

Confidential Private Placement Offering Memorandum
Dated December 15th, 2020

THE OFFERING PERIOD OF THE PRIVATE PLACEMENT WILL EXPIRE ON THE EARLIER TO OCCUR OF: (I) THE DATE ON WHICH THE MAXIMUM PLACEMENT AMOUNT HAS BEEN SUBSCRIBED FOR AND ACCEPTED BY THE COMPANY AND A FINAL CLOSING HAS BEEN CONSUMMATED OR (II) OCTOBER 15, 2022, UNLESS EXTENDED OR EARLIER TERMINATED, IN EACH CASE, IN THE SOLE DISCRETION OF THE COMPANY (SUCH DATE, AS THE SAME MAY BE EXTENDED OR EARLIER TERMINATED, THE “EXPIRATION DATE”). ALL TERMS NOT DEFINED IN THIS PARAGRAPH HAVE THE MEANING GIVEN TO THEM BELOW.

Gramarye Media, Inc.



**Gramarye
Media**

USD \$175,000,000
Convertible Preferred Equity
Gramarye Tokens
to be acquired pursuant to
Simple Agreements for Future Equity

This Confidential Private Placement Offering Memorandum (this “*Memorandum*”) has been prepared by Gramarye Media, Inc. (the “*Company*” or “*GMI*”) for use by certain qualified potential purchasers to whom the Company is offering (the “*Offering*”) the opportunity to purchase the right to acquire, if issued by the Company in the future, GMI Convertible Preferred Equity Tokens, par value USD \$0.0001 (the “*Tokens*”), that the Company will use its commercially reasonable efforts to develop and issue. The foregoing right to acquire Tokens, if issued by the Company in the future, will be embodied in, and documented by, a Simple Agreement for Future Equity with respect to the Tokens (as may be amended, restated and/or otherwise modified from time to time, a “*SAFE*” and, together with the Tokens, the “*Securities*”) to be entered into between the Company and qualified purchasers purchasing such Securities in the Offering. The Company expects to enter into SAFEs on an ongoing basis until on or about October 15, 2024 (as the same may be extended or earlier terminated, the “*Expiration Date*”). If the Tokens are initially issued by the Company in the future, the date of such issuance, if any, is referred to as the “*Token Issuance Date*.” The Company may issue up to \$175 million of Tokens, subject to increase as described in this Memorandum.

There can be no assurance that GMI will ever issue the Tokens. If Tokens are not issued, purchasers in the Offering will not receive any refund or return of their investment. If Tokens are issued, investors may never receive any benefit from holding the Tokens. Token holders are not entitled to any utility from the Token. A legally compliant trading market for the Tokens may never be developed and peer-to-peer trading of Tokens will not be permitted unless and until Token holders are notified otherwise by the Company, which may require holders to hold their Tokens indefinitely. An investment in this Offering is highly speculative, and you should only invest if you are prepared to lose your entire investment.

Unless the context requires otherwise, in this Memorandum the terms the “*Company*” and “*GMI*” refer to Gramarye Media, Inc., together with its subsidiaries, and all dollar (\$) amounts set forth herein refer to United States dollars. The Company currently is a Delaware corporation.

The Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the “*Securities Act*”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act. Accordingly, the Securities are being offered and sold only (1) to “accredited investors” (as defined in Rule 501 of Regulation D under the Securities Act) in compliance with Rule 506(c) of Regulation D under the Securities Act and (2) outside the United States to persons other than “U.S. persons” (as defined in Regulation S under the Securities Act) in reliance upon Regulation S under the Securities Act.

NONE OF THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”), ANY STATE SECURITIES COMMISSION, ANY FOREIGN SECURITIES AUTHORITY OR ANY OTHER FEDERAL, STATE OR FOREIGN REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND MAY BE A CRIMINAL OFFENSE.

No action has been taken in any jurisdiction to permit a public offering of the Securities.

Investing in the Securities involves a high degree of risk. You should carefully consider the risks summarized under “Risk Factors” of this Memorandum for a discussion of important factors you should consider before purchasing Securities.

The date of this updated Memorandum is December 15, 2020

**GRAMARYE MEDIA, INC.
SIMPLE AGREEMENT FOR FUTURE EQUITY
PREFERRED EQUITY GMI TOKENS**

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IMPORTANT INFORMATION FOR POTENTIAL PURCHASERS

This Memorandum is directed only to qualified potential purchasers to whom it is delivered by, or on behalf of, the Company, and it has been prepared solely for use by prospective purchasers of the Securities and will be maintained in strict confidence. Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) the Company and its affiliates derive independent economic value from such confidential information not being generally known, (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy, and (iv) the disclosure of such confidential information is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, is prohibited. Each person who has received this Memorandum is deemed to agree to return this Memorandum to the Company upon request. The existence and nature of all conversations regarding the Company and this Offering must be kept confidential.

To purchase Securities, each participating qualified purchaser is required to execute their own SAFE. This Memorandum contains a summary of the material terms of the Securities. However, the summary of the Securities in this Memorandum does not purport to be complete and is subject to and qualified in its entirety by reference (i) in the case of the SAFE, to the actual text of the SAFE to be executed by each qualified purchaser, substantially in the form attached as **Annex A** hereto, and (ii) in the case of the Tokens, to the terms of a Certificate of Designation that will be filed with the Delaware Secretary of State as part of the Company's Certificate of Incorporation (the "***Certificate of Designation***"), the material terms and conditions of which are summarized in **Annex B** attached hereto (the "***Token Terms and Conditions***"). The Certificate of Designation and the Token Terms and Conditions will be posted on the Company's website and be available upon request from the Company at no cost. If any of the provisions of the Securities are inconsistent with or contrary to the descriptions or terms in this Memorandum, the terms of the SAFE or the Certificate of Designation (as summarized in the Token Terms and Conditions), as applicable, will control. Furthermore, certain material rights described in the Token Terms and Conditions, such as the dividends applicable to the Token, are subject to the sole discretion of GMI's board of directors (the "***Board***"), in each case without the consent of holders of the Tokens.

The Company reserves the right in its sole discretion to reject any commitment in whole or in part by not executing a SAFE. In the event that the Offering is terminated or withdrawn, all funds received in connection with the Offering will be promptly returned to the respective potential purchasers according to the payment procedures contained in **Annex C** attached hereto. Prior to the Expiration Date, the Company reserves the right to modify the terms of the Offering and the Securities described in this Memorandum in its sole discretion. If the Company amends the terms of the Offering in any material respect, it will provide potential purchasers that have previously funded their commitment at least 3 business days to withdraw from the Offering. Upon any such withdrawal, the SAFE will terminate and all funds received in connection with the Offering from such potential purchasers will be promptly returned to the respective potential purchasers without interest. Such refund will be paid by the Company in U.S. dollars.

The issuance of the Tokens, if any, will be exempt from the registration requirements of the Securities Act pursuant to Section 3(a)(9) of the Securities Act or another available exemption. Upon consummation of such exchange, each applicable SAFE will immediately terminate in accordance with its terms.

The Company will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the “*Investment Company Act*”). Consequently, purchasers are advised that they will not be afforded any of the protections of the Investment Company Act.

The Securities described in this Memorandum are subject to restrictions on transferability and resale. For more information on such restrictions, please see the section titled “Notice to Purchasers.”

An investment in the Securities involves a high degree of risk, volatility and illiquidity. A prospective purchaser should thoroughly review the confidential information contained herein and the terms of the Securities and carefully consider whether an investment in the Securities is suitable to the purchaser’s financial situation and goals. Purchasers should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time and should be prepared to lose the full amount of their investment.

No person has been authorized to make any statement concerning the Company or the sale of the Securities discussed herein other than as set forth in this Memorandum, and any such statements, if made, must not be relied upon as having been authorized by the Company.

Purchasers should make their own investigations and evaluations of the Securities, including the merits and risks involved in an investment therein. Prior to any investment, the Company will give purchasers the opportunity to ask questions of, and receive answers and additional information from, the Company concerning the provisions of this Offering, the Securities and other relevant matters, to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Purchasers should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Securities, and as to the income and other tax consequences to them of such acquisition, holding and disposition.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Security in any jurisdiction in which it is unlawful to make such an offer or solicitation. Each prospective purchaser must comply with all applicable laws and regulations in force in any jurisdiction in which it receives, purchases, offers or sells the Securities and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales. The Company will not have any responsibility in connection with obtaining, or failing to obtain, any such consents, approvals or permissions. The Company is not making any representation to any purchaser regarding the legality of an investment in the Securities by such purchaser.

By their participation in the Offering, purchasers will be deemed to have agreed that their participation will constitute their representation, warranty, acknowledgement and agreement to all of the statements about purchasers under the section titled “Notice to Purchasers.” Potential purchasers should carefully read that section of this Memorandum.

Prospective purchasers are not to construe this Memorandum as investment, legal, tax, regulatory, financial, accounting or other advice, and this Memorandum is not intended to provide the sole basis for any evaluation of an investment in the Securities. Prior to entering into a SAFE, a prospective purchaser should consult with its own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of an investment in the Securities.

Amounts referenced in the SAFE are denominated in United States dollars (\$) and purchasers may tender the purchase price payable in connection with the execution of a SAFE solely in United States dollars.

Cautionary Statements Regarding Forward-Looking Statements

This Memorandum contains forward-looking statements, including statements relating to the Company's operations, financial results, business and products. Other statements in this Memorandum, including words such as "anticipate," "may," "believe," "could," "should," "estimate," "expect," "intend," "plan," "predict," "potential," "forecasts," "project," and other similar expressions, also are forward-looking statements. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on the Company. Such forward-looking statements are not guarantees of future performance. The following important factors, and those important factors described elsewhere in this offering memorandum, including the matters set forth under the section entitled "Risk Factors," could affect (and in some cases have affected) the Company's actual results and could cause such results to differ materially from estimates or expectations reflected in such forward-looking statements:

- there can be no assurance that the Tokens will ever be issued;
- if Tokens are issued, the Company does not expect to pay any dividends for some time into the future and, at issuance, Token holders will not have access to any Discretionary Benefits (as defined herein) or trading market and neither may ever develop;
- the tax treatment of the Securities is uncertain;
- the potential application of U.S. laws regarding investment securities to the Securities is unclear;
- Token transactions may be irreversible and losses due to fraudulent or accidental transactions may not be recoverable;
- there is no assurance that purchasers of the Securities will receive a return on or of their investment;
- the Company's management will have broad discretion over the use of the net proceeds from this Offering;
- holders of the Securities generally will not have voting rights and generally will have no ability to influence the decisions of the Company;
- the Securities may be subject to registration under the Exchange Act if the Company has assets above \$10 million and more than 2,000 purchasers participate in the Offering;
- purchasers may lack information for monitoring their investment;
- the Company may be forced to cease operations;
- the Securities have no history;
- the Company does not expect there to be any market makers to develop a trading market in the Tokens;
- only certain persons and entities are able to acquire Securities;
- there is uncertainty as to what regulatory regime will apply to the Tokens;
- the potential application of U.S. laws regarding virtual currencies and money transmission to the Tokens;
- the Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections;
- the Company may not successfully develop, market and launch any book or media franchises
- the GMI Platform may not be widely adopted and may have limited users;
- alternative networks may be established that compete with or are more widely used than the GMI Platform;
- the GMI Platform may be the target of malicious cyberattacks or may contain exploitable flaws in its underlying code, and if the platform's security is compromised, or if the GMI Platform is subjected to attacks that frustrate or thwart the Company's users' ability to access the platform, their Tokens or the GMI Platform's products and services, users may cut back on or stop using the GMI Platform altogether;
- some market participants may oppose the development of distributed ledger or blockchain-based systems;
- the regulatory regime governing blockchain technologies, cryptocurrencies, digital assets, and offerings of digital assets, such as the Securities, is uncertain;
- 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 and adoption of the Securities;
- the prices of blockchain assets are extremely volatile and fluctuations in the price of digital assets could materially and adversely affect the Securities which may also be subject to significant price volatility;

