrency Network and Cryptocurrency users.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the currency in which the Tokens may be exchanged, the value of the distributions that may be made, and the liquidity of the Tokens,

the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens.

If regulatory changes or interpretations of the Trust's activities require the registration of the Company as a Money Service Business under the regulations promulgated by FinCEN under the authority of the U.S. Bank Secrecy Act, the Company may be required to register and comply with such regulations. If regulatory changes or interpretations of the Company's activities require the licensing or other registration of the Company as a money transmitter (or equivalent designation) under state, the Company may be required to seek licensure or otherwise register and comply with such state law.

To the extent that the activities of the Company cause it to be deemed a Money Service Business under the regulations promulgated by FinCEN under the authority of the U.S. Bank Secrecy Act, the Company may be required to comply with FinCEN regulations, including those that would mandate the Company to implement anti-money laundering programs, make certain reports to FinCEN and maintain certain records.

To the extent that the activities of the Company cause it to be deemed a "money transmitter" (or equivalent designation) under state law in any state in which the Company operates, the Company may be required to seek a license or otherwise register with a state regulator and comply with state regulations that may including the implementation of anti-money laundering programs, maintenance of certain records and other operational requirements. Currently, the NYSDFS has finalized its "BitLicense" framework for businesses that conduct "virtual currency business activity," the Conference of State Bank Supervisors has proposed a model form of state level "virtual currency" regulation and additional state regulators including those from California, Idaho, Virginia, Kansas, Texas, South Dakota and Washington have made public statements indicating that virtual currency businesses may be required to seek licenses as money transmitters. In July 2016, North Carolina updated the law to define "virtual currency" and the activities that trigger licensure in a business friendly approach that encourages companies to use virtual currency and blockchain technology. Specifically, the North Carolina law does not require miners or software providers to obtain a license for multi-signature software, smart contract platforms, smart property, colored coins and non-hosted, non-custodial wallets. Starting January 1, 2016, New Hampshire requires anyone exchanges a digital currency for another currency must become a licensed and bonded money transmitter. In numerous other states, including Connecticut and New Jersey, legislation is being proposed or has been introduced regarding the treatment of bitcoin and other cryptocurrency.

Such additional federal or state regulatory obligations may cause the Company to incur extraordinary expenses, possibly affecting its operations, as well as the utility and value of the Tokens in a material and adverse manner. Furthermore, the Company and its service providers may not be capable of complying with certain federal or state regulatory obligations applicable to Money Service Businesses or Money Transmitters. There can be no guarantee that if such registration or licensure become required that the Company would be able to comply with such requirements. If it were unable to, it may force the Company to cease operations.

The Sale of the Tokens may Constitute the Sale of a "Security" for purposes of United States Securities Laws and may subject to sale and exchange of the Tokens to Regulation.

The Tokens to be sold in the Proposed Sale are, in fact, a "coin" insomuch that the purchase of a Token does not entitle the purchaser to an interest in a collective enterprise. Moreover, the Token is a "utility" token that carries no intrinsic value outside of the onG.social platform and promises no expectation of profit. As such, it is the good faith opinion of the Company that the Tokens do not constitute "securities" under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Notwithstanding the foregoing, on July 25, 2017, the United States Securities and Exchange Commission issued a ReportofInvestigationunderSection21(a)oftheSecuritiesExchangeActof1934describing an SEC investigation of The DAO, a virtual organization, and its use of distributed ledger or blockchain technology to facilitate the offer and sale of DAO Tokens to raise capital. The Commission applied existing U.S. federal securities laws to this new paradigm, determining that DAO Tokens were securities. While the report does

not constitute binding precedent, the Commission stressed that those who offer and sell securities in the U.S. are required to comply with federal securities laws, regardless of whether those securities are purchased with virtual currencies or distributed with blockchain technology.

The Company has reviewed the report of the SEC and conferred with legal counsel and concludes that the Tokens should not be considered a "security" under United States law. Should further interpretation of existing securities laws, or amendments to existing law lead us to conclude that our Tokens are in fact securities, we would first have either register our Tokens for resale with the SEC or otherwise find an exemption from registration. In either event, we believe that such processes would be time consuming, costly and ultimately limit our ability to sell our Tokens, which would have a materially adverse impact on our operations.

The Company may become required to register the Tokens under Securities Exchange Act of 1934 if the Company has assets above $10 million and more than 2,000 holders of the Tokens

Companies with total assets above $10 million and more than 2,000 holders of record of its equity securities, or 500 holders of record of its equity securities who are not accredited investors, must register that class of equity securities with the SEC under the Exchange Act. The Proposed Sale contemplates the sale of the Tokens for gross proceeds of $35,000,000. As such, following the completion of the Proposed Sale, the Company may hold assets in excess of $10 million as well over 2,000 holders of the Tokens. Should at some point in the future, whether the Company independently determines that the Tokens constitute "securities" under the Exchange Act or if a regulatory agency such as the SEC or a state securities board find that the Tokens are indeed securities, the Company may be compelled to file a registration statement covering the Tokens. The Company believes that should it become compelled to file a registration statement covering the Tokens it would have a material adverse impact on the utility and value of the Tokens, as well as the operations of the Company. Moreover, there can be no assurances that should the Company become required to file a registration statement covering its Tokens, that any such registration statement ever be declared effective by the SEC.

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

Although currently cryptocurrencies are not regulated or is lightly regulated in most countries, including the United States, one or more countries such as China, Iceland, Viet Nam and Russia may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use cryptocurrency or to exchange cryptocurrency for fiat currency. Such an action may also result in the restriction of ownership, holding or trading in the Tokens. Such a restriction could result in a materially adverse impact on the utility and value of the Tokens.

If regulatory changes or interpretations require the regulation of cryptocurrencies under the Commodities Exchange Act by the CFTC the Company may be required to register and comply with such regulations, and such registrations and regulatory compliance burdens may result in a materially adverse impact upon the Company.

Current and future legislation, CFTC and SEC rulemaking and other regulatory developments, including interpretations released by a regulatory authority, may impact the manner in which cryptocurrency is treated for classification and clearing purposes. In particular, the bitcoin may not be excluded from the definition of *"security"* by such future CFTC and SEC rulemaking or interpretation, respectively. Should cryptocurrency be deemed to fall within the definition of a commodity future pursuant to future rulemaking by the CFTC, the Company may be required to register and comply with additional regulation under the CEA, including, specifically, periodic reporting requirements. In addition, the Company may be required to register as a commodities futures merchant which may result in significant expense and have a materially adverse

impact on the utility and value of the Tokens. Should such registration become required, there can be no assurances that any attempt at registration will be accepted by the CFTC.

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Risks Associated with the Tokens

The Tokens may not be widely adopted and may have limited users.

It is possible that the Tokens will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the stated utility of the Tokens. Where there exists such a lack of interest in the Tokens a market for the Tokens may never materialize. A lack of widespread adoption of the Tokens may impair the value of the Tokens.

Competing tokens may be developed that offer similar utility.

It is possible that new tokens may be developed that offer similar or greater utility than our Tokens. Should public interest for these competing tokens meet or exceed the interest for our Tokens, there may be decreased demand for the Tokens. In such event, the Tokens may decrease in value due to lower rates of adoption. The Tokens are built upon an upon source platforms and thus readily available to the public at large.

The Company, its website and the Tokens have limited history.

The Company, its website and the technology platform upon which it is built and the Tokens have limited operational history. The Company's expectations concerning the future performance of its business as well as the ongoing utility and value of the Tokens may not prove accurate, resulting in a loss in value of the Tokens.

If the Company is unable to satisfy data protection, security, privacy, and other government- and industry-specific requirements, its growth could be harmed.

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

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

The prices of cryptocurrency have historically been subject to dramatic fluctuations and are highly volatile, and the market price of our Tokens may also be highly volatile. Several factors may influence the market price of the Tokens, including, but not limited to:

- Global blockchain asset supply;
- Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- Purchaser's expectations with respect to the rate of inflation;

- Changes in the software, software requirements or hardware requirements underlying the Tokens
- Changes in the rights, obligations, incentives, or rewards for the various participants in the Tokens
- Interest rates;
- Currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which the Tokens may be traded and liquidity on such exchanges;
- Interruptions in service from or failures of major blockchain asset exchanges on which the Tokens may be traded;
- Investment and trading activities of large investors, including private and registered funds, that may directly or indirectly invest in cryptocurrencies;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that affect the use of blockchain assets such as the Tokens;
- Global or regional political, economic or financial events and situations; or

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

The further development and acceptance of cryptocurrencies are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development of our technology and the Tokens.

The growth of the blockchain industry in general, as well as the blockchain networks with which the Tokenswillrelyandinteract,issubjecttoahighdegreeofuncertainty.Thefactorsaffectingthe further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- Worldwide growth in the adoption and use of Cryptocurrency, and other blockchain technologies;

- Government and quasi-government regulation of Cryptocurrency, and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;

- The maintenance and development of the open-source software protocol of the cryptocurrency networks;

- Changes in consumer demographics and public tastes and preferences;

- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;

- General economic conditions and the regulatory environment relating to cryptocurrencies; or

- A decline in the popularity or acceptance of Cryptocurrency or other blockchain-based tokens would adversely affect our results of operations.