- the Company has limited operating history, which makes it hard to evaluate its ability to generate revenue through operations;
- the Company has, to date, relied upon discretionary funding from its shareholders and if additional discretionary funding were not provided, it would have an adverse impact on the Company's operations and financial conditions;
- there is no assurance that the Company will be able to continue as a going concern;
- technology relied upon by the Company for its operations, may not function properly;
- the Company's business is subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, technology, data protection, and other matters;
- the popularity of cryptocurrencies and cryptosecurities offerings may decrease in the future, which could have a material impact on the Company's operations and financial conditions;
- dividends paid on the Tokens may detract from capital the Company could deploy to improve its business;
- the Company may rely on certain major customers, making it vulnerable to changes in the business and financial condition of, or demand for its services by, such customers;
- the value of the Tokens depends, in part, on the utilities the Company may provide to Token holders in the future;
- a violation of privacy or data protection laws could have a material adverse effect on the Company and the value of the Token;
- the Company and its subsidiaries are subject to cyberattacks, security risks and risks of security breaches;
- GMI has been and will be reliant on the continued availability of certain key employees;
- the development and operation of GMI business model requires, or likely will require, technology and intellectual property rights;
- the Company may face substantial competition as well as the risk that one or more competitors may obtain patents covering technology and or processes critical to the operation of GMI;

All forward-looking statements in this Memorandum speak only as of the date hereof. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

THIS OFFERING IS LIMITED SOLELY TO ACCREDITED INVESTORS (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) AND IN OFFSHORE TRANSACTIONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) WHO ARE NOT PURCHASING FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON. ONLY PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY WITH RESPECT TO THIS INVESTMENT SHOULD CONSIDER PURCHASING THE TOKENS OFFERED HEREBY PURSUANT TO A SAFE BECAUSE: (I) AN INVESTMENT IN THE SECURITIES INVOLVES A NUMBER OF SIGNIFICANT RISKS (SEE “RISK FACTORS”); (II) THE TOKENS MAY NEVER BE ISSUED AND (III) NO MARKET FOR THE TOKENS EXISTS, AND A MARKET FOR THE TOKENS MAY NEVER DEVELOP.

COMPANY OVERVIEW

“There have been great societies that did not use the wheel, but there have been no societies that did not tell stories.”

-Ursula K. Le Guin, author

Overview of Gramarye Media, Inc.

Gramarye Media Inc. (“GMI”) was incorporated in the State of Delaware on October 14th, 2015. The Company is engaged in content development utilizing a proprietary incubator which drives content creation focused on utilizing key elements to grow mega entertainment franchises. The current Hollywood model is based on a “Hunter/Gatherer” approach, whereby Gramarye’s model is a shift to an “Agrarian” framework. Content is grown rather than sought out. The company intends to monetize its branded content through book publishing, film production and game development as well as merchandising and other ancillary vertical businesses. Gramarye intends to create branded content and maintain meaningful control and ownership of the distribution of its content. Gramarye’s model is based upon the fact that when communities form around certain stories, they can turn into mega franchises worth billions (Star Wars, Harry Potter, Lord of the Rings, etc.). These stories have attributes which are identifiable and can be grown in an incubator just like Silicon Valley fosters the growth of startup technology companies. Gramarye has identified these key attributes and narrowed them down to 50 statistically significant unique characteristics. Gramarye is developing a proprietary online platform (the “GMI Platform”) relying on existing social media and block chain technologies, which is integral to the incubation approach as it seeds community growth around stories, provides the company and writers with real time feedback from consumers and ultimately mitigates risk as a fan base is built out prior to launch for successful projects. The Company’s model is based on risk mitigation, cost reduction and multiple revenue streams. Gramarye is a graduate of Georgia Tech’s exclusive Flashpoint business accelerator.

Initial Launch of the Securities

The Company expects to enter into SAFEs on an ongoing basis until on or about the Expiration Date. The Company is targeting a Token Issuance Date on the 90th day following the Expiration Date. However, there can be no assurance that the Tokens will be issued as of such date

or at all. Initial coin offerings have recently surpassed traditional early stage venture capital funding, and, as a result, have drawn a substantial amount of attention, including from U.S. regulators intensely focused on the securities law compliance of such offerings. Any potential future regulatory changes could delay or prevent the Token Issuance, entirely.

Potential Future Competitive Landscape

There is a deep market need for disruption of the existing Hollywood development process as it is inefficient and dated. While GMI seeks to be a leader in the evolving space of content incubation and believes it is well positioned to develop the GMI Platform, the size of the market opportunity will continue to attract potential competitors. As the Company pursues the development of its proposed GMI Platform, the Company expects to face significant competition from both emerging companies and established market participants.

Prior SAFE and Token Sales

The Company has not previously conducted an offering of SAFEs or Tokens.

Legal Proceedings

From time to time, the Company may be involved in legal proceedings. The results of such legal proceedings and claims cannot be predicted with certainty, and regardless of the outcome, legal proceedings could have an adverse impact on the Company's business or the development and production of the Tokens because of defense and settlement costs, diversion of resources and other factors.

Intellectual Property Matters

From time to time, the Company may be the target of patent infringement suits, typically brought by so-called non-practicing entities (commonly known as patent trolls). Although these suits must be taken seriously, and the Company intends to defend itself vigorously, suits involving non-practicing entities often involve non-material monetary settlements. At this time, the Company is not aware of any patent infringement suits against it, or contemplated to be brought against it, which could have significant effects on its financial position.

TERMS OF THE SECURITIES

*The summary below describes the principal terms of the Securities. Certain of the provisions described below are subject to important limitations and exceptions. Prospective purchasers should review the SAFE in its entirety, attached hereto as **Annex A**, and the Token Terms and Conditions, attached hereto as **Annex B**. If any of the provisions of the Securities are inconsistent with or contrary to the descriptions or terms in this Memorandum, the terms of the SAFE or the Certificate of Designation (as summarized in the Token Terms and Conditions), as applicable, will control. Upon the Tokens' issuance, the provisions of the Certificate of Designation will contain the complete terms of the Tokens.*

<i>Issuer</i>	Gramarye Media, Inc.
<i>Securities</i>	A SAFE providing its holder a right to acquire certain Tokens, if issued in the future; and such Tokens, if so issued.
<i>Offering Size</i>	USD \$75,000,000 with the option to upsize to USD \$175,000,000 in the event that there is sufficient market demand to do so.
<i>Purchasers</i>	Each purchaser of a SAFE (a) if in the United States, or a U.S. Person (as defined in Regulation S under the Securities Act), must be an accredited investor, as defined in Regulation D under the Securities Act or (b) if in an offshore transaction (as defined in Regulation S under the Securities Act), must not be a U.S. Person and must not be purchasing for the account or benefit of a U.S. Person.
<i>Transfer</i>	A SAFE may not be resold or transferred under any circumstances. Tokens issued to residents of the United States are subject to a 12-month lock-up beginning on the date of the issuance of the Tokens and thereafter will be subject to limitations on transfer, if any, for so long as the Token is considered a “Restricted Security” under Rule 144 under the Securities Act (“ Rule 144 ”). Tokens issued in offshore transactions to Non-U.S. Persons will be subject to limitations on transfer as long as the Token is considered a “restricted security” under Rule 144. For more information, see “Notice to Purchasers.” In any case, Token holders will not be able to transfer their Tokens until the Company lists on a Designated Exchange. There can be no assurance that any Designated Exchange will be designated or created or that peer-to-peer trading will ever be permitted. Affiliates of a company, including persons who were affiliates of such company at any time during the 90 days prior to the sale of that company’s securities (collectively, “ Affiliates ”) often rely on Rule 144 in order to publicly resell securities of that company. The Company does not expect Rule 144 to ever be available for resales of the Tokens by Affiliates of the Company.

<i>Form of Payment for SAFE</i>	The purchase price of the SAFE will be designated in U.S. dollars. Payment will be accepted in U.S. dollars.
<i>Sale Periods</i>	<p>During the period which is expected to commence on December 15, 2020 and to run through, and including, August 15, 2024 (the “Pre-Sale Period”), the Company will enter into SAFEs with select purchasers identified by the Company.</p> <p>During the period which is expected to commence on August 15, 2021 and to run through, and including, October 15, 2024 (the “Subsequent Sale Period”), the Company will enter into SAFEs with select purchasers identified by the Company.</p> <p>The Pre-Sale Period and the Subsequent Sale Period may each be extended or shortened in the Company’s sole discretion. Any change to such dates will be announced by press release or other available means of notifying purchasers.</p>
<i>Consideration</i>	Rights to acquire Tokens/Shares will be sold pursuant to a SAFE at a fixed price of USD \$1.00 per Token/Share to be acquired
<i>Payment Instructions</i>	See Annex C for a description of payment procedures to be followed upon execution of a SAFE.
<i>The Token Issuance</i>	Although the Company will use its commercially reasonable efforts to issue the Tokens, it is not required to issue the Tokens, and SAFE purchasers will not receive any refund or return of investment in the event that the Tokens are not issued. Upon consummation of the Token issuance, each applicable SAFE will immediately terminate in accordance with its terms. See the section entitled “Plan of Distribution” for further information on the mechanics of the Token issuance.
<i>SAFE Limitations</i>	SAFE holders are not entitled to vote, receive dividends or be deemed the holder of capital stock of the Company in their capacity as a SAFE holder for any purpose, nor will anything contained in this Memorandum be construed to confer on a SAFE holder any of the rights of stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or

	withhold consent to any corporate action or to receive notice of meetings, or to receive dividends, subscription rights or otherwise. SAFE holders will have no legal or equitable rights, interests or claims in or to any specific property or assets of the Company. To the extent that a SAFE holder acquires a right to receive any payment from the Company in connection with a SAFE, such right shall be no greater than the right of an unsecured general creditor of the Company.
<i>Forward Contract</i>	SAFE holders will be required to treat the SAFEs as prepaid forward contracts for U.S. federal, state and local income taxes, and will not take any position on any tax return, report, statement or tax document that is inconsistent with such treatment.
<i>Token Voting Rights</i>	Tokens will not have any voting rights except to the extent required by applicable law.
<i>Dividends under the Token</i>	<p>If determined by the Board, noncumulative dividends may be declared and paid out of funds lawfully available therefor on the Tokens on a quarterly basis (each, a “Dividend”).</p> <p>Dividends (i) may only be declared on a Dividend Declaration Date (as defined below) and paid out of funds lawfully available therefor and (ii) with respect to the fiscal quarter to which a Dividend relates, shall only be paid if the Company’s reported consolidated GAAP net income for such quarter exceeds the Dividend Amount (as defined below).</p> <p>The Board intends that Dividends, if any, will be declared on the last day of the second month after the end of each fiscal quarter (each a “Dividend Declaration Date”). If a Dividend is declared by the Board, the Company will calculate an amount equal to 15% of the Company’s consolidated Adjusted Gross Revenue for the most recently completed fiscal quarter (the “Dividend Amount”).</p> <p>Adjusted Gross Revenue is Revenue, net, less Cost of Goods Sold, which is equivalent to Gross Profit, as reported in the Company’s financial statements.</p> <p>If a Dividend is declared, the Dividend Amount shall be paid within five calendar days of the Dividend Declaration Date, <i>pro rata</i> to the Token holders.</p>