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

United States Federal Tax Considerations

Set forth below is a discussion, in summary form, of certain United States federal income tax consequences relating to the purchase of the Tokens in the Proposed Sale. This summary does not attempt to present all aspects of the United States federal income tax laws or any state, local or foreign laws that may have applicability to the purchase of our Tokens. In particular, foreign investors, financial institutions, insurance companies, tax-exempt entities, investors subject to the alternative minimum tax and other investors of special status must consult with their own professional tax advisors regarding a prospective investment in the Fund. This summary is by nature general in nature and should not be construed as tax advice to any prospective investor. No ruling has been or will be requested from the Internal Revenue Service (the "***IRS***") and no assurance can be given that the IRS will agree with the tax consequences described in this summary. The following discussion assumes that the recipient of this Circular will acquire Tokens as a capital asset (generally, property held for investment).

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

The following discussion is limited to prospective purchasers of our Tokens who are "United States Persons" within the meaning of the Code.

Each prospective purchaser of the Tokens should consult with its own tax adviser in order to fully understand the United States federal, state, local and foreign income tax consequences of a purchase of the Tokens. No formal or legal tax advice is hereby given to any party.

Transactions involving a Token Purchase Agreement and similar instruments, as well as Initial Coin Offerings ("ICOs") and Token transactions, are relatively new and it is more than likely that the IRS will issue guidance, possibly with retroactive effect, impacting the taxation of the purchasers of our Tokens, participants in an ICO, and holders of Tokens. Future tax guidance from the IRS (or guidance resulting from future judicial decisions) could negatively impact purchasers of our Tokens and holders of Tokens.

- *Tax Treatment of Token Purchase Agreement*

  The Company intends to treat the execution of the Token Purchase Agreement as the execution of a contract for the purchase of Tokens, to be delivered at a later date. The Tokens will not constitute either an equity or debt interest in the Company.

- *Treatment of Token Sale*

  The issuance of Tokens to an purchaser under a Token Purchase Agreement will be treated as a taxable sale of property by the Company to the purchaser. A purchaser should not be taxed upon the acquisition of Tokens pursuant to the Token Purchaser Agreement. A purchaser should generally have a tax basis for U.S. federal income tax purposes in the Tokens it acquires from the Company equal to the amount of money such party advanced to the Company under the Token Purchase Agreement. The purchasers holding period in the Tokens should begin on the day the Tokens are issued to the purchaser

- *Disposition of Tokens*

  An purchaser who sells, exchanges, or otherwise disposes of the Tokens for cash or other property (including pursuant to an exchange of such Tokens for other convertible virtual currency)should,

pursuant to Internal Revenue Service Notice 2014-21, recognize capital gain or loss in an amount equal to the difference between the fair market value of the property received in exchange for such Tokens and the purchasers adjusted tax basis in the Tokens. This capital gain may be long- term if the purchaser has held its Tokens for more than one year prior to disposition.

EACH PURCHASER SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF HIS OR HER TAX ADVISOR WITH RESPECT TO THEIR PURCHASE OF TOKENS, AND EACH PURCHASER IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS CIRCULAR IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO AN PURCHASER. PURCHASERS SHOULD BE AWARE THAT THE INTERNAL REVENUE SERVICE MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY THE COMPANY AND THAT CHANGES TO THE INTERNAL REVENUE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR COURT DECISIONS AFTER THE DATE OF THIS CIRCULAR MAY CHANGE THE ANTICIPATED TAX TREATMENTTOANPURCHASER.THECOMPANYWILLNOTOBTAIN ANYRULINGFROMTHE INTERNAL REVENUE SERVICE WITH REGARD TO THE TAX CONSEQUENCES OF A PURCHASE OF OUR TOKENS.

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

THE TAX TREATMENT OF THE TOKEN PURCHASE AGREEMENT, THE PURCHASE RIGHTS CONTAINED THEREIN AND THE TOKEN DISTRIBUTION IS UNCERTAIN AND THERE MAY BE ADVERSE TAX CONSEQUENCES FOR PURCHASERS UPON CERTAIN FUTURE EVENTS. ANY PURCHASE OF TOKENS PURSUANT TO THE TOKEN PURCHASE AGREEMENT AND THE PURCHASE OF TOKENS PURSUANT THERETO MAY RESULT IN ADVERSE TAX CONSEQUENCES TO PURCHASERS, INCLUDING WITHHOLDING TAXES, INCOME TAXES AND TAX REPORTING REQUIREMENTS. EACH PURCHASER SHOULD CONSULT WITH AND MUST RELY UPON THE ADVICE OF ITS OWN PROFESSIONAL TAX ADVISORS WITH RESPECT TO THE UNITED STATES AND NON-TAX TREATMENT OF ANY PURCHASE OF TOKENS.

ANTI MONEY LAUNDERING CONSIDERATIONS

It is the policy of the Company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable requirements under the Bank Secrecy Act (BSA) and its implementing regulations. ***Any purchaser of our Tokens must explicitly agree at the time of purchase to be subject to the Company's Anti Money Laundering Program. The act of purchasing a Token in the Proposed Sale shall constitute the purchasers express acknowledgment and agreement to the terms contained herein.***

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. Generally, money laundering occurs in three stages. Cash first enters the financial system at the "placement" stage, where the cash generated from criminal activities is converted into monetary instruments, such as money orders or traveler's checks, or deposited into accounts at financial institutions. At the "layering" stage, the funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin. At the "integration" stage, the funds are reintroduced into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses.

Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal either the origin of the funds or their intended use, which could be for criminal purposes. Legitimate sources of funds are a key difference between terrorist financiers and traditional criminal organizations. In addition to charitable donations, legitimate sources include foreign government sponsors, business ownership and personal employment. Although the motivation differs between traditional money launderers and terrorist financiers, the actual methods used to fund terrorist operations can be the same as or similar to methods used by other criminals to launder funds. Funding for terrorist attacks does not always require large sums of money and the associated transactions may not be complex.

Our AML policies, procedures and internal controls are designed to ensure compliance with all applicable BSA regulations and FINRA rules and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in our business.

You should check the Office of Foreign Assets Control (the "*OFAC*") website at http://www.treas.gov/ofac before making the following representations: Any purchaser of Tokens must represent that the amounts invested in the Proposed Sale were not and are not directly or indirectly derived from any activities that contravene Federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at http://www.treas.gov/ofac. In addition, the programs administered by the OFAC (the "OFAC Programs") prohibit dealing with individuals[1] or entities uncertain countries, regardless of whether such individuals or entities appear on any OFAC list.

Specifically, any purchaser of Tokens in the Proposed Sale must and agreed and affirm that:

(i) None of:(1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any amounts from a prospective purchaser if such purchasers cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Company should you become aware

of any changeintheinformationsetforthinanyoftheserepresentations.Youareadvisedthat,by law, the Company may be obligated to "freeze the account" of any purchaser, either by prohibiting additional subscriptions from it and/or segregating the assets in the account in compliance with governmental regulations, and that the Company may also be required to report such action and to disclose such purchaser's identity to the OFAC;

(ii) None of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you;or(4)anypersonforwhomyouareactingasagentornomineeinconnectionwith the purchase of Tokens is a senior foreign political figure[2], or any immediate family[3] member or close associate[4]of a senior foreign political figure, as such terms are defined in the footnotes below; and

if you are affiliated with a non-U.S. banking institution (a "Foreign Bank"), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Company that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities;(3)theForeignBankissubjecttoinspectionbythebankingauthoritythatlicensed the Foreign Bank to conduct its banking activities; and (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

The Company is entitled to rely upon the accuracy of your representations to each of them. The Company may, but under no circumstances shall it be obligated to, require additional evidence that a prospective purchaser meets the standards set forth above at any time prior to its acceptance of a prospective purchaser's subscription. You are not obligated to supply any information so requested by the Company, but the Company may reject a subscription from you or any person who fails to supply such information.

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[1]Theseindividualsincludespeciallydesignatednationals,speciallydesignatednarcoticstraffickersandotherparties subject to OFAC sanctions and embargo programs.

[2]A"seniorforeignpoliticalfigure"isdefinedasaseniorofficialintheexecutive,legislative,administrative,military orjudicialbranchofaforeigngovernment(whetherelectedornot),aseniorofficialofamajorforeignpoliticalparty, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

[3] "Immediate family" of a senior foreign political figure typically includes such figure's parents, siblings, spouse, children and in-laws.