	<p>Each Dividend will be paid in U.S. dollars, or additional Tokens (a “PIK Dividend”) to the extent that the Company possesses tokens to pay the PIK Dividend, with such payment method selected by the Company in its sole discretion. The Company will be permitted to pay each Dividend in one or any combination of the foregoing methods. Any Tokens to be distributed in a PIK Dividend will be issued from the Company’s available Tokens or by utilizing Tokens that have been repurchased by the Company, and shall be treated for all purposes as part of the same class and series of preferred stock as previously outstanding Tokens.</p> <p>Dividends will be paid only on Tokens that have been rendered non-transferable by their respective holders from the first day of the fiscal quarter for which a Dividend Amount is calculated to the last day of that quarter. For example, to receive a Dividend declared on the February 28, 2025 Dividend Declaration Date, a Token holder would need to render the Tokens for which they wish to receive a Dividend non-transferable beginning on October 1, 2024 and ending on December 31, 2024. This example is illustrative only and does not suggest that Dividend will be declared for such exemplary period.</p>
<i>Token Redemption</i>	<p>The Company has the right to redeem the Tokens, in whole or in part, at any time. If fewer than all of the outstanding Tokens are to be redeemed at any time, the Company may choose to redeem the Tokens proportionally from all Token holders, or may choose the Tokens to be redeemed by lot or by any other equitable method. The redemption price for a Token shall be either (i) its fair market value (if any) as determined in good faith by the Board (but, in no event, less than \$1.00 per Token) or (ii) if no market value is determinable at such time, USD \$1.00 per Token (the “Redemption Price”). The Redemption Price, in the sole discretion of the Company, will be paid in U.S. dollars.</p>
<i>Token Repurchases</i>	<p>At the Token holder’s option, the Company shall agree to repurchase the preferred share Token at fair market value as determined by the Corporation, but in no event less than \$1.00 per Token and apply the proceeds owed to the Token holder as payment for any monies which are owed by the Token holder (each “Account Receivable”) for goods and/or services provided/rendered by the Company to the</p>

	<p>Token Holder. In no circumstance shall the Company have any obligation to repurchase any Token amount that exceeds a Token holder's "Account Receivable" account with the Company. The Company shall also have the right from time to time to repurchase Tokens pursuant to purchases effected through any Designated Exchange (as defined below in Section 12) or on a private basis at a purchase price equal to or less than the Redemption Price.</p>
<i>Token Liquidation Preference</i>	<p>In the event of any liquidation, dissolution or winding up of the Company Token holders shall be entitled to receive, prior and in preference to any distribution of any assets or funds of the Company to other holders of the Company's equity (except for any class or series of preferred stock designated to be paid prior to, or concurrently with, the Tokens as to payments in liquidation) by reason of their ownership of such Tokens, an amount per Token for each Token held by them equal to USD \$0.10. If upon a Liquidation Event and after the payment or setting aside for payment to the holders of any class or series of preferred stock designated to be paid prior to the Tokens, as to a liquidation preference, the assets of the Company lawfully available for distribution to the holders of Tokens and any class or series of preferred stock designated to be paid concurrently with the Tokens, as to a liquidation preference, are insufficient to permit payment in full to all such holders, then the entire assets of the Company legally available for distribution shall be distributed with equal priority and pro rata among the Token holders and holders of any class or series of preferred stock designated to be paid concurrently with the Tokens, as to a liquidation preference, ratably and in proportion to the full amounts they would otherwise be entitled to receive.</p>
<i>Effect of Change of Control, Merger, Consolidation and Sale of Assets on Token</i>	<p>The merger or consolidation of the Company with any other company, including a merger in which Token holders receive cash or property for their Tokens, or the sale of all or substantially all of the assets of the Company, or any other change of control of the Company, shall not constitute a Liquidation Event and Token holders shall have no preferential rights in connection therewith except to the extent required by applicable law.</p>

<i>Potential Future Token Utilities</i>	<p>Token holders shall not be entitled to any utility functionality as part of the Token. Nevertheless, the Company expects to endeavor to provide certain additional benefits to holders of the Tokens in the future (the “Discretionary Benefits”). These will not be a part of the terms and conditions of the Tokens, but rather benefits voluntarily provided by the Company to Token holders. These Discretionary Benefits may be withdrawn or changed at any time in management’s discretion.</p> <p>Access to, and the degree of, any Discretionary Benefits, if offered, is expected to be determined by the quantity of Tokens the holder possesses. All matters relating to the terms of any Discretionary Benefits will be decided solely by the Board. Furthermore, the terms of any Discretionary Benefits will be subject to amendment by the Board at any time. There can be no assurance that the Company will ever offer any Discretionary Benefits.</p>
<i>Termination of SAFE and Tokens</i>	If the Tokens are issued, the outstanding SAFEs will terminate in accordance with their terms. Tokens, if issued, shall remain outstanding in perpetuity unless earlier repurchased or redeemed.
<i>General Withdrawal Rights</i>	If the Company amends the terms of the Offering in any material respect, it will provide potential purchasers that have previously funded their commitment at least 3 business days to withdraw from the Offering. Upon any such withdrawal, the SAFE will terminate and all funds received in connection with the Offering from such potential purchasers will be promptly returned to the respective potential purchasers without interest.
<i>Amendments</i>	The Company reserves the right to amend the terms of the Securities at any time during the Offering prior to the Expiration Date.
<i>Documentation</i>	To invest, each purchaser will be required to complete such documentation as may be requested by the Company, which may include, without limitation: (1) the execution and delivery of a SAFE, (2) completion of investor qualification requirements and (3) for accredited investors, provision of documents sufficient to enable the verification of such investor’s status.

<i>Governing Law</i>	The SAFEs will be governed by the law of the State of Delaware. The Tokens will be governed by the law of the State of Delaware.
<i>Use of Proceeds</i>	At present, the net proceeds of the Offering are expected to be used for (i) the development of the GMI Platform, (ii) the development of content capable of attaining mega-franchise status (iii) the Equity Investments in strategic verticals; (iv) the future development of the block chain ERC20 Tokens/Smart Contracts, (v) general corporate purposes, which may include capital expenditures, acquisitions, debt repayments, and short-term investments, among other things. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

RISK FACTORS

An investment in the Securities involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Memorandum, the SAFE and the Token Terms and Conditions, before making an investment decision. The following risks entail circumstances under which the Company's business, financial condition, results of operations and prospects could suffer.

Risks Related to an Investment in the Securities

There can be no assurance that the Tokens will ever be issued and, if the Company fails to issue Tokens, investors have no right to a refund of any portion of their investment.

While the Company intends to develop Tokens to be issued to holders of SAFEs, there can be no assurance that it will do so. Should the Company fail to issue the Tokens, investors will be left with only the SAFE, pursuant to which they will not be entitled to any of the rights set forth in the Token Terms and Conditions, including with respect to Dividends. SAFE holders will have no legal or equitable rights, interests or claims to any specific property or assets of the Company. The remaining SAFE would not be expected to possess economic value. Moreover, in the event of the Company's failure to issue the Tokens, investors have no right to receive a refund or any return of any portion of their investment. As a result, investors should only invest in a SAFE if they are prepared to lose their entire investment.

If Tokens are issued, the Company does not expect to pay any Dividends for some time into the future and, at issuance, Token ownership will not result in access to any Discretionary Benefits.

If the Company issues Tokens pursuant to the SAFEs, the terms of such Tokens will be set forth in the Certificate of Designation, as summarized in the Token Terms and Conditions set forth in **Annex B**. The Tokens provide that Dividends payable in-kind, in U.S. Dollars at the Company's sole discretion, will be paid only out of funds lawfully available therefor and only if declared by the Board. The Board has no

obligation to declare Dividends. Currently, the Company does not expect to be in a position to pay Dividends for some time into the future.

Token holders shall not be entitled to any Discretionary Benefits as part of the Token and will not have access to any Discretionary Benefits at issuance. Nevertheless, the Company expects to endeavor to create Discretionary Benefits for holders of the Tokens in the future. These will not be a part of the terms and conditions of the Tokens, but rather benefits voluntarily provided by the Company to Token holders. These Discretionary Benefits may be withdrawn or changed at any time by the Board. There can be no assurance that the Company will ever offer any Discretionary Benefits.

At issuance, there will be no trading market for the Tokens, and a trading market may never develop.

If the Tokens are issued, there will be no trading market available for the Tokens, no Designated Exchange and peer-to-peer trading will not be permitted unless and until Token holders are notified otherwise by the Company and informed of the requirements to do so. As a result of recent regulatory developments, conventional crypto exchanges are currently unwilling to list securities tokens, such as the Company's Tokens. As a result, the Tokens currently may only be traded on a U.S. registered Alternative Trading System or a U.S. registered exchange. Currently, the Company is unaware of any operational ATS or exchange capable of supporting secondary trading in the Tokens. As a result, holders of Tokens should be prepared to hold their Tokens indefinitely. There can be no assurance that any security token exchange will be created that will allow the Tokens to trade. In the event that the Tokens remain untradable indefinitely, the value of the Tokens would be materially adversely affected.

Due to the unavailability of Rule 144 for resales of Tokens by affiliates of the Company, Company affiliates may elect not to acquire the Tokens.

Assuming that a Designated Exchange ever becomes available for trading of the Tokens, the Company does not expect Rule 144 ever to be available for any resales of Tokens by affiliates of the Company. As a result, affiliates of the Company may have difficulty reselling the Tokens unless the Company registers their sales. To make it easier for affiliates of the Company to publicly resell Tokens, the Company may in the future consider registering such resales; however, such registration statement may not become or remain effective. Furthermore, a seller under a registration statement may have liabilities that a seller under Rule 144 does not have. Any or all of these matters may cause affiliates of the Company to elect not to acquire the Tokens, which could depress the value of Tokens.

The tax treatment of the Securities is uncertain and there may be adverse tax consequences for purchasers upon certain future events.

The tax characterization of the Securities is uncertain, and each purchaser must seek its own tax advice in connection with an investment in the Securities. An investment in the Securities may result in adverse tax consequences to purchasers, including withholding taxes, income taxes and tax reporting requirements. See "Certain United States Federal Income Tax Considerations," herein. 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-U.S. tax treatment of an investment in the Securities. The tax characterization of the Securities also affects the Company's tax liability in connection with the Offering.

The potential application of U.S. laws regarding investment securities to the Securities is unclear.

The Securities are novel and the application of U.S. federal and state securities laws as well is unclear. Because of the differences between the Securities and traditional investment securities, there is a risk that issues that might easily be resolved by existing law if traditional securities were involved may not be easily resolved for the Securities. The occurrence of any such issue or dispute could have a material adverse effect on the holders of Securities.

If the Tokens ever become transferable, Token transactions may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable.

In the event that the Tokens become tradable on a Designated Exchange or pursuant to peer-to-peer trading, transactions in the Tokens may be irreversible, and, accordingly, a purchaser of the Tokens may lose all of his or her investment in a variety of circumstances, including in connection with fraudulent or accidental transactions, technology failures or cyber-security breaches. If applicable, real-time settlement would further increase the risk that correction of trading errors may be impossible and losses due to fraudulent or accidental transactions may not be recoverable.

The nature of the Tokens means that any technological difficulties experienced on a Designated Exchange may prevent the access or use of a purchaser's Tokens.

Any Designated Exchange will be subject to the risk of technological difficulties that may impact trading of the Tokens. Trading in the Tokens will depend on the operation and functionality of the applicable Designated Exchange and if such system were to fail for any reason, trading in the Tokens could be impossible until such failure was corrected and full functionality were restored and tested. Any such technological difficulties may prevent the access or use of the Tokens. This could have a material impact on the applicable Designated Exchange's ability to execute or settle trades of the Tokens, to maintain accurate records of the ownership of the Tokens and to comply with obligations relating to records of the ownership of the Tokens and could have a material adverse effect on the holders of the Tokens.

There is no assurance that purchasers of the Securities will receive a return on their investment.

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

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

At present, the net proceeds of the Offering are expected to be used for (i) the development of the GMI Platform, (ii) the development of content capable of attaining mega-franchise status (iii) the Equity Investments in strategic verticals; (iv) the future development of the block chain ERC20 Tokens/Smart Contracts, (v) general corporate purposes, which may include capital expenditures, acquisitions, debt repayments, and short term investments, among other things. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

Holders of the Securities will generally not have voting rights and will generally have no ability to influence the decisions of the Company

Holders of the Securities have no voting rights, except, with respect to the Tokens, those required by Delaware law. As a result, except with respect to matters required to be submitted to Token holders under Delaware law, all matters submitted to stockholders will be decided by the vote of holders of the Company's capital stock entitled to vote thereon, which shall not include the Securities. As a result, holders of the Securities will have no ability to elect directors or, except with respect to matters required to be submitted to Token holders under Delaware law, to determine the outcome of any other matters submitted to a vote of the Company's stockholders.

The Securities may be subject to registration under the Exchange Act if the Company has assets above \$10 million and more than 2,000 purchasers participate in the Offering.

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, at the end of their fiscal year must register that class of equity securities with the SEC under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"). The Company could trigger this requirement as a result of the Offering and be required to register the Tokens with the SEC under the Exchange Act, which would be a laborious and expensive process. Furthermore, if such registration takes place, the Company will have materially higher compliance and reporting costs going forward.

Purchasers may lack information for monitoring their investment.

The Securities do not have any information rights attached to them (other than certain rights to Company information afforded Token holders under Delaware law), and purchasers may not be able to obtain all the information they would want regarding the Company or the Securities. In particular, investors may not be able to receive information regarding the financial performance of the Company with respect to the ability of the Company to pay Dividends. The Company is not registered with the SEC and currently has no periodic reporting requirements. As a result of these difficulties, as well as other uncertainties, a purchaser may not have accurate or accessible information about the Company or the Securities.

The Securities have no history.

The Securities will be newly formed and have no operating history and are entirely novel in type. Investors will not be able to compare them against other like instruments. An investment in the Securities should be evaluated on the basis that the Company's assessment of the likelihood that the Tokens will be issued, of the value and prospects of the Tokens, and of the assessment of the prospects of the Company's business may not prove accurate, and the Company may not achieve its objectives. Past performance of the Company, or any similar token or SAFE issued by other companies, is not predictive of the Company's future results or the value and success of the Company's Securities.

The Company does not expect there to be any market makers to develop a trading market in the Tokens.

Most securities that are publicly traded in the United States have one or more broker-dealers acting as “market makers” for the security. A market maker is a firm that stands ready to buy and sell the security on a regular and continuous basis at publicly quoted prices. In the event that a Designated Exchange is created or developed, the Company does not believe that the Securities will have any market makers, which could contribute to a lack of liquidity in the Securities, and could have a material adverse effect on holders’ ability to trade the Securities.

Only certain persons and entities are able to acquire Securities.

Only limited categories of persons and entities may purchase Securities. The Company expects that these limitations will limit liquidity in the Securities, and the limitations may have a material adverse effect on the development of any trading market in the Securities. The Securities have not been registered under the Securities Act or any United States state securities laws or under the securities laws of any other jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. In addition, in offshore transactions the Securities may be purchased only by non-U.S. Persons in accordance with applicable restrictions under the securities laws of the jurisdictions in which they are sold. Generally, foreign securities laws restrict the categories of persons permitted to purchase securities, such as the Tokens, to specified classes of sophisticated investors. No action has been taken in any jurisdiction to permit a public offering of the Securities.

Consequently, it is expected that there will only be a limited number of Token holders, a purchaser of the Securities and an owner of beneficial interests in those Securities must be able to bear the economic risk of their investment in the Securities for the term of the Securities. For a discussion of certain restrictions on resale and transfer, see “Plan of Distribution” and “Notice to Purchasers.”

The Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation (“SIPC”) protections.

The Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections. Any investment in the Securities is made at the risk of the purchaser.

The Tokens are equity securities and are subordinate to existing and future indebtedness of the Company.

Tokens are preferred equity interests in the Company. This means that the Tokens will rank junior to all existing and future indebtedness of the Company and to other non-equity claims on the Company with respect to assets available to satisfy claims on the Company, including claims in liquidation. Additionally, unlike indebtedness, where principal and interest customarily are payable on specified due dates, in the case of Tokens, (1) dividends are payable only when, as, and if declared by the Board, (2) dividends will not accumulate if they are not declared, and (3) because the Company will become a Delaware corporation, the Company will be subject to restrictions on Dividend payments and redemption payments out of lawfully available funds.

Further, the Tokens place no restrictions on the business or operations of the Company or on its ability to incur additional indebtedness or engage in any transactions, subject only to the limited voting rights required under Delaware law.

In addition, if payment of a Dividend on the Tokens for any period would cause the Company to fail to comply with any applicable law or regulation, the Company will not pay a Dividend for such period and no Dividend will accrue, accumulate or be payable for that dividend period. The Company's ability to pay Dividends depends upon the results of operations of its subsidiaries. There are regulatory restrictions upon certain of the Company's subsidiaries' ability to make dividend or other payments to the Company.

The Tokens may have lower priority to certain rights and preferences than future tokens or preferred stock of the Company.

The Tokens may have lower priority to certain rights and preferences than other tokens and/or preferred stock that the Company issues in the future, which by its terms is expressly higher priority than the Tokens. The terms of any future tokens and/or preferred stock expressly that are higher priority than the Tokens may restrict Dividend payments on the Tokens. In this case, unless full dividends for all outstanding tokens and preferred stock with higher priority than the Tokens have been declared and paid or set aside for payment, no dividends will be declared or paid and no distribution will be made on any Tokens, and no Tokens will be permitted to be repurchased, redeemed or otherwise acquired by the Company, directly or indirectly, for consideration. This could result in dividends on the Tokens not being paid to you or Tokens not being redeemed.

Risks Related to the Development of the GMI Platform

The Company may not successfully develop, market and launch the GMI Platform

The Company views the development of the GMI Platform as a key commercial milestone. The development of the GMI Platform has not yet commenced, and the platform may never be developed.

In addition, the development of the GMI Platform and related content will require significant capital funding, expertise of the Company's management and time and effort in order to be successful. The Company may have to make changes to the specifications of the GMI Platform for any number of reasons or the Company may be unable to develop the platform in a way that realizes those specifications or any form of a functioning online platform. It is possible that the GMI Platform may not ever be released and there may never be an operational GMI Platform or the launch of the GMI Platform may never occur. The GMI Platform, if successfully developed and maintained, may not meet investor expectations at the time of purchase. Furthermore, despite good faith efforts to develop and complete the launch of the GMI Platform and subsequently to maintain the GMI Platform, it is still possible that the platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Securities.

The Company may, but is not obligated to, use the proceeds of this Offering (subject to the Company's other obligations described under "Use of Proceeds") to make significant investments to develop the Company's model and launch a viable GMI Platform, upon which users can realize utility and value. The Company may not have or may not be able to obtain the technical skills and expertise needed to successfully develop the GMI Platform and progress it to a successful launch. While the Company has sought to retain and continue to competitively recruit experts, there, may, from time to time, be a general

scarcity of management, technical, scientific, research and marketing personnel with appropriate training to develop and maintain the GMI Platform. In addition, there are significant legal and regulatory considerations that will need to be addressed in order to develop and maintain the GMI Platform, and addressing such considerations will require significant time and resources. If the Company is not successful in its efforts to develop a GMI Platform, that is compliant with all regulatory and legal requirements and to demonstrate to users the utility and value of the platform, there may not be sufficient demand for the Company to proceed with the launch of the GMI Platform. As a result, or if the launch does not occur, purchasers of the Securities may lose all of their investment.

The GMI platform may not be widely adopted and may have limited users.

It is possible that the GMI Platform, if developed, will not be used by a large number of people, or that there will be limited public interest in the creation and development of the GMI Platform. Such a lack of use or interest could negatively impact the development of the GMI Platform, the value of the Tokens and the financial position of the Company.

Alternative platforms may be established that compete with or are more widely used than the GMI Platform.

It is possible that alternative platforms could be established that utilize the same or similar methods as those underlying the GMI Platform or that facilitate services that are materially similar to the GMI Platform services. The GMI Platform may compete with these alternative providers, which could negatively impact the GMI Platform and the Tokens.

Risks Related to Blockchain Technology

The regulatory regime governing block chain technologies, cryptocurrencies, digital assets, the GMI Platform and offerings of digital assets, such as the Tokens, is uncertain, and new regulations or policies may materially adversely affect the development and the value of the Tokens.

Regulation of digital assets, like the Tokens and offerings such as this, cryptocurrencies, blockchain technologies, cryptocurrency exchanges and the GMI Platform, is currently undeveloped and likely to rapidly evolve as government agencies take greater interest in them, 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, or guidance, or take other actions, which may severely impact the permissibility of the Tokens, tokens generally and, in each case, the technology behind them. Failure by the Company or certain users of the Securities 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.

Cryptocurrency networks, distributed ledger technologies, and coin and token offerings also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Tokens or the GMI Platform. Such laws, regulations or directives may conflict with those of the United States or may directly and negatively impact the Company's business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the adoption and utility of the Tokens.

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 Tokens, including with respect to the Dividends that may be made, 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.

The further development and acceptance of blockchain networks, which are part of a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of block chain networks and block chain assets would have an adverse material effect on the successful development and adoption of the Tokens.