[4]A"closeassociate"ofaseniorforeignpoliticalfigureisapersonwhoiswidelyandpubliclyknowntomaintainan unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conductsubstantialdomesticandinternationalfinancialtransactionsonbehalfofsuchseniorforeignpolitical body

In addition to the aforementioned, the Company must file a currency transaction report (CTR) for each deposit, withdrawal, exchange of currency, or other payment or transfer by, through or to the Company that involves a transaction in currency of more than $10,000 or for multiple transactions in currency of more than $10,000

when a financial institution knows that the transactions are by or on behalf of the same person during any one business day, unless the transaction is subject to certain exemptions. “Currency” is defined as “coin and paper money of the United States or of any other country” that is “customarily used and accepted as a medium of exchange in the country of issuance.” Currency includes U.S. silver certificates, U.S. notes, Federal Reserve notes, and official foreign bank notes that are customarily used and accepted as a medium of exchange in a foreign country.

Our Company prohibits transactions involving currency in excess of $10,000 If we discover such transactions have occurred, we will file with FinCEN CTRs for currency transactions that exceed $10,000. Also, we will treat multiple transactions involving currency as a single transaction for purposes of determining whether to file a CTR if they total more than $10,000 and are made by or on behalf of the same person during any one business day.

A currency and monetary instrument transportation report (CMIR) must be filed whenever more than $10,000 in currency or other monetary instruments is physically transported, mailed or shipped into or from the United States. A CMIR also must be filed whenever a person receives more than $10,000 in currency or other monetary instruments that has been physically transported, mailed or shipped from outside the United States and a CMIR has not already been filed with respect to the currency or other monetary instruments received. A CMIR is not required to be filed by a securities broker-dealer mailing or shipping currency or other monetary instruments through the postal service or by common carrier. “Monetary instruments” include the following: currency (defined above); traveler's checks in any form; all negotiable instruments (including personal and business checks, official bank checks, cashier's checks, third-party checks, promissory notes and money orders) that are either in bearer form, endorsed without restriction, made out to a fictitious payee or otherwise in such form that title passes upon delivery; incomplete negotiable instruments that are signed but omit the payee's name; and securities or stock in bearer form or otherwise in such form that title passes upon delivery.

Our Company prohibits both the receipt of currency or other monetary instruments that have been transported, mailed or shipped to us from outside of the United States, and the physical transportation, mailing or shipment of currency or other monetary instruments by any means other than through the postal service or by common carrier. We will file a CMIR with the Commissioner of Customs if we discover that we have received or caused or attempted to receive from outside of the U.S. currency or other monetary instruments in an aggregate amount exceeding $10,000 at one time (on one calendar day or, if for the purposes of evading reporting requirements, on one or more days). We will also file a CMIR if we discover that we have physically transported, mailed or shipped or caused or attempted to physically transport, mail or ship by any means other than through the postal service or by common carrier currency or other monetary instruments of more than $10,000 at one time (on one calendar day or, if for the purpose of evading the reporting requirements, on one or more days).

EXHIBIT A

onG Coin White Paper

EXHIBIT B

Token Purchase Agreement

TOKEN PURCHASE AGREEMENT

OneName Global, Inc., on one hand (the "Company"), and the Purchaser on the other, hereinafter agree to consummate the purchase and sale of onG Coin (the "Tokens") in accordance with the following terms and conditions:

1. *Purchase of the Tokens.* On the Closing Date, subject to the terms and conditions of this Agreement, the Company hereby agrees to sell to Purchaser and Purchaser hereby agrees to purchase from the Company, the Tokens (The "Transaction").

2. *Purchase Price.* The Purchase Price for the Tokens shall be between $0.50 to $2.00 (the "Purchase Price"). The Purchase Price shall be payable upon execution of this Agreement.

3. *Purchase Price Denomination.* For purposes of this Agreement, the value of the Purchase Price shall be deemed in U.S. dollars whether the Purchaser pays in Bitcoin, Ether and WAVES, valued at the Applicable Exchange Rate for Bitcoin, Ether and WAVES. The term "***Applicable Exchange Rate***" shall mean the volume-weighted average hourly price of Bitcoin, Ether and ZCash across exchanges in the one hour preceding the Effective Time; *provided*, *however*, that in the event that such exchanges experience technical issues in such period that affect the accuracy of the volume- weighted average price, the Company will use its reasonable best efforts to determine the volume-weighted average price of Bitcoin, Ether and WAVES for such period.

4. *Closing; Closing Date*. Subject to the satisfaction (or written waiver) of the conditions thereto set forth herein, the date and time of the Closing of the Transaction shall be deemed close upon receipt of the Purchase Price by the Company (the "Closing Date"). The closing of the transactions contemplated by this Agreement (a "Closing") shall occur from time to time during the term of the Proposed Sale. At Closing, upon receipt of the Purchase Price from the Purchaser, the Company shall cause to be delivered to the Purchaser the Tokens within forty-five (45) days.

5. *Representations and Warranties of the Purchaser.* The Purchaser represents and warrants as follows:

a. I have received the Initial Token Offering Circular (the "Circular"), have carefully reviewed the Circular, and have relied solely on the information contained therein, and information otherwise provided to me in writing by the Company. I understand that all documents, records and books pertaining to this investment have been made available by the Company for inspection by me or my representatives. I am familiar with the Company's business objectives and the financial arrangements in connection therewith. I have had a reasonable opportunity to ask questions of and receive answers from the the Company concerning the Company and the Tokens. All such questions have been answered to my full satisfaction. I, or my representatives, have made such investigation of the facts and circumstances set forth in the Circular and exhibits thereto in connection with any purchase of the Tokens as I have deemed necessary. No representations have been made or information furnished to me

or my advisor(s) relating to the Company or the Tokens that are in any way inconsistent with the Circular.

b. Subject to the terms and conditions hereof, I hereby irrevocably execute and tender this Agreement for the purchase of the Tokens and shall pay for such Tokens in the manner set forth herein. I am aware that the purchase made herein is irrevocable, but that the Company has the unconditional right to accept or reject this subscription, in whole or in part, and that the sale of the Tokens pursuant hereto is subject to the approval of certain legal matters by legal counsel and to other conditions. If my subscription is not accepted for any reason whatsoever my money will be returned in full, without any interest that may be earned thereon, and the Company will be relieved of any responsibility or liability that might be deemed to arise out of my offer to purchase for the Tokens.

c. I have carefully reviewed the Circular. I have such knowledge and experience in business and financial matters as will enable me to evaluate the merits and risks of the prospective purchase of the Tokens and to make an informed decision. I am also aware that no state or Federal agency has reviewed or endorsed the Circular or the Tokens, that the Tokens involve a high degree of economic risk, and that there may be no public market for the Tokens.

d. I have been advised and am fully aware that purchasing the Tokens is a speculative and uncertain undertaking, , and that the Tokens may be sold only to persons who understand the nature of the proposed operations of the Company. I represent that I meet any suitability requirements for purchase of the Tokens.

e. I have relied on my own tax and legal adviser with respect to the income tax and investment considerations of being an investor as described in the Circular.

f. I have relied upon my own investigation, legal and other advisors to determine that the Tokens which I am purchasing are not defined as "securities" in accordance with the definitions provided by the Securities Act of 1933 or the Securities Exchange of 1934. Notwithstanding the foregoing, I understand that the Company has not registered the Tokens under the Securities Act, or the applicable securities laws of any state in reliance on exemptions from registration. I further represent and warrant that I am purchasing the Tokens for my own account and not with a view to distribution, assignment, resale or other transfer of the Tokens. Except as specifically stated herein, no other person has a direct or indirect beneficial interest in the Tokens. Because the Tokens are not registered, I am aware that should the Tokens be hereinafter determined to be a "security" I may be compelled to hold the Tokens indefinitely unless they are registered under the Act and any applicable state securities laws or I must obtain exemptions from such registration. I acknowledge that in such event the Company is under no duty to register the Tokens or comply with any exemption

in connection with my sale, transfer or other disposition under applicable rules and regulations, except as described in the Circular.

g. The solicitation of an offer to purchase the Tokens was directly communicated to me through the Circular to which this Agreement is attached as an Exhibit. At no time was I presented with or solicited by or through any leaflet, public promotional meeting, circular, newspaper or magazine article, radio or television advertisement or any other form of general advertising in connection with such communicated offer.

h. I recognize that my investment in the Tokens involves certain risks and I have taken full cognizance of and understand all of the risk factors related to the business objectives of the Company and the purchase of the Tokens, including those risk factors set forth under the caption "RISK FACTORS" in the Circular.

i. I agree to indemnify and hold harmless the Company, its officers and directors from and against all damages, losses, costs and expenses (including reasonable attorney's fees) which they may incur by reason of my failure to fulfill any of the terms or conditions of this Subscription Agreement, or by reason of any untrue statement made herein or any breach of the representations and warranties made herein or in any document that I have provided to the Company.

j. The Purchaser understands that Purchaser has no right against the Company or any other Person except in the event of the Company's breach of this instrument or intentional fraud. THE COMPANY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS INSTRUMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE TOTAL OF THE AMOUNTS PAID TO THE COMPANY PURSUANT TO THIS INSTRUMENT. NEITHER THE COMPANY NOR ITS REPRESENTATIVES SHALL BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS INSTRUMENT.

k. The Purchaser understands that Purchaser bears sole responsibility for any taxes as a result of the matters and transactions the subject of this instrument, and any future acquisition, ownership, use, sale or other disposition of Tokens held by the Purchaser. To the extent permitted by law, the Purchaser agrees to indemnify, defend and hold the Company or any of its affiliates, employees or agents (including developers, auditors, contractors or founders) harmless for any claim, liability, assessment or penalty with respect to any taxes (other than any net income taxes of the Company that result from the issuance of Tokens

to the Purchaser pursuant to Section 1(a) of the instrument) associated with or arising from the Purchaser's purchase of Tokens hereunder, or the use or ownership of Tokens.