The growth of the block chain industry in general, as well as the block chain networks on which the Tokens will rely, is subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency and crypto security industry, as well as block chain networks, include, without limitation:

- worldwide growth in the adoption and use of cryptocurrencies, and other block chain technologies;
- government and quasi-government regulation of cryptocurrencies, and other block chain assets and their use, or restrictions on or regulation of access to and operation of block chain 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 government-backed currencies or existing networks;
- general economic conditions and the regulatory environment relating to cryptocurrencies and crypto securities; and
- a decline in the popularity or acceptance of crypto currencies or other block chain-based tokens would adversely affect the Company's results of operations.

The crypto securities industry as a whole has been characterized by rapid changes and innovations and is constantly evolving. Although it has experienced significant growth in recent years, the slowing or stopping of the development, general acceptance and adoption and usage of block chain networks and block chain assets may deter or delay the acceptance and adoption of the Tokens.

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

The prices of cryptocurrencies, such as Bitcoin and Ether, and other digital assets have historically been subject to dramatic fluctuations and are highly volatile, and the market price of the Tokens may also be highly volatile. Several factors may influence the market price, if any, of the Tokens, including, but not limited to:

- the ability of the Tokens to trade in a secondary market, if at all;

- the availability of a Designated Exchange or other trading platform for digital assets;
- global digital asset and security token supply;
- global digital asset and security token demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of digital assets like cryptocurrencies as payment for goods and services, the security of online digital asset exchanges and digital wallets that hold digital assets, the perception that the use and holding of digital assets is safe and secure, and the regulatory restrictions on their use;
- purchasers' 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 holders of the Tokens;
- interest rates;
- currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- government-backed currency withdrawal and deposit policies of digital asset exchanges;
- interruptions in service from or failures of major digital asset and security token exchange on which digital assets and security tokens are traded;
- investment and trading activities of large purchasers, including private and registered funds, that may directly or indirectly invest in securities tokens or other digital assets;
- monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- regulatory measures, if any, that affect the use of digital assets and security tokens such as the Tokens;
- global or regional political, economic or financial events and situations; and
- expectations among digital assets participants that the value of security tokens or other digital assets will soon change.

A decrease in the price of a single digital asset may cause volatility in the entire digital asset and security token industry and may affect other digital assets including the Tokens. For example, a security breach that affects purchaser or user confidence in Bitcoin or Ether may affect the industry as a whole and may also cause the price of the Tokens and other digital assets to fluctuate. Such volatility in the price of the Tokens may result in significant loss over a short period of time.

The terms of the Tokens may also lead to additional price volatility. The value of the Tokens will be tied to the payment of Dividends by the Company. See "Terms of the Securities." Consequently, unlike other digital assets, the operations and financial position of the Company will directly impact the price of the Tokens which may create additional volatility based on the Company's future performance.

Risks Related to the Company's Business

The Company has limited operating history, which makes it hard to evaluate its ability to generate revenue through operations.

The Company was formed in 2015 to develop a content incubation business model to compete with existing less efficient entrenched business models, using technological innovation. The Company's limited operating history may make it difficult to evaluate its current business and future prospects. The Company has encountered, and will continue to encounter, risks and difficulties frequently experienced by start-up companies in rapidly developing and changing industries, including challenges in forecasting accuracy, determining appropriate investments of its limited resources, gaining market acceptance,

managing a complex regulatory landscape and developing new products. The Company's current operating model may require changes in order for it to scale its operations efficiently. Purchasers should consider the Company's business and prospects in light of the risks and difficulties it faces as an early-stage company focused on developing entertainment content across various mediums.

There is no assurance that the Company will be able to continue as a going concern.

The Company has generated limited revenue and has accumulated losses since inception. As such, the Company's continuation as a going concern is currently dependent upon the continued financial support from its founders, which have provided but are under no obligation to continue to do so. The Company anticipates the proceeds from the Offering will provide sufficient liquidity to meet its operating commitments for the next twelve months. However, there is no guarantee the Company will be successful in achieving this objective.

Technology relied upon by the Company for its operations, including the GMI Platform, may not function properly.

The technology relied upon by the Company, including the GMI Platform, may not function properly, which would have a material impact on the Company's operations and financial conditions. There are few alternatives available if such technology does not work as anticipated. In particular, the importance of the GMI Platform to the Company's operations means that any problems in its functionality would directly impact the Company's revenues. This technology may malfunction because of internal problems or as a result of cyberattacks or external security breaches. These technological problems would adversely impact the Company's revenue and its ability to make Dividend payments.

The Company's business is subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, technology, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to the Company's business practices, increased cost of operations or otherwise harm the Company's business.

The Company is subject to a variety of laws and regulations in the United States and abroad that involve matters central to its business, including user privacy, blockchain technology, data protection and intellectual property, among others. Foreign data protection, privacy, and other laws and regulations are often more restrictive than those in the United States. These U.S. federal and state and foreign laws and regulations are constantly evolving and can be subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which the Company operates.

The Company has adopted policies and procedures designed to comply with these laws. The growth of its business and its expansion outside of the United States may increase the potential of violating these laws or its internal policies and procedures. The risk of the Company's being found in violation of these or other laws and regulations is further increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and are open to a variety of interpretations. Any action brought against the Company for violation of these or other laws or regulations, even if the Company successfully defends against it, could cause the Company to incur significant legal expenses and divert its management's attention from the operation of its business. If the Company's operations are found to be in violation of any of these laws and regulations, the Company may be subject to any applicable penalty associated with the violation, including civil and criminal penalties, damages and fines, the Company could be required to refund payments received by it, and it

could be required to curtail or cease its operations. Any of the foregoing consequences could seriously harm its business and its financial results. These existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products, result in negative publicity, increase its operating costs, require significant management time and attention, and subject the Company to claims or other remedies, including fines or demands that the Company modifies or ceases existing business practices.

Dividends made pursuant to the terms of the Tokens may detract from the capital the Company could otherwise deploy to improve its business.

Following the issuance of the Tokens, if declared by the Board out of funds lawfully available therefor, holders of the Tokens will receive Dividends. See “Terms of the Securities.” Any capital used to pay Dividends detracts from the capital available for the Company to deploy in developing its business. Diverting the funds from the Company’s operations may put the Company at a significant disadvantage in comparison to its competitors who do not make similar Dividend payments. This disadvantage may have an adverse impact on the operations and financial conditions of the Company.

The value ascribed to the Tokens by the holders may depend, in part, on the number and scope of Discretionary Benefits that the Company may provide to Token holders in the future.

The Company expects to endeavor to create certain Discretionary Benefits for holders of the Tokens in the future. See “Terms of the Securities.” The terms and conditions of the Tokens do not entitle holders to any Discretionary Benefits, and potential purchasers should not ascribe any value to such Discretionary Benefits in making their investment decision. If in the future, certain Discretionary Benefits are provided to holders of the Tokens, it is possible that token holders will ascribe some value to these Discretionary Benefits. However, any such Discretionary Benefits may be terminated and cease at any time and, to the extent that holders are attributing value to such Discretionary Benefits, any such termination or cessation may cause the value of the Tokens to decrease and such decrease may be material.

A violation of privacy or data protection laws could have a material adverse effect on the Company and the value of the Tokens.

The Company and certain of its subsidiaries and advisors are subject to applicable privacy and data protection laws and regulations. Any violations of laws and regulations relating to the safeguarding of private information could subject the Company or any of them to fines, penalties or other regulatory actions, as well as to civil actions by affected parties. Any such violations could adversely affect the ability of the Company to operate the GMI Platform which could have a material adverse effect on the Company’s operations and financial conditions.

The GMI Platform and any systems developed in the future has been and will be, as applicable, developed by key technology employees of the Company and its affiliates, and their operation and further development depend on the continued availability of those key employees.

The GMI Platform, that may be developed in the future, including technology and intellectual property involved in their creation and operation, has been or will be, as applicable, developed primarily by a small number of key technology employees of the Company and its affiliates. The loss of the services of any of those key employees could have a material adverse effect on the ability of the Company to develop, operate or maintain the GMI Platform. If the Company were to lose the services of any such key employees, it could be difficult or impossible to replace them, and the loss of any of them could have a material adverse effect on the Company's operations and financial conditions.

The development and operation of the GMI Platform that may be developed in the future requires, will likely require, technology and intellectual property rights.

The ability of the Company to develop and operate the GMI Platform, that may be developed in the future may depend on technology and intellectual property rights that the Company may license from unaffiliated third parties. If for any reason the Company were to fail to comply with its obligations under the applicable license agreement, or were unable to provide or were to fail to provide the technology and intellectual property that the GMI Platform requires, they would be unable to operate, which would have a material adverse effect on the Company's operations and financial conditions.

The Company may face substantial competition from a number of known and unknown competitors as well as the risk that one or more of them may obtain patents covering technology critical to the operation of the GMI Platform.

The Company believes that a number of organizations are or may be working to develop novel technologies and business models that may be competitive with its own technology. Some or all of such organizations and/or their respective purchasers have substantially greater resources than the Company and many of them could attempt to patent technologies that may be competitive with or similar to the technology the Company has developed. The Company does not have access to detailed information about the technologies these organizations and/or their respective purchasers may be attempting to patent. If one or more other persons, companies or organizations obtains a valid patent covering technology critical to the GMI Platform, the Company and the other entities that need the relevant technology in order to enable the GMI Platform to operate as intended might be unable or unwilling to license the technology, and it could become impossible for the GMI Platform to operate, which could have a material adverse effect on the Company.

PRO FORMA REVENUE EXPENSE

15 Year Projected

Total Gross Revenue (ALL CHANNELS)	\$	4,572,018,208
Total Gross Profit (ALL CHANNELS)	\$	1,636,716,628
Operating Expenses	\$	(733,027,329)
Net Cash	\$	1,346,519,972

Financing Sources

Bank Loan	\$	220,000,000
EB5 Preferred Equity	\$	160,000,000
USDA Loan	\$	25,000,000
Preferred Equity Investment	\$	-
Film Finance Loan	\$	105,000,000
Total	\$	510,000,000

Use of Funds

G&A	\$	(38,828,592)
IP Incubation – Apps & Books Acquisition Costs	\$	(7,700,000)
Studio & Real Estate	\$	(176,000,000)
Film & Distribution Startup Costs	\$	(54,883,960)
Story Plant Investment	\$	(4,000,000)
ConcentraQ Startup Costs	\$	(950,000)
Total	\$	(282,362,552)

Net Revenue By Business Channels

1.1 - IP Incubation – E-books and Apps	\$	506,616,619
1.2 - IP Incubation – Books	\$	16,059,204
2 - Studio & Real Estate	\$	149,448,713
3 - Film & Distribution	\$	752,648,782
4 - Story Plant Investment	\$	30,105,148
5 - ConcentraQ Professional Services / Investment	\$	32,267,784

Acquired and Hard Assets

142 Titles IP Rights - Base Value	\$	(7,700,000)
142 Digital Apps + Printed Books (tbd)	\$	-
Land & Improvements	\$	(176,000,000)
Story Plant Investment	\$	(4,000,000)
State Tax Credits & Incentives (tbd)	\$	-

Note: all potential interest and fees on debt instrument are left in escrow at the lending bank.

This model shows revenue earned during the incubation process; **however, it does NOT include any projections for revenue from cross-media development**, television production, merchandising, toys, etc. (which we assume to be the most significant revenue generated) because we have found no reliable way to project it. One hit alone could add between \$1BN and \$5BN to our revenue.