6. *Representations and Warranties of the Company.* The Company hereby represents and warrants to Purchaser in the Closing that the statements contained in the following paragraphs of this Section are all true and correct as of the date of this Agreement and the Closing Date:

a. *Corporate Power.* Company has all requisite legal and corporate power to enter into, execute, deliver and perform this Agreement of even date herewith between Company and Purchaser. This Agreement has been duly executed by the Company and constitute the legal, valid and binding obligations of Company, enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, moratorium, and other laws of general application affecting the enforcement of creditors' rights

b. *Authorization*. All corporate and legal action on the part of Company, its officers, and directors necessary for the execution and delivery of this Agreement, the Tokens, and the performance of Company's obligations hereunder have been taken.

c. *Government Consent, Etc*. No consent, approval, order or authorization of, or designation, registration, declaration or filing with, any federal, state, local or other governmental authority on the part of Company is required in connection with the valid execution and delivery of this Agreement and the Tokens.

7. *Miscellaneous*.

a. *Waivers and Amendments*. The provisions of this Agreement may only be amended or modified in a writing executed by each of the Company and Purchaser. A waiver shall not be effective unless in a writing by the party against whom such waiver is to be enforced.

b. *Governing Law*. This Agreement and all actions arising out of or in connection with this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflicts of law provisions thereof. Any action arising out of this Agreement shall be heard in any court of general jurisdiction in DuPage County, Illinois. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

c. *Entire Agreement*. This Agreement shall constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof.

d. *Survival*. The representations, warranties, covenants and agreements made herein shall survive the execution and delivery of this Agreement.

e. *Validity*. If any provision of this Agreement shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

f. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument. This Agreement may be executed electronically.

g. *Assignment.* The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

h. *Legal Counsel.* Each party to this Agreement acknowledges that Adam S. Tracy and the law firm of The Tracy Firm, Ltd. ("***Tracy***"), outside general counsel to the Company, has in the past performed and is or may now or in the future represent one or more Purchasers or their affiliates in matters unrelated to the transactions contemplated by this Agreement (the "***Financing***"), including representation of such Purchasers or their affiliates in matters of a similar nature to the sale of Tokens. The applicable rules of professional conduct require that Tracy inform the parties hereunder of this representation and obtain their consent. The Company and each Purchaser hereby (a) acknowledge that they have had an opportunity to ask for and have obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation; (b) acknowledge that with respect to the sale of Tokens, Tracy has represented solely the Company, and not any Purchaser or any stockholder, director or employee of the Company or any Purchaser; and (c) gives its informed consent to Tracy's representation of the Company with respect to the Proposed Sale of the Tokens.

Executed and agreed to by and among the Company and Purchaser from time to time commencing on August 11, 2017

EXHIBIT C

Anti Money Laundering Program

ANTI MONEY LAUNDERING PROGRAM

ONENAME GLOBAL, INC.

1. *Company Policy*

It is the policy of the Company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities by complying with all applicable requirements under the Bank Secrecy Act (BSA) and its implementing regulations.

Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the proceeds appear to have derived from legitimate origins or constitute legitimate assets. Generally, money laundering occurs in three stages. Cash first enters the financial system at the "placement" stage, where the cash generated from criminal activities is converted into monetary instruments, such as money orders or traveler's checks, or deposited into accounts at financial institutions. At the "layering" stage, the funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin. At the "integration" stage, the funds are reintroduced into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses.

Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal either the origin of the funds or their intended use, which could be for criminal purposes. Legitimate sources of funds are a key difference between terrorist financiers and traditional criminal organizations. In addition to charitable donations, legitimate sources include foreign government sponsors, business ownership and personal employment. Although the motivation differs between traditional money launderers and terrorist financiers, the actual methods used to fund terrorist operations can be the same as or similar to methods used by other criminals to launder funds. Funding for terrorist attacks does not always require large sums of money and the associated transactions may not be complex.

Our AML policies, procedures and internal controls are designed to ensure compliance with all applicable BSA regulations and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in our business.

2. AML Compliance Person Designation and Duties

The Company has designated Christopher Kramer as its Anti-Money Laundering Program Compliance Person (AML Compliance Person), with full responsibility for the Company's AML program. Mr. Kramer has a working knowledge of the BSA and its implementing regulations and is qualified by experience, knowledge and training. The duties of the AML Compliance Person will include monitoring the Company's compliance with AML obligations, overseeing communication and training for employees. The AML Compliance Person will also ensure that the Company keeps and maintains all of the required AML records and will ensure that Suspicious Activity Reports (SAR-SFs) are filed with the Financial Crimes Enforcement Network (FinCEN) when appropriate. The AML Compliance Person is vested with full responsibility and authority to enforce the Company's AML program.

3. Giving AML Information to Federal Law Enforcement Agencies and Other Financial Institutions

a. FinCEN Requests Under USA PATRIOT Act Section 314(a)

We will respond to a Financial Crimes Enforcement Network (FinCEN) request concerning accounts and transactions (a 314(a) Request) by immediately searching our records to determine whether we maintain

or have maintained any account for, or have engaged in any transaction with, each individual, entity or organization named in the 314(a) Request as outlined in the Frequently Asked Questions (FAQ) located on FinCEN's secure Web site. We understand that we have 14 days (unless otherwise specified by FinCEN) from the transmission date of the request to respond to a 314(a) Request. Unless otherwise specified by FinCEN, we are required to search those documents outlined in FinCEN's FAQ. If we find a match, the AML Compliance Person will report it to FinCEN via FinCEN's Web-based 314(a) Secure Information Sharing System within 14 days or within the time requested by FinCEN in the request. If the search parameters differ from those mentioned above (for example, if FinCEN limits the search to a geographic location), the AML Compliance Person will structure our search accordingly.

If the AML Compliance Person searches our records and does not find a matching account or transaction, then the AML Compliance Person will not reply to the 314(a) Request. We will maintain documentation that we have performed the required search.

We will not disclose the fact that FinCEN has requested or obtained information from us, except to the extent necessary to comply with the information request. The AML Compliance Person will review, maintain and implement procedures to protect the security and confidentiality of requests from FinCEN similar to those procedures established to satisfy the requirements of Section 501 of the Gramm-Leach-Bliley Act regarding the protection of customers' nonpublic information.

We will direct any questions we have about the 314(a) Request to the requesting federal law enforcement agency as designated in the request.

Unless otherwise stated in the 314(a) Request, we will not be required to treat the information request as continuing in nature, and we will not be required to treat the periodic 314(a) Requests as a government provided list of suspected terrorists for purposes of the customer identification and verification requirements.

b. Grand Jury Subpoenas

We understand that the receipt of a grand jury subpoena concerning a customer does not in itself require that we file a Suspicious Activity Report (SAR-SF). When we receive a grand jury subpoena, we will conduct a risk assessment of the customer subject to the subpoena as well as review the customer's account activity. If we uncover suspicious activity during our risk assessment and review, we will elevate that customer's risk assessment and file a SAR-SF in accordance with the SAR-SF filing requirements. We understand that none of our officers, employees or agents may directly or indirectly disclose to the person who is the subject of the subpoena its existence, its contents or the information we used to respond to it. To maintain the confidentiality of any grand jury subpoena we receive, we will process and maintain the subpoena by the AML Compliance Person. If we file a SAR-SF after receiving a grand jury subpoena, the SAR-SF will not contain any reference to the receipt or existence of the subpoena. The SAR-SF will only contain detailed information about the facts and circumstances of the detected suspicious activity.

c. Voluntary Information Sharing With Other Financial Institutions Under USA PATRIOT Act Section 314(b)

We will share information with other financial institutions regarding individuals, entities, organizations and countries for purposes of identifying and, where appropriate, reporting activities that we suspect may involve possible terrorist activity or money laundering. [*Name*] will ensure that the Company files with FinCEN an initial notice before any sharing occurs and annual notices thereafter. We will use the notice form found at FinCEN's Web site. Before we share information with another financial institution, we will take reasonable steps to verify that the other financial institution has submitted the requisite notice to FinCEN, either by obtaining information from the financial institution or by consulting a list of such

financial institutions that FinCEN will make available. We understand that this requirement applies even to financial institutions *with which we are affiliated*, and that we will obtain the requisite notices from affiliates and follow all required procedures.

We will employ strict procedures both to ensure that only relevant information is shared and to protect the security and confidentiality of this information, for example, by segregating it from the Company's other books and records.