State Tax Credits and Entertainment Incentives

Our asset creation will qualify for financial incentives and tax credits in Georgia, including film R&D, game, etc.

However, to provide cushion, we have not included any of the Entertainment, the Opportunity Zone or the High Demand Career Initiative credits for which we expect to qualify.

Complete pro forma data is updated regularly and is available online:

<https://www.gramaryemedia.com/wp-content/uploads/Gramarye-Return.xlsx>

USE OF PROCEEDS

The Company's management will have broad discretion in the application of the net proceeds of this Offering and investors will have to rely upon their judgment.

At present, the net proceeds of the Offering are expected to be used for (i) the development of the GMI Platform, (ii) the development of content capable of attaining mega-franchise status (iii) the Equity Investments in strategic verticals including real estate; (iv) the future development of the blockchain Tokens/Smart Contracts, (v) real estate acquisition and development, and (vi) general corporate purposes, which may include capital expenditures, acquisitions, debt repayments, and short term investments, among other things. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

The Company's offering expenses for this Offering are expected to be approximately 20% of the proceeds of the Offering, Certain of the Company's advisors may receive compensation in the form of the Tokens.

DIRECTORS AND MANAGEMENT

JOHN ADCOX

CHIEF EXECUTIVE OFFICER

Over the course of a 20-year career in advertising, marketing, and new media John Adcox has held a number of titles including Executive Producer, Vice President of Digital Media, Creative Director, Vice President of Marketing and Creative Services, and CEO. A few of his clients have included AT&T, Mercedes-Benz, Holiday Inn, Coca-Cola, UPS, SCANA, AutoTrader.com, Time Warner, Disney, Delta Air Lines, 3M, Ford, and many more.

In addition, he has hosted a radio show, acted professionally (although not since age 15), designed and written scripts for games, written a play for a professional theatre company, taught university astronomy, and written articles on topics including mythology, psychology, technology, religion, and marketing strategy.

John served for more than four years as the Lay Leader and Council Chair at Inman Park United Methodist Church. His many, many interests include books and literature, religion and philosophy, mythology, the Arthurian legends, travel, baseball, science fiction and fantasy, marketing communications, Celtic music and lore, new media, theatre, and politics, not to mention astronomy and cosmological physics.

John is now concentrating on storytelling—he is the author of Blackthorne Faire and other novels, and he has a screenplay in development. Meanwhile, he maintains a laser focus on Gramarye Media and its publishing, film and television content development, production, and distribution arms.

ALICE NEUHAUSER

PRESIDENT

Alice P. Neuhauser has a broad range of entertainment experience in financial management, establishment and oversight of corporate, legal and accounting procedures, and business development and strategic planning. From successfully developing a major commercial real estate project to assisting lenders in maximizing the value of distressed assets to managing the day-to-day operations of independent film companies, Alice has demonstrated entrepreneurial success in maximizing effort and investment by finding opportunities to utilize both existing studio structures and independent constructs.

Over the course of her career, Alice has managed project financing for motion pictures ranging in budget from \$2 million to \$100 million each, totaling over half a billion dollars. Such financings included some of the largest independently financed pictures including Terminator 2 (starring Arnold Schwarzenegger) and Cliffhanger (starring Sylvester Stallone). More recently, Alice coordinated the bank financing of produced pictures including Oscar-nominated 3:10 to Yuma (starring Russell Crowe), The Forbidden Kingdom (with Jackie Chan and Jet Li), The Bank Job, Brothers, A Perfect Getaway, Nine, Spy Next Door, Dear John, Season of the Witch, The Fighter (starring Christian Bale and Mark Wahlberg), Limitless (starring Bradley Cooper), Haywire, The Immortals, Mirror, Mirror (starring Julia Roberts), 21 & Over, Movie 43, Safe Haven and Out of the Furnace. Alice also managed two \$100 million revolving film production credit facilities with two separate syndicates of banks, which helped finance such movies as Basic Instinct (starring Michael Douglas and Sharon Stone) and Total Recall (starring Arnold

Schwarzenegger and Sharon Stone).

Looking for opportunities to capitalize on businesses that support film production, Alice developed a \$100 million motion picture and television production facility from concept through 100% utilization. With Roy Disney's Shamrock Holdings as investment partner, the first full-service production facility in Los Angeles in over 50 years was created. This 22-1/2 acre studio lot includes 14 state-of-the-art sound states, eight production buildings, a commissary, a four-story office building, and a parking garage. Current tenants include James Cameron's Avatar 2 and Avatar 3. Hands-on, Alice's efforts included developing the financing model and working with prospective investors, tenants and lenders, managing construction of the project and on-site coordination of final move-in by the tenants.

Among other consultancy roles, Alice also advised The Trend Exchange, a start-up financial marketplace for trading various media-related options contracts. The exchange was successfully approved by the Commodities Future Trading Commission, with Alice providing a key link among the regulatory agency, the financing community and content producers. Operational management has been a hallmark of Alice's career. Prior to the bankruptcy of Carolco Pictures, she coordinated the preparation of the due diligence materials, including among other things chain of title for the development projects and produced pictures, sales and availabilities for the licensing of the produced pictures and an abbreviated library valuation. She also managed the due diligence process with prospective buyers. Ultimately, through various negotiated assets sales she returned a remarkable 100% of senior bond and trade debt of Carolco Pictures Inc. after its bankruptcy, exceeding investment banker projections by over 100%.

Alice continues to manage the sequel/remakes rights and development properties for the former Carolco, working with producers to turn them into new motion pictures and television series. On behalf of various lenders, including GECC and JP Morgan Chase, she has managed or liquidated distressed entertainment companies.

As Responsible Officer for The Kushner-Locke Company, Alice has overseen the operations of the Company since shortly after it filed for bankruptcy in 2001. In addition to compliance with bankruptcy and SEC requirements, Alice was been responsible for day-to-day operations, managing the various sales agent relationships, organizing documentation, establishing procedures and negotiating settlements of claims. Post-reorganization, Alice negotiated and managed the sale of the Company's film library. She continues to represent the derivative rights for the Company.

At the request of certain senior financiers, Alice was retained by the New York-appointed, New York-based Receiver for The Shooting Gallery in connection with the liquidation of The Shooting Gallery assets for the benefit of its creditors. Alice utilized a team of experienced professionals who collectively had worked on the preparation for, and sale of, the film libraries for, among other companies, Carolco Pictures, Epic Productions (the Credit Lyonnais library), Harvey Entertainment, 7.23 Slate and Prosperity Pictures. Due to the sudden closing of the Company's operations, the liquidation included shutting down the office space, negotiating out of facility and equipment leases, organizing chain of title and sales/availabilities information and preparing, marketing and soliciting buyers for the sale of Company assets.

Alice also managed the wind-up of a family of companies with real property holdings and film financing, production, sales and post-production businesses in Los Angeles. When the Companies lost their financing, Alice managed the self-liquidation process by, among other things, selling the post-production

equipment, selling the building, winding down the various corporate entities, bringing current past-due tax obligations and paying off outstanding trade debt. In addition, Alice helped develop an asset management software system for tracking sales and availabilities for the pictures distributed by the production entity. She organized a team to service the on-going distribution obligations for the produced pictures.

GE Capital retained Alice as Chief Restructuring Officer of Unapix Entertainment to manage the operations of the Company in bankruptcy, oversee the preparation of information for selling the library and the successful sale of the library. Among other consultancy roles, Alice also advised The Trend Exchange, a start-up financial marketplace for trading various media-related options contracts. The exchange was successfully approved by the Commodities Future Trading Commission, with Alice providing a key link among the regulatory agency, the financing community and content producers.

Alice is an honors graduate of Harvard College and earned her MBA from the Anderson School of Management at UCLA while working full-time. She also supports various non-profit organizations and has served on the National Council of Defenders of Wildlife since 2010 and joined the National Advisory Board of the Union of Concerned Scientists in 2016.

DON DUDENHOEFFER **CHIEF CREATIVE OFFICER**

Don's professional experience has been an extensive voyage into the world of advanced interactive media. He's spent most of his career on the front lines of the new media space working with emerging technologies in Interactive TV, mobile devices, video distribution, and broadband Web applications. In Don's eleven years of creative design and implementation, his work has focused on creating forward thinking applications that aid large media companies in their pursuit of the future of media often targeting multi-screen experiences.

Don led the design team that was awarded the first ever Emmy in Interactive Television for the creation of an Interactive TV application enhancing the HBO Band of Brothers experience. He also led the effort to design and build CNN's Pipeline and the Washington Redskins experiences for Media Center and Intel's Viiv initiative. Don has participated in the incubation, testing and launch of many new interactive products ranging from a wireless traffic guidance system, desktop applications (TWC Desktop Weather), browser plug-ins, widgets, and new forms of digital video collection, encoding, and distribution.

Over the course of his career he's have worked with clients like HBO, HGTV, DIY, FOOD, Fine Living, Disney, AOLTV, NASCAR.com, CNN, Cartoon Network, Captain Planet foundation, Philips, PoliticalIQ.com, Psydex, Subaru, Worldspan, Cox Cable, Cox Radio, IntelliOne, Time Warner, Rhapsody, MetaByte, and many more. Don's specialties include Concept incubation, Technology assessment, Information architecture, Advanced UI design and Development, Flash interfaces, Advanced interactive advertising, Cross-platform experiences, Video shooting, editing, and motion graphics, and Web Applications.

As the Creative Director of Beyond Z, Don oversaw the entire process of product development. Working with the client, design team, and development team in the initial planning stages, he remains hands-on all the way through. Clients have included HBO, Cartoon Network, The Weather Channel, HGTV, Food

Network, DIY, Ford, Suburu, NASCAR, Redskins, Disney, and many more. The bulk of the company's work focused in the Interactive Television industry.

IRTAZA BARLAS

CHIEF TECHNOLOGY OFFICER

Irtaza Barlas brings more than 20 years of diverse technology and product development experience to Gramarye. He is currently the Director of Software Engineering of a very successful healthcare IT company in Georgia. He was also the Program Manager at Impact Technologies, where he led the research and development efforts associated with advanced computing, image analysis, and data mining systems for the industry and the US Department of Defense.

Irtaza was the architect and Principle Investigator on a multi-year research program on "Self-Aware Processing Systems" for DARPA. Irtaza worked with Raytheon and Georgia Tech to develop technologies for monitoring and real-time reconfiguration. His other DoD research programs include datamining and visualization for US Navy, distributed monitoring of Virginia Class Submarine Combat Systems, and Multi-agent Distributed Data Fusion for Unmanned Surface Vehicles for Office of Naval Research. Impact Technologies was acquired in 2011 by United Technologies' Sikorsky Aircraft Corporation—and is now a Sikorsky Innovations company.

Previously Irtaza was the principal and Director of Software Development at Atlanta-based Intelligent Automation Systems (IAS), where he led the development of several products related to image processing, industrial process monitoring, and automation in the utilities, wire, cable, and textile industries. Impact Technologies acquired IAS, in its third year of operation.

Irtaza received his MS from California State University, Sacramento where he worked extensively on microprocessors, digital systems, computer networks, and FPGAs. He received his Ph.D. in Electrical and Computer Engineering from Georgia Tech., with a thesis on Multi-Agent systems for Diagnostics and Prognostics of complex systems. His other research interests include the design of self-aware processors, integrity verification and the repair of distributed systems, mobile agents, e-publishing, image analysis, data mining, and data visualization. His interests outside of technology include literature, music, philosophy, and religion.