We also will employ procedures to ensure that any information received from another financial institution shall not be used for any purpose other than:

- identifying and, where appropriate, reporting on money laundering or terrorist activities;
- determining whether to establish or maintain an account, or to engage in a transaction; or
- assisting the financial institution in complying with performing such activities.

4. Checking the Office of Foreign Assets Control Listings

Before opening an account, and on an ongoing basis, the AML Compliance Person will check to ensure that a customer does not appear on the SDN list or is not engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by OFAC. Because the SDN list and listings of economic sanctions and embargoes are updated frequently, we will consult them on a regular basis and subscribe to receive any available updates when they occur. With respect to the SDN list, we may also access that list through various software programs to ensure speed and accuracy. *See also* FINRA's OFAC Search Tool that screens names against the SDN list. AML Compliance Person will also review existing accounts against the SDN list and listings of current sanctions and embargoes when they are updated and he will document the review.

If we determine that a customer is on the SDN list or is engaging in transactions that are prohibited by the economic sanctions and embargoes administered and enforced by OFAC, we will reject the transaction and/or block the customer's assets and file some blocked assets and/or rejected transaction form with OFAC within 10 days. We will also call the OFAC Hotline at (800) 540-6322 immediately.

5. Customer Identification Program

We do not open or maintain "customer accounts" within the meaning of 31 CFR 103.122(a)(1)(i), in that we do not establish formal relationships with "customers" for the purpose of effecting transactions in securities. If in the future the Company elects to open customer accounts or to establish formal relationships with customers for the purpose of effecting transactions in securities, we will first establish, document and ensure the implementation of appropriate CIP procedures.

We will collect information to determine whether any entity opening an account would be excluded as a "customer," pursuant to the exceptions outlined in 31 CFR 103.122(a)(4)(ii) (*e.g.*, documentation of a company's listing information, licensing or registration of a financial institution in the U.S, and status or verification of the authenticity of a government agency or department).

a. Required Customer Information

Prior to opening an account, AML Compliance Person will collect the following information for all accounts, if applicable, for any person, entity or organization that is opening a new account and whose name is on the account:

(1) the name;
(2) date of birth (for an individual);
(3) an address, which will be a residential or business street address (for an individual), an Army Post Office (APO) or Fleet Post Office (FPO) box number, or residential or business street address of next of kin or another contact individual (for an individual who does not have a residential or business street address), or a principal place of business, local office, or other physical location (for a person other than an individual); and
(4) an identification number, which will be a taxpayer identification number (for U.S. persons), or one or more of the following: a taxpayer identification number, passport number and country of issuance, alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or other similar safeguard (for non-U.S. persons).

When opening an account for a foreign business or enterprise that does not have an identification number, we will request alternative government-issued documentation certifying the existence of the business or enterprise.

b. Customers Who Refuse to Provide Information

If a potential or existing customer either refuses to provide the information described above when requested, or appears to have intentionally provided misleading information, our Company will not open a new account and, after considering the risks involved, consider closing any existing account. In either case, our AML Compliance Person will be notified so that we can determine whether we should report the situation to FinCEN on a SAR-SF.

c. Verifying Information

Based on the risk, and to the extent reasonable and practicable, we will ensure that we have a reasonable belief that we know the true identity of our customers by using risk-based procedures to verify and document the accuracy of the information we get about our customers. AML Compliance Person will analyze the information we obtain to determine whether the information is sufficient to form a reasonable belief that we know the true identity of the customer (*e.g.*, whether the information is logical or contains inconsistencies).

We will verify customer identity through documentary means, non-documentary means or both. We will use documents to verify customer identity when appropriate documents are available. In light of the increased instances of identity fraud, we will supplement the use of documentary evidence by using the non-documentary means described below whenever necessary. We may also use non-documentary means, if we are still uncertain about whether we know the true identity of the customer. In verifying the information, we will consider whether the identifying information that we receive, such as the customer's name, street address, zip code, telephone number (if provided), date of birth and Social Security number, allow us to determine that we have a reasonable belief that we know the true identity of the customer (*e.g.*, whether the information is logical or contains inconsistencies).

Appropriate documents for verifying the identity of customers include the following:

- For an individual, an unexpired government-issued identification evidencing nationality or residence and bearing a photograph or similar safeguard, such as a driver's license or passport; and

- For a person other than an individual, documents showing the existence of the entity, such as certified articles of incorporation, a government-issued business license, a partnership agreement or a trust instrument.

We understand that we are not required to take steps to determine whether the document that the customer has provided to us for identity verification has been validly issued and that we may rely on a government-issued identification as verification of a customer's identity. If, however, we note that the document shows some obvious form of fraud, we must consider that factor in determining whether we can form a reasonable belief that we know the customer's true identity.

We will use the following non-documentary methods of verifying identity:

- Independently verifying the customer's identity through the comparison of information provided by the customer with information obtained from a consumer reporting agency, public database or other source;

- Checking references with other financial institutions; or

- Obtaining a financial statement.

We will use non-documentary methods of verification when:
(1) the customer is unable to present an unexpired government-issued identification document with a photograph or other similar safeguard;
(2) the Company is unfamiliar with the documents the customer presents for identification verification;
(3) the customer and Company do not have face-to-face contact; and
(4) there are other circumstances that increase the risk that the Company will be unable to verify the true identity of the customer through documentary means.

We will verify the information within a reasonable time before or after the account is opened. Depending on the nature of the account and requested transactions, we may refuse to complete a transaction before we have verified the information, or in some instances when we need more time, we may, pending verification, restrict the types of transactions or dollar amount of transactions. If we find suspicious information that indicates possible money laundering, terrorist financing activity, or other suspicious activity, we will, after internal consultation with the Company's AML Compliance Person, file a SAR-SF in accordance with applicable laws and regulations.

We recognize that the risk that we may not know the customer's true identity may be heightened for certain types of accounts, such as an account opened in the name of a corporation, partnership or trust that is created or conducts substantial business in a jurisdiction that has been designated by the U.S. as a primary money laundering jurisdiction, a terrorist concern, or has been designated as a non-cooperative country or territory. We will identify customers that pose a heightened risk of not being properly identified. We will also take the following additional measures that may be used to obtain information about the identity of the individuals associated with the customer when standard documentary methods prove to be insufficient.

d. Lack of Verification

When we cannot form a reasonable belief that we know the true identity of a customer, we will do the following: (1) not open an account; (2) impose terms under which a customer may conduct transactions while we attempt to verify the customer's identity; (3) close an account after attempts to verify customer's identity fail; and (4) determine whether it is necessary to file a SAR-SF in accordance with applicable

laws and regulations.

e. Recordkeeping

We will document our verification, including all identifying information provided by a customer, the methods used and results of verification, and the resolution of any discrepancies identified in the verification process. We will keep records containing a description of any document that we relied on to verify a customer's identity, noting the type of document, any identification number contained in the document, the place of issuance, and if any, the date of issuance and expiration date. With respect to non-documentary verification, we will retain documents that describe the methods and the results of any measures we took to verify the identity of a customer. We will also keep records containing a description of the resolution of each substantive discrepancy discovered when verifying the identifying information obtained. We will retain records of all identification information for five years after the account has been closed; we will retain records made about verification of the customer's identity for five years after the record is made.

f. Comparison with Government-Provided Lists of Terrorists

At such time as we receive notice that a federal government agency has issued a list of known or suspected terrorists and identified the list as a list for CIP purposes, we will, within a reasonable period of time after an account is opened (or earlier, if required by another federal law or regulation or federal directive issued in connection with an applicable list), determine whether a customer appears on any such list of known or suspected terrorists or terrorist organizations issued by any federal government agency and designated as such by Treasury in consultation with the federal functional regulators. We will follow all federal directives issued in connection with such lists.

We will continue to comply separately with OFAC rules prohibiting transactions with certain foreign countries or their nationals.

g. Notice to Customers

We will provide notice to customers that the Company is requesting information from them to verify their identities, as required by federal law.

Important Information About Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

h. Reliance on Another Financial Institution for Identity Verification

We may, under the following circumstances, rely on the performance by another financial institution (including an affiliate) of some or all of the elements of our CIP with respect to any customer that is opening an account or has established an account or similar business relationship with the other financial institution to provide or engage in services, dealings or other financial transactions:

- when such reliance is reasonable under the circumstances;
- when the other financial institution is subject to a rule implementing the anti-money laundering compliance program requirements of 31 U.S.C. § 5318(h), and is regulated by a federal functional regulator; and
- when the other financial institution has entered into a contract with our Company requiring it to certify annually to us that it has implemented its anti-money laundering program and that it will perform (or its agent will perform) specified requirements of the customer identification program.

6. General Customer Due Diligence

It is important to our AML and SAR-SF reporting program that we obtain sufficient information about each customer to allow us to evaluate the risk presented by that customer and to detect and report suspicious activity. When we open an account for a customer, the due diligence we perform may be in addition to customer information obtained for purposes of our CIP.