LOU ARONICA

CHIEF LITERARY OFFICER

Lou Aronica started the Spectra imprint at Bantam when he was 27 years old. His first acquisition for Bantam Spectra, David Brin's *Startide Rising*, won a Hugo and a Nebula award. Bantam Spectra went on to publish New York Times bestsellers for Arthur C. Clarke, Isaac Asimov, Margaret Weis, Tracy Hickman, Raymond Feist, William Gibson, Neal Stephenson, and Neil Gaiman. During this phase of his career, Aronica acquired five consecutive winners of the Nebula award.

His Full Spectrum anthology series ran 5 volumes. Full Spectrum 4, co-edited with Amy Stout and Betsy Mitchell, won the 1994 World Fantasy Award for Best Anthology. He also started the Star Wars book publishing program. As Mass Market Publisher for Bantam, he launched the Crime Line mystery imprint and worked with bestselling authors Elizabeth George, Robert Crais, and Diane Mott Davidson. After leaving Bantam in 1994, he became Publisher of the Berkley Publishing Group, where he started two

imprints, Boulevard and Signature. During this time, he acquired and edited futuristic mysteries by J.D. Robb (a penname of author Nora Roberts).

In 1995, Aronica became Senior Vice President and Publisher for Avon Books, where he launched the Eos science fiction and fantasy imprint and expanded Avon's romance books program. The author list at Eos has included Raymond Feist, Gregory Benford, Ben Bova, Sheri Tepper, and Dennis Danvers. He left Avon in 1999 after the acquisition of the company by The News Corporation.

Since leaving Avon, he has co-authored several books, including *The Culture Code* with Clotaire Rapaille. His novels *The Forever Year* and *Flash and Dazzle* were published under the pen name Ronald Anthony. In 2003, he established The Fiction Studio, a creative development company with a publishing imprint for new authors, and in 2008, with literary manager Peter Miller, he established The Story Plant, a small commercial imprint for strong genre authors.

PLAN OF DISTRIBUTION

SAFE Purchaser Qualifications

Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the SAFE offered hereby because: (i) an investment in the Securities involves a number of significant risks (See "Risk Factors"); (ii) the SAFEs are not transferable; and (iii) there is no established trading market for the Tokens and it is possible that one will never develop and the Tokens will never be tradeable. This Offering is intended to be a private offering that is exempt from registration under the Securities Act and applicable state securities laws.

This Offering is limited solely to purchasers (1) who are "accredited investors" as defined Regulation D or (2) who are not "U.S. persons," as defined in Regulation S, in offshore transactions.

To be eligible to participate in the Offering, you will be required to represent to the Company in writing that you are (1) an accredited investor under Regulation D and to provide certain documentation in support of such representation (such required documentation to be decided by the Company in its sole discretion), or (2) a non-U.S. person under Regulation S. You must also represent in writing that you are purchasing the SAFE for your own account and not for the account of others and not with a view to reselling or distributing Securities.

Other Requirements

In addition to submitting documentation to confirm their status as "accredited investors" or non "U.S. Persons," all potential purchasers of the Tokens will need to complete requisite know-your customer and anti-money laundering procedures to execute a SAFE.

The USA PATRIOT Act	What is money laundering?	How big is the problem and why is it important?
<p>The USA PATRIOT Act is designed to detect, deter and punish terrorists in the United States and abroad. The Act imposes new anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002, all United States brokerage firms have been required to have comprehensive anti-money laundering programs in effect. To help you understand these efforts, the Company wants to provide you with some information about money laundering and the Company's efforts to help implement the USA PATRIOT Act.</p>	<p>Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering and terrorism.</p>	<p>The use of the United States financial system by criminals to facilitate terrorism or other crimes could taint its financial markets. According to the United States State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.</p>

You should check the Office of Foreign Assets Control (the “OFAC”) website at <http://www.treas.gov/ofac> before making the following representations:

- (i) you represent that the amounts invested by you in this Offering 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 individuals¹ or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;
- (ii) you represent and warrant that 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 subscription 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 change in the information set forth in any of these representations. You are advised that, by law, the Company may be obligated to “freeze the

¹ These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

account” of any purchaser, either by prohibiting additional subscriptions from it, declining any redemption requests 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;

- (iii) you represent and warrant that 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 senior foreign political figure¹, or any immediate family² member or close associate³ of a senior foreign political figure, as such terms are defined in the footnotes below; and
- (iv) 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) the Foreign Bank is subject to inspection by the banking authority that licensed 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. The Company may, but under no circumstances will 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.

How to Subscribe

SAFEs may be accessed electronically via www.gramaryemedia.com and will be delivered via email and also available on DocuSign. Prospective purchasers and the Company will review and electronically sign validated SAFE documents and a final executed SAFE agreement will be available to the purchaser on DocuSign.

¹ A “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a “senior foreign political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

² “Immediate family” of a senior foreign political figure typically includes such figure’s parents, siblings, spouse, children and in-laws.

³ A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure.

The Token Issuance

If developed by the Company, the Tokens will be issued to holders of the SAFEs in a transaction exempted from the registration requirements of the Securities Act pursuant to Section 3(a)(9) of the Securities Act or another available exemption. Upon consummation of such exchange, each applicable SAFE will immediately terminate in accordance with its terms. While the Company will use its commercially reasonable efforts to create the Tokens, no assurance can be given that they will ever be issued.

On the Token Issuance Date, the Tokens will be minted and delivered to SAFE holders according to the terms specific to their SAFE. The tokens will be delivered to either a wallet address provided upon contribution at www.gramaryemedia.com.

NOTICE TO PURCHASERS

This Offering has not been registered or qualified under the securities laws of any jurisdiction anywhere in the world. The SAFEs and the Tokens, if issued, are being offered and sold only in jurisdictions where such registration or qualification is not required, including pursuant to applicable exemptions that generally limit the purchasers who are eligible to purchase the SAFEs and the Tokens, if issued, and that restrict the Securities' resale. Holders of the SAFEs may never offer, sell, assign, transfer, pledge, encumber or otherwise disposed of the SAFEs. The Tokens may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of except as permitted under applicable securities laws and the restrictions imposed on the Tokens hereunder. In addition, Token holders will not be able to transfer their Tokens until the Company designates a Designated Exchange. Peer-to-peer trading will not be permitted unless and until Token holders are notified otherwise by the Company and informed of the requirements to do so. Furthermore, there can be no assurance that any Designated Exchange will be chosen or that all Token holders will have access to a Designated Exchange.

Notice to Residents of the United States

Neither the SAFEs nor the Tokens, if issued, have been registered under the Securities Act or any securities laws of any state and, unless so registered, the Tokens may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other securities laws. Accordingly, the SAFEs are being initially offered and sold only (1) to "accredited investors" (as defined under Regulation D) in compliance with Regulation D, in each case, in a private transaction in reliance on the exemption from the registration requirements of the Securities Act provided by Regulation D under the Securities Act, and (2) outside the United States to non-U.S. persons in offshore transactions in reliance upon Regulation S under the Securities Act.

As used herein, the terms "United States," "U.S. person" and "offshore transactions" have the meanings given to them in Regulation S under the Securities Act.

Each purchaser that executes a SAFE will be deemed to have acknowledged, represented and warranted to, and agreed with, the Company as follows:

- (1) It understands and acknowledges that (i) the issuance of the SAFEs and the Tokens, if issued, has not been and will not be registered under the Securities Act or any other applicable securities law, (ii) the SAFEs are being offered for sale in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iii) the Tokens, if issued, will be issued in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iv) the SAFEs are non-transferable and may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed, and (v) the Tokens may not be offered, sold or otherwise transferred or disposed of, except in compliance with the registration requirements of the Securities Act and any other applicable securities law, or pursuant to an exemption therefrom and, in compliance with the conditions for transfer set forth in paragraphs (6) and (7) below.
- (2) It acknowledges that this Memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.
- (3) It is:
 - (a) an “accredited investor” (as defined in Regulation D) acquiring the SAFE, and it is aware that the SAFE and the Tokens, if, as and when issued, are being issued in reliance on an exemption from the registration requirements of the Securities Act; or
 - (b) not a “U.S. person” and it is not acquiring the SAFE for the account or benefit of a “U.S. person,” and it is acquiring such SAFE in an offshore transaction in accordance with Regulation S under the Securities Act and in accordance with the laws applicable to it in the jurisdiction in which such acquisition is made.
- (4) It acknowledges that the purchase of a SAFE is also the purchase of Tokens, if, as and when they are issued.
- (5) It acknowledges that neither the Company, nor any of its representatives or affiliates, have made any statement, representation or warranty, express or implied, to it other than the information contained in this Memorandum, which has been delivered to it and upon which it is relying in making its investment decision with respect to the Securities. It has had access to such financial and other information concerning the Company and the Securities as it has deemed necessary in connection with its decision to invest, including an opportunity to ask questions of and request information from the Company, and such information has been made available to it.
- (6) It is acquiring the SAFE and the Tokens, if, as and when issued, for its own account, or for one or more purchaser accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any other applicable securities laws, subject to any requirement of law that the disposition of its property or the property of such purchaser account or accounts be at all times within its or their control and subject to its or their ability to resell the SAFE or the Tokens, if, as and when issued, pursuant to Rule 144A, Regulation S, or any other exemption from registration available under the Securities Act.
- (7) Each holder of a SAFE and Tokens, if, as and when issued, issued pursuant to Regulation S acknowledges on its own behalf and on behalf of any purchaser account for which it is acquiring the Securities, and each subsequent holder of the Tokens by its acceptance thereof will be deemed to acknowledge that, until the expiration of the one year “distribution compliance period” under Regulation S (the “***Distribution Compliance Period***”), it will not make any offer or sale of the

Tokens to a U.S. person or for the account or benefit of a U.S. person within the meaning of Rules 902 and 903 of the Securities Act, except in compliance with applicable securities laws. In addition, such holder further acknowledges that with respect to Securities received pursuant to Regulation S, hedging transactions involving such Securities may not be conducted unless in compliance with the Securities Act.

Each holder of a SAFE and Tokens, if, as and when issued, issued pursuant to Regulation D agrees (on its own behalf and on behalf of any purchaser account for which it is acquiring the Securities), and each subsequent holder of the Tokens by its acceptance thereof will be deemed to agree, that (A) prior to the expiration of the applicable holding period set forth in Rule 144 (the “**Resale Restriction Termination Date**”), it will not offer, sell, assign transfer, pledge, encumber or otherwise dispose of the Tokens, except to the Company or any of its subsidiaries and (B) after the Resale Restriction Termination Date, if it is an affiliate of the Company (or has been an affiliate of the Company within the immediately preceding three months), will offer, sell or otherwise transfer the Tokens only (i) to the Company or any of its subsidiaries, (ii) pursuant to a registration statement that has been declared effective under the Securities Act or (iii) pursuant to any other available exemption from the registration requirements of the Securities Act (including in accordance with Rule 144, if available), subject, in each of the foregoing cases, to any requirement of law that the disposition of its property or the property of such purchaser account or accounts be at all times within its or their control and, in each case, in compliance with applicable securities laws of any U.S. state or any other applicable jurisdiction. In addition, the Company will require, prior to any offer, sale or transfer pursuant to clause (B)(iii), the delivery of an opinion of counsel, certification or other information satisfactory to the Company.