We will take steps to obtain sufficient customer information to comply with our suspicious activity reporting requirements. Such information should include

- the customer's business;
- the customer's anticipated account activity (both volume and type);
- the source of the customer's funds.

For accounts that we have deemed to be higher risk, we will obtain the following information:

- the purpose of the account;
- the source of funds and wealth;
- the beneficial owners of the accounts;
- the customer's (or beneficial owner's) occupation or type of business;
- financial statements;
- banking references;
- domicile (where the customer's business is organized);
- description of customer's primary trade area and whether international transactions are expected to be routine;
- description of the business operations and anticipated volume of trading;
- explanations for any changes in account activity.

7. Correspondent Accounts for Foreign Shell Banks

a. Detecting and Closing Correspondent Accounts of Foreign Shell Banks

We will identify foreign bank accounts and any such account that is a correspondent account (any account that is established for a foreign bank to receive deposits from, or to make payments or other disbursements on behalf of, the foreign bank, or to handle other financial transactions related to such foreign bank) for foreign shell banks. Upon finding or suspecting such accounts, Company employees will notify the AML Compliance Person, who will terminate any verified correspondent account in the United States for a foreign shell bank. We will also terminate any correspondent account that we have determined is not maintained by a foreign shell bank but is being used to provide services to such a shell bank. We will exercise caution regarding liquidating positions in such accounts and take reasonable steps to ensure that no new positions are established in these accounts during the termination period. We will terminate any correspondent account for which we have not obtained the information described in Appendix A of the regulations regarding shell banks within the time periods specified in those regulations.

b. Certifications

We will require our foreign bank account holders to identify the owners of the foreign bank if it is not publicly traded, the name and street address of a person who resides in the United States and is authorized and has agreed to act as agent for acceptance of legal process, and an assurance that the foreign bank is not a shell bank nor is it facilitating activity of a shell bank. In lieu of this information the foreign bank may submit the Certification Regarding Correspondent Accounts For Foreign Banks provided in the BSA regulations. We will re-certify when we believe that the information is no longer accurate or at least once every three years.

c. Recordkeeping for Correspondent Accounts for Foreign Banks

We will keep records identifying the owners of foreign banks with U.S. correspondent accounts and the name and address of the U.S. agent for service of legal process for those banks.

d. Summons or Subpoena of Foreign Bank Records; Termination of Correspondent Relationships with Foreign Bank

When we receive a written request from a federal law enforcement officer for information identifying the non-publicly traded owners of any foreign bank for which we maintain a correspondent account in the United States and/or the name and address of a person residing in the United States who is an agent to accept service of legal process for a foreign bank's correspondent account, we will provide that information to the requesting officer not later than seven days after receipt of the request. We will close, within 10 days, any correspondent account for a foreign bank that we learn from FinCEN or the Department of Justice has failed to comply with a summons or subpoena issued by the Secretary of the Treasury or the Attorney General of the United States or has failed to contest such a summons or subpoena. We will scrutinize any correspondent account activity during that 10-day period to ensure that any suspicious activity is appropriately reported and to ensure that no new positions are established in these correspondent accounts.

8. Due Diligence and Enhanced Due Diligence Requirements for Correspondent Accounts of Foreign Financial Institutions

a. Due Diligence for Correspondent Accounts of Foreign Financial Institutions

We will conduct an inquiry to determine whether a foreign financial institution has a correspondent account established, maintained, administered or managed by the Company.

If we have correspondent accounts for foreign financial institutions, we will assess the money laundering risk posed, based on a consideration of relevant risk factors. We can apply all or a subset of these risk factors depending on the nature of the foreign financial institutions and the relative money laundering risk posed by such institutions.

The relevant risk factors can include:

- the nature of the foreign financial institution's business and the markets it serves;
- the type, purpose and anticipated activity of such correspondent account;
- the nature and duration of the Company's relationship with the foreign financial institution and its affiliates;
- the anti-money laundering and supervisory regime of the jurisdiction that issued the foreign financial institution's charter or license and, to the extent reasonably available, the jurisdiction in which any company that is an owner of the foreign financial institution is incorporated or chartered; and
- information known or reasonably available to the covered financial institution about the foreign financial institution's anti-money laundering record.

In addition, our due diligence program will consider additional factors that have not been enumerated above when assessing foreign financial institutions that pose a higher risk of money laundering.

We will apply our risk-based due diligence procedures and controls to each financial foreign institution correspondent account on an ongoing basis. This includes periodically reviewing the activity of each foreign financial institution correspondent sufficient to ensure whether the nature and volume of account activity is generally consistent with the information regarding the purpose and expected account activity and to ensure that the Company can adequately identify suspicious transactions. Ordinarily, we will not conduct this periodic review by scrutinizing every transaction taking place within the account. One procedure we may use instead is to use any account profiles for our correspondent accounts (to the extent we maintain these) that we ordinarily use to anticipate how the account might be used and the expected volume of activity to help establish baselines for detecting unusual activity.

b. Enhanced Due Diligence

We will assess any correspondent accounts for foreign financial institutions to determine whether they are correspondent accounts that have been established, maintained, administered or managed for any foreign bank that operates under:

(1) an offshore banking license;
(2) a banking license issued by a foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member and with which designation the U.S. representative to the group or organization concurs; or
(3) a banking license issued by a foreign country that has been designated by the Secretary of the Treasury as warranting special measures due to money laundering concerns.

If we determine that we have any correspondent accounts for these specified foreign banks, we will perform enhanced due diligence on these correspondent accounts. The enhanced due diligence that we will perform for each correspondent account will include, at a minimum, procedures to take reasonable

steps to:

(1) conduct enhanced scrutiny of the correspondent account to guard against money laundering and to identify and report any suspicious transactions. Such scrutiny will not only reflect the risk assessment that is described in Section 8.a. above, but will also include procedures to, as appropriate:

(i) obtain (*e.g.,* using a questionnaire) and consider information related to the foreign bank's AML program to assess the extent to which the foreign bank's correspondent account may expose us to any risk of money laundering;

(ii) monitor transactions to, from or through the correspondent account in a manner reasonably designed to detect money laundering and suspicious activity (this monitoring may be conducted manually or electronically and may be done on an individual account basis or by product activity); and

(iii) obtain information from the foreign bank about the identity of any person with authority to direct transactions through any correspondent account that is a payable-through account (a correspondent account maintained for a foreign bank through which the foreign bank permits its customer to engage, either directly or through a subaccount, in banking activities) and the sources and beneficial owners of funds or other assets in the payable-through account.

(2) determine whether the foreign bank maintains correspondent accounts for other foreign banks that enable those other foreign banks to gain access to the correspondent account under review and, if so, to take reasonable steps to obtain information to assess and mitigate the money laundering risks associated with such accounts, including, as appropriate, the identity of those other foreign banks; and

(3) if the foreign bank's shares are not publicly traded, determine the identity of each owner and the nature and extent of each owner's ownership interest. We understand that for purposes of determining a private foreign bank's ownership, an "owner" is any person who directly or indirectly owns, controls or has the power to vote 10 percent or more of any class of securities of a foreign bank. We also understand that members of the same family shall be considered to be one person.

c. Special Procedures When Due Diligence or Enhanced Due Diligence Cannot Be Performed

In the event there are circumstances in which we cannot perform appropriate due diligence with respect to a correspondent account, we will determine, at a minimum, whether to refuse to open the account, suspend transaction activity, file a SAR-SF, close the correspondent account and/or take other appropriate action.

9. Due Diligence and Enhanced Due Diligence Requirements for Private Banking Accounts/Senior Foreign Political Figures

We will review our accounts to determine whether we offer any private banking accounts and we will conduct due diligence on such accounts. This due diligence will include, at least, (1) ascertaining the identity of all nominal holders and holders of any beneficial ownership interest in the account (including information on those holders' lines of business and sources of wealth); (2) ascertaining the source of funds deposited into the account; (3) ascertaining whether any such holder may be a senior foreign political figure; and (4) detecting and reporting, in accordance with applicable laws and regulations, any known

or suspected money laundering, or use of the proceeds of foreign corruption.

We will review public information, including information available in Internet databases, to determine whether any private banking account holders are senior foreign political figures. If we discover information indicating that a particular private banking account holder may be a senior foreign political figure, and upon taking additional reasonable steps to confirm this information, we determine that the individual is, in fact, a senior foreign political figure, we will conduct additional enhanced due diligence to detect and report transactions that may involve money laundering or the proceeds of foreign corruption.

In so doing, we will consider the risks that the funds in the account may be the proceeds of foreign corruption by determining the purpose and use of the private banking account, location of the account holder(s), source of funds in the account, type of transactions conducted through the account and jurisdictions involved in such transactions. The degree of scrutiny we will apply will depend on various risk factors, including, but not limited to, whether the jurisdiction the senior foreign political figure is from is one in which current or former political figures have been implicated in corruption and the length of time that a former political figure was in office. Our enhanced due diligence might include, depending on the risk factors, probing the account holder's employment history, scrutinizing the account holder's source(s) of funds, and monitoring transactions to the extent necessary to detect and report proceeds of foreign corruption, and reviewing monies coming from government, government controlled or government enterprise accounts (beyond salary amounts).

If we do not find information indicating that a private banking account holder is a senior foreign political figure, and the account holder states that he or she is not a senior foreign political figure, then we may make an assessment if a higher risk for money laundering, nevertheless, exists independent of the classification. If a higher risk is apparent, we will consider additional due diligence measures.

In either case, if due diligence (or the required enhanced due diligence, if the account holder is a senior foreign political figure) cannot be performed adequately, we will, after consultation with the Company's AML Compliance Person and, as appropriate, not open the account, suspend the transaction activity, file a SAR-SF or close the account.

10. Compliance with FinCEN's Issuance of Special Measures Against Foreign Jurisdictions, Financial Institutions or International Transactions of Primary Money Laundering Concern

We do not maintain any accounts (including correspondent accounts) with any foreign jurisdiction or financial institution. However, if FinCEN issues a final rule imposing a special measure against one or more foreign jurisdictions or financial institutions, classes of international transactions or types of accounts deeming them to be of primary money laundering concern, we understand that we must read FinCEN's final rule and follow any prescriptions or prohibitions contained in that rule.

11. Monitoring Accounts for Suspicious Activity

We will monitor account activity for unusual size, volume, pattern or type of transactions, taking into account risk factors and red flags that are appropriate to our business. (Red flags are identified in Section 11.b. below.) Monitoring will be conducted through the automated monitoring. The AML Compliance Person or his or her designee will be responsible for this monitoring, will review any activity that our monitoring system detects, will determine whether any additional steps are required, will document when and how this monitoring is carried out, and will report suspicious activities to the appropriate authorities.

a. Emergency Notification to Law Enforcement by Telephone

In situations involving violations that require immediate attention, such as terrorist financing or ongoing money laundering schemes, we will immediately call an appropriate law enforcement authority. If a customer or company appears on OFAC's SDN list, we will call the OFAC Hotline at (800) 540-6322. Other contact numbers we will use are: FinCEN's Financial Institutions Hotline ((866) 556-3974) (especially to report transactions relating to terrorist activity), local U.S. Attorney's office (*insert contact number)*, local FBI office (*insert contact number)* and local SEC office (*insert contact number)* (to voluntarily report such violations to the SEC in addition to contacting the appropriate law enforcement authority). If we notify the appropriate law enforcement authority of any such activity, we must still file a timely SAR-SF.

Although we are not required to, in cases where we have filed a SAR-SF that may require immediate attention by the SEC, we may contact the SEC via the SEC SAR Alert Message Line at (202) 551-SARS (7277) to alert the SEC about the filing. We understand that calling the SEC SAR Alert Message Line does not alleviate our obligations to file a SAR-SF or notify an appropriate law enforcement authority.

b. Red Flags

Red flags that signal possible money laundering or terrorist financing include, but are not limited to:

Customers – Insufficient or Suspicious Information

- Provides unusual or suspicious identification documents that cannot be readily verified.
- Reluctant to provide complete information about nature and purpose of business, prior banking relationships, anticipated account activity, officers and directors or business location.
- Refuses to identify a legitimate source for funds or information is false, misleading or substantially incorrect.
- Background is questionable or differs from expectations based on business activities.
- Customer with no discernable reason for using the Company's service.

Efforts to Avoid Reporting and Recordkeeping

- Reluctant to provide information needed to file reports or fails to proceed with transaction.
- Tries to persuade an employee not to file required reports or not to maintain required records.
- "Structures" deposits, withdrawals or purchase of monetary instruments below a certain amount to avoid reporting or recordkeeping requirements.
- Unusual concern with the Company's compliance with government reporting requirements and Company's AML policies.

Certain Funds Transfer Activities

- Wire transfers to/from financial secrecy havens or high-risk geographic location without an apparent business reason.
- Many small, incoming wire transfers or deposits made using checks and money orders. Almost immediately withdrawn or wired out in manner inconsistent with customer's business or

history. May indicate a Ponzi scheme.

- Wire activity that is unexplained, repetitive, unusually large or shows unusual patterns or with no apparent business purpose.

Certain Securities Transactions

- Customer engages in prearranged or other non-competitive trading, including wash or cross trades of illiquid securities.
- Two or more accounts trade an illiquid stock suddenly and simultaneously.
- Customer journals securities between unrelated accounts for no apparent business reason.
- Customer has opened multiple accounts with the same beneficial owners or controlling parties for no apparent business reason.
- Customer transactions include a pattern of receiving stock in physical form or the incoming transfer of shares, selling the position and wiring out proceeds.
- Customer's trading patterns suggest that he or she may have inside information.

Activity Inconsistent With Business

- Transactions patterns show a sudden change inconsistent with normal activities.
- Unusual transfers of funds or journal entries among accounts without any apparent business purpose.
- Maintains multiple accounts, or maintains accounts in the names of family members or corporate entities with no apparent business or other purpose.
- Appears to be acting as an agent for an undisclosed principal, but is reluctant to provide information.

Other Suspicious Customer Activity

- Unexplained high level of account activity with very low levels of securities transactions.
- Funds deposits for purchase of a long-term investment followed shortly by a request to liquidate the position and transfer the proceeds out of the account.
- Law enforcement subpoenas.
- Large numbers of securities transactions across a number of jurisdictions.
- Buying and selling securities with no purpose or in unusual circumstances (*e.g.*, churning at customer's request).
- Payment by third-party check or money transfer without an apparent connection to the customer.

- Payments to third-party without apparent connection to customer.

- No concern regarding the cost of transactions or fees (*i.e.*, surrender fees, higher than necessary commissions, etc.).

c. Responding to Red Flags and Suspicious Activity

When an employee of the Company detects any red flag, or other activity that may be suspicious, he or she will notify the AML Compliance Person. Under the direction of the AML Compliance Person, the Company will determine whether or not and how to further investigate the matter. This may include gathering additional information internally or from third-party sources, contacting the government, freezing the account and/or filing a SAR-SF.

12. Suspicious Transactions and BSA Reporting

a. Filing a SAR-SF

We will file SAR-SFs with FinCEN for any transactions (including deposits and transfers) conducted or attempted by, at or through our Company involving $5,000 or more of funds or assets (either individually or in the aggregate) where we know, suspect or have reason to suspect:

(1) the transaction involves funds derived from illegal activity or is intended or conducted in order to hide or disguise funds or assets derived from illegal activity as part of a plan to violate or evade federal law or regulation or to avoid any transaction reporting requirement under federal law or regulation;
(2) the transaction is designed, whether through structuring or otherwise, to evade any requirements of the BSA regulations;
(3) the transaction has no business or apparent lawful purpose or is not the sort in which the customer would normally be expected to engage, and after examining the background, possible purpose of the transaction and other facts, we know of no reasonable explanation for the transaction; or
(4) the transaction involves the use of the Company to facilitate criminal activity.

We will also file a SAR-SF and notify the appropriate law enforcement authority in situations involving violations that require immediate attention, such as terrorist financing or ongoing money laundering schemes. In addition, although we are not required to, we may contact that SEC in cases where a SAR-SF we have filed may require immediate attention by the SEC. *See* Section 11 for contact numbers. We also understand that, even if we notify a regulator of a violation, unless it is specifically covered by one of the exceptions in the SAR rule, we must file a SAR-SF reporting the violation.

We may file a voluntary SAR-SF for any suspicious transaction that we believe is relevant to the possible violation of any law or regulation but that is not required to be reported by us under the SAR rule. It is our policy that all SAR-SFs will be reported regularly to the Board of Directors and appropriate senior management, with a clear reminder of the need to maintain the confidentiality of the SAR-SF.

We will report suspicious transactions by completing a SAR-SF, and we will collect and maintain supporting documentation as required by the BSA regulations. We will file a SAR-SF no later than 30 calendar days after the date of the initial detection of the facts that constitute a basis for filing a SAR-SF. If no suspect is identified on the date of initial detection, we may delay filing the SAR-SF for an additional 30 calendar days pending identification of a suspect, but in no case will the reporting be delayed more than 60 calendar days after the date of initial detection. The phrase "initial detection" does not mean the moment a transaction is highlighted for review. The 30-day (or 60-day) period begins when an appropriate review is conducted and a determination is made that the transaction under review is "suspicious" within the meaning of the SAR requirements. A review must be initiated promptly upon identification of unusual activity that warrants investigation.

We will retain copies of any SAR-SF filed and the original or business record equivalent of any supporting documentation for five years from the date of filing the SAR-SF. We will identify and maintain supporting documentation and make such information available to FinCEN, any other appropriate law enforcement agencies, federal or state securities regulators or SROs upon request.

We will not notify any person involved in the transaction that the transaction has been reported, except as permitted by the BSA regulations. We understand that anyone who is subpoenaed or required to disclose a SAR-SF or the information contained in the SAR-SF will, except where disclosure is requested by FinCEN, the SEC, or another appropriate law enforcement or regulatory agency, or an SRO registered with the SEC, decline to produce the SAR-SF or to provide any information that would disclose that a SAR-SF was prepared or filed. We will notify FinCEN of any such request and our response.

b. Currency Transaction Reports

A Company must file a currency transaction report (CTR) for each deposit, withdrawal, exchange of currency, or other payment or transfer by, through or to the Company that involves a transaction in currency of more than $10,000 or for multiple transactions in currency of more than $10,000 when a financial institution knows that the transactions are by or on behalf of the same person during any one business day, unless the transaction is subject to certain exemptions. “Currency” is defined as “coin and paper money of the United States or of any other country” that is “customarily used and accepted as a medium of exchange in the country of issuance.” Currency includes U.S. silver certificates, U.S. notes, Federal Reserve notes, and official foreign bank notes that are customarily used and accepted as a medium of exchange in a foreign country.

Our Company prohibits transactions involving currency in excess of $10,000 If we discover such transactions have occurred, we will file with FinCEN CTRs for currency transactions that exceed $10,000. Also, we will treat multiple transactions involving currency as a single transaction for purposes of determining whether to file a CTR if they total more than $10,000 and are made by or on behalf of the same person during any one business day.

Our Company prohibits both the receipt of currency or other monetary instruments that have been transported, mailed or shipped to us from outside of the United States, and the physical transportation, mailing or shipment of currency or other monetary instruments by any means other than through the postal service or by common carrier. We will file a CMIR with the Commissioner of Customs if we discover that we have received or caused or attempted to receive from outside of the U.S. currency or other monetary instruments in an aggregate amount exceeding $10,000 at one time (on one calendar day or, if for the purposes of evading reporting requirements, on one or more days). We will also file a CMIR if we discover that we have physically transported, mailed or shipped or caused or attempted to physically transport, mail or ship by any means other than through the postal service or by common carrier currency or other monetary instruments of more than $10,000 at one time (on one calendar day or, if for the purpose of evading the reporting requirements, on one or more days).

d. Foreign Bank and Financial Accounts Reports

We will file a FBAR with the IRS for any financial accounts of more than $10,000 that we hold, or for which we have signature or other authority over, in a foreign country. We will use the FBAR Form provided on the IRS’s Web site.

e. Monetary Instrument Purchases

No financial institution may issue or sell a bank check or draft, cashier's check, money order or traveler's check for $3,000 to $10,000 inclusive in currency unless it obtains and records certain information when issuing or selling one or more of these instruments to any individual purchaser. A financial institution issuing or selling one or more of these instruments to any individual purchaser in excess of $10,000 will also need to file a CTR.
We do not issue bank checks or drafts, cashier's checks, money orders or traveler's checks.

13. AML Recordkeeping

a. Responsibility for Required AML Records and SAR-SF Filing

Our AML Compliance Person and his or her designee will be responsible for ensuring that AML records are maintained properly and that SAR-SFs are filed as required.

In addition, as part of our AML program, our Company will create and maintain SAR-SFs, CTRs, CMIRs, FBARs, and relevant documentation on customer identity and verification *(See* Section 5 above) and funds transmittals. We will maintain SAR-SFs and their accompanying documentation for at least five years. We will keep other documents according to existing BSA and other recordkeeping requirements, including certain SEC rules that require six-year retention periods (*e.g*., Exchange Act Rule 17a-4(a) requiring Companies to preserve for a period of not less than six years, all records required to be retained by Exchange Act Rule 17a-3(a)(1)-(3), (a)(5), and (a)(21)-(22) and Exchange Act Rule 17a-4(e)(5) requiring Companies to retain for six years account record information required pursuant to Exchange Act Rule 17a-3(a)(17)).

b. SAR-SF Maintenance and Confidentiality

We will hold SAR-SFs and any supporting documentation confidential. We will not inform anyone outside of FinCEN, the SEC, an SRO registered with the SEC or other appropriate law enforcement or regulatory agency about a SAR-SF. We will refuse any subpoena requests for SAR-SFs or for information that would disclose that a SAR-SF has been prepared or filed and immediately notify FinCEN of any such subpoena requests that we receive. *See* Section 11 for contact numbers. We will segregate SAR-SF filings and copies of supporting documentation from other Company books and records to avoid disclosing SAR-SF filings. Our AML Compliance Person will handle all subpoenas or other requests for SAR-SFs. We may share information with another financial institution about suspicious transactions in order to determine whether we will jointly file a SAR according to the provisions of Section 3.d. In cases in which we file a joint SAR for a transaction that has been handled both by us and another financial institution, both financial institutions will maintain a copy of the filed SAR.

c. Additional Records

We shall retain either the original or a microfilm or other copy or reproduction of each of the following:

- A record of each extension of credit in an amount in excess of $10,000, except an extension of credit secured by an interest in real property. The record shall contain the name and address of the person to whom the extension of credit is made, the amount thereof, the nature or purpose thereof and the date thereof;

- A record of each advice, request or instruction received or given regarding any transaction resulting (or intended to result and later canceled if such a record is normally made) in the transfer of currency or other monetary instruments, funds, checks, investment securities or credit, of more than $10,000 to or from any person, account or place outside the U.S.;

- A record of each advice, request or instruction given to another financial institution (which includes broker-dealers) or other person located within or without the U.S., regarding a transaction intended to result in the transfer of funds, or of currency, other monetary instruments, checks, investment securities or credit, of more than $10,000 to a person, account or place outside the U.S.;

- Each document granting signature or trading authority over each customer's account;

- Each record described in Exchange Act Rule 17a-3(a): (1) (blotters), (2) (ledgers for assets and liabilities, income, and expense and capital accounts), (3) (ledgers for cash and margin accounts), (4) (securities log), (5) (ledgers for securities in transfer, dividends and interest received, and securities borrowed and loaned), (6) (order tickets), (7) (purchase and sale tickets), (8) (confirms), and (9) (identity of owners of cash and margin accounts);

- A record of each remittance or transfer of funds, or of currency, checks, other monetary instruments, investment securities or credit, of more than $10,000 to a person, account or place, outside the U.S.; and

- A record of each receipt of currency, other monetary instruments, checks or investment securities and of each transfer of funds or credit, of more than $10,000 received on any one occasion directly and not through a domestic financial institution, from any person, account or place outside the U.S.

14. Clearing/Introducing Company Relationships

We will work closely with our are third party partners to detect money laundering. We will exchange information, records, data and exception reports as necessary to comply with AML laws. found on FinCEN's Web site

15. Training Programs

We will develop ongoing employee training under the leadership of the AML Compliance Person and senior management. Our training will occur on at least an annual basis. It will be based on our Company's size, its customer base, and its resources and be updated as necessary to reflect any new developments in the law.

Our training will include, at a minimum: (1) how to identify red flags and signs of money laundering that arise during the course of the employees' duties; (2) what to do once the risk is identified (including how, when and to whom to escalate unusual customer activity or other red flags for analysis and, where appropriate, the filing of SAR-SFs); (3) what employees' roles are in the Company's compliance efforts and how to perform them; (4) the Company's record retention policy; and (5) the disciplinary consequences (including civil and criminal penalties) for non-compliance with the BSA.

We will develop training in our Company, or contract for it. Delivery of the training may include educational pamphlets, videos, intranet systems, in-person lectures and explanatory memos. We will maintain records to show the persons trained, the dates of training and the subject matter of their training.

We will review our operations to see if certain employees, such as those in compliance, margin and corporate security, require specialized additional training. Our written procedures will be updated to reflect any such changes.

16. Program to Independently Test AML Program

a. Staffing

The testing of our AML program will be performed at least annually (on a calendar year basis) by an independent third party. We will evaluate the qualifications of the independent third party to ensure they have a working knowledge of applicable requirements under the BSA and its implementing regulations.
OR

b. Evaluation and Reporting

After we have completed the independent testing, staff will report its findings to senior management. We will promptly address each of the resulting recommendations and keep a record of how each noted deficiency was resolved.

17. Monitoring Employee Conduct and Accounts

We will subject employee accounts to the same AML procedures as customer accounts, under the supervision of the AML Compliance Person. We will also review the AML performance of supervisors, as part of their annual performance review. The AML Compliance Person's accounts will be reviewed by the AML Compliance Person.

18. Confidential Reporting of AML Non-Compliance

Employees will promptly report any potential violations of the Company's AML compliance program to the AML Compliance Person, unless the violations implicate the AML Compliance Person, in which case the employee shall report to the AML Compliance Person. Such reports will be confidential, and the employee will suffer no retaliation for making them.

19. Additional Risk Areas

The Company has reviewed all areas of its business to identify potential money laundering risks that may not be covered in the procedures described above.

20. Senior Manager Approval

Senior management has approved this AML compliance program in writing as reasonably designed to achieve and monitor our Company's ongoing compliance with the requirements of the BSA and the implementing regulations under it. This approval is indicated by signatures below.

Signed: /s/ Christopher Kramer

Title: Compliance Officer

Date: 08/10/17