Each holder of the Securities acknowledges that the Company is not making any representations as to the availability of the exemption provided by Rule 144 for resale of the Tokens, if, as and when issued.

- (8) Each holder of a SAFE acknowledges that the SAFE will contain a legend substantially to the following effect:

THIS SECURITY, AND ANY TOKENS WHEN ISSUED PURSUANT TO IT (THE “TOKENS”), HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. SUBSEQUENT TO THE INITIAL ISSUANCE OF THIS SECURITY, EACH HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT (A) IT IS A “ACCREDITED INVESTOR” (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) OR (B) IT IS NOT A “U.S. PERSON” AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH ACQUISITION IS MADE.

[FOR REGULATION S ONLY: THE TOKENS WHEN ISSUED WILL BE ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND MAY NOT BE TRANSFERRED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)) EXCEPT PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS. EXCEPT AS SET FORTH BELOW, THE TOKENS SHALL NOT BE EXCHANGEABLE FOR A SECURITY THAT IS NOT SUBJECT TO A LEGEND CONTAINING RESTRICTIONS ON TRANSFER UNTIL THE

EXPIRATION OF THE APPLICABLE “DISTRIBUTION COMPLIANCE PERIOD” (WITHIN THE MEANING OF REGULATION S) AND THEN ONLY UPON CERTIFICATION IN FORM REASONABLY SATISFACTORY TO THE COMPANY OR ITS TRANSFER AGENT THAT SUCH TOKENS ARE OWNED EITHER BY NON-U.S. PERSONS OR U.S. PERSONS WHO PURCHASED SUCH INTERESTS IN A TRANSACTION THAT DID NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT.

THE HOLDER OF ANY TOKENS AGREES (1) TO OFFER, SELL OR OTHERWISE TRANSFER SUCH TOKENS, PRIOR TO THE EXPIRATION OF THE APPLICABLE HOLDING PERIOD WITH RESPECT TO RESTRICTED SECURITIES SET FORTH IN RULE 144 UNDER THE SECURITIES ACT (THE “RESALE RESTRICTION TERMINATION DATE”), ONLY (A) TO THE COMPANY OR ANY OF THE COMPANY’S SUBSIDIARIES, (B) PURSUANT TO OFFERS AND SALES TO PERSONS WHO ARE NOT “U.S. PERSONS” THAT OCCUR OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH PURCHASE IS MADE, (C) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (D) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT, IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY U.S. STATE OR ANY OTHER APPLICABLE JURISDICTION, AND (2) THAT IT WILL HAVE A REASONABLE BELIEF THAT EACH PERSON TO WHOM THE TOKEN IS TRANSFERRED WILL BE PRESENTED WITH NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND AND WILL HAVE AFFIRMATIVELY SIGNED HIS, HER OR ITS UNDERSTANDING; PROVIDED, THAT THE COMPANY AND THE TRANSFER AGENT WITH RESPECT TO THIS TOKEN SHALL HAVE THE RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) AND (E), PRIOR TO THE RESALE RESTRICTION TERMINATION DATE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

HEDGING TRANSACTIONS INVOLVING THE TOKENS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.]

[*FOR REGULATION D ONLY:* THE HOLDER OF ANY TOKENS WHEN ISSUED AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH TOKENS PRIOR TO THE EXPIRATION OF A 12-MONTH LOCK-UP PERIOD FOLLOWING THE DATE OF ISSUANCE OF THE TOKENS DURING WHICH THE TOKENS MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF.

FOLLOWING THE EXPIRATION OF THE 12-MONTH LOCK-UP PERIOD, ANY AFFILIATE OF THE COMPANY (OR PERSON WHO HAS BEEN AN AFFILIATE OF THE COMPANY WITHIN THE IMMEDIATELY PRECEDING THREE MONTHS) SHALL OFFER, SELL OR OTHERWISE TRANSFER TOKENS ONLY (I) TO THE COMPANY OR ANY OF ITS SUBSIDIARIES, (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (III) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING IN ACCORDANCE WITH RULE 144, IF AVAILABLE), SUBJECT IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY U.S.

STATE OR ANY OTHER APPLICABLE JURISDICTION. IN ADDITION, THE COMPANY WILL REQUIRE, PRIOR TO ANY OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (III), THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO THE COMPANY.]

THE HOLDER OF THIS SECURITY OR TOKENS BY ITS ACCEPTANCE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY OR TOKEN CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), A PLAN TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”) APPLIES (INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT), AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE PLAN ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN, OR PLAN, A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN, OR (2)(A) THE HOLDER IS, OR IS USING, THE ASSETS OF A GOVERNMENTAL PLAN, A CHURCH PLAN THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN AND (B) THE ACQUISITION AND HOLDING OF THIS SECURITY WILL NOT CONSTITUTE A VIOLATION UNDER ANY APPLICABLE PROVISIONS UNDER ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT REGULATE SUCH PLAN’S INVESTMENTS.

- (10) It agrees that it will not transfer Tokens unless it is given reasonable assurance that each person to whom it transfers Tokens receives notice of any restrictions on transfer of such Tokens.
- (11) If it is an acquirer in a transaction that occurs outside the United States within the meaning of Regulation S, it acknowledges that until the expiration of the Distribution Compliance Period, any offer or sale of the Tokens within the United States or to a U.S. Person by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.
- (12) It acknowledges that the Company or its Transfer Agent for the Tokens will not be required to accept for registration of transfer any Tokens, except upon presentation of evidence satisfactory to the Company and the Transfer Agent that the restrictions set out therein have been complied with.
- (13) It understands that no action has been taken in any jurisdiction in the U.S. or elsewhere by the Company that would result in a public offering of the Securities or the possession, circulation or distribution of this Memorandum or any other material relating to the Company or the Securities in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Tokens will be subject to the transfer restrictions set forth under this “Notice to Purchasers.”
- (14) It (a) is able to act on its own behalf in the transactions contemplated by this Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Securities and (c) (or the account for which it is acting) has the ability to bear the economic risks of its prospective investment in the Securities, and can afford the complete loss of such investment.
- (15) It acknowledges that the Company will rely upon the truth and accuracy of the acknowledgements, representations, warranties and agreements set forth in this “Notice to Purchasers” section and agrees that, if any acknowledgements, representations, warranties and agreements deemed to have been made by its participation in the Offering are no longer accurate, it will promptly notify the Company.

- (16) If it is acquiring the Securities as a fiduciary or agent for one or more purchaser accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgements, representations, warranties and agreements set forth in this “Notice to Purchasers” section on behalf of each such purchaser account.
- (17) Either (i) the Holder is not acquiring or holding such Securities or an interest therein with the assets of (A) an employee benefit plan that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a “plan” to which Section 4975 of the Code applies (including an individual retirement account), (C) an entity deemed to hold “plan assets” of any of the foregoing by reason of an employee benefit plan’s or plan’s investment in such entity, (D) a governmental plan (as defined in Section 3(32) of ERISA), (E) a church plan (as defined in Section 3(33) of ERISA) that has not made an election under Section 410(d) of the Code, or (F) a non-U.S. plan, or (ii) the Holder is acquiring or holding such Securities or an interest therein with the assets of (A) a governmental plan, a church plan that has not made an election under Section 410(d) of the Code, or a non-U.S. plan and (B) the acquisition and holding of such Securities by the purchaser, throughout the period that it holds the Securities and the disposition of such Securities or an interest therein will not constitute or result in a violation of any provisions of any applicable United States federal, state or local laws or non-U.S. laws that regulate such plan’s investments.

Digital Notices

The Tokens are uncertificated and, as such, will not contain legends. However, purchasers (including secondary purchasers) of Tokens will be required to be presented with the information required to be provided to such holders pursuant to and in the manner contemplated by Section 202 and Section 151(f) of the Delaware General Corporation Law regarding, among other things, restrictions on transfer of the Tokens, including the legend set forth in paragraph 9 above, and, at a minimum, must affirmatively signal their understanding of the information and provide the Company with certain representations on their investor status and location. The Token Terms and Conditions will be presented at that time as well.

SELLING RESTRICTIONS

No action may be taken in any jurisdiction that would permit a public offering of the Securities or the possession, circulation or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Tokens may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Tokens may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Notice to Prospective Purchasers in Australia

Neither this Memorandum, nor any other disclosure document in relation to the Securities, has been, will be, or needs to be, lodged with the Australian Securities & Investments Commission. This Memorandum is not a product disclosure statement under Division 2 of Part 7.9 of the Corporations Act 2001 (CTH) (the “Australia Act”) nor is it a prospectus under Chapter 6D of the Australia Act, and the Securities have not been, and will not be, registered as a managed investment scheme under the Australia Act. An offer of the Securities is made in Australia only to “wholesale clients” as defined by the Australia Act (“Wholesale Clients”), and can only be accepted by a recipient if they are a Wholesale Client. No Securities will be issued or arranged to be issued, and no recommendations to acquire Securities will be made, which would

require the provision of a product disclosure statement under Division 2 of Part 7.9 of the Australia Act or the provision of a financial services guide or a statement of advice under Division 2 or 3 of Part 7.7 of the Australia Act.

Neither this Memorandum, the offer contained herein nor any other disclosure document in relation to the Securities can be partially or wholly distributed, published, reproduced, transmitted or otherwise made available or disclosed by recipients to any other person in Australia.

Notice to Prospective Purchasers in the European Economic Area

In relation to each Member State of the European Economic Area (each a “Member State”), which has implemented the Prospectus Directive, the Company has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State it has not made and will not make an offer of the Securities to the public in a Member State, except that it may, with effect from and including such date, make an offer of Securities in a Member State at any time under the following exemptions as provided by the Prospectus Directive:

- (a) to legal entities which are qualified investors, as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospective Directive;
- (c) in any other circumstances falling within the scope of Article 3(2) of the Prospectus Directive.

For the purposes of the above, (i) the expression an “offer of the Securities to the public” in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and (ii) the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU), and includes any relevant implementing measure in each Member State.

Notice to Purchasers in France

The Offering is not being made, directly or indirectly, to the public in the Republic of France ("France"). Neither this Memorandum nor any other documents or materials relating to the Offering have been or will be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account (other than individuals), and all as defined in, and in accordance with, Articles L.411-1, L.411-2, D.411-1 and D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offering. Neither this Memorandum nor any other documents or materials relating to the Offering have been or will be submitted for clearance to or approved by the *Autorité des marchés financiers*. The direct or indirect distribution to the public in France of any so acquired Securities may be made only as provided by Articles L.411-1, L.411-2, L. 4121 and L.621-8 to L.621-8-3 of the French *Code Monétaire et financier* and applicable regulations thereunder.

This Memorandum, and any related document or material, shall not be considered, nor construed, as any form of financial investment advice, solicitation or advertisement.

Notice to Prospective Purchasers in Hong Kong

The Securities have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) and any rules made thereunder, or in circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 622) of Hong Kong.

No person has issued or had in its possession for the purposes of issue, or will issue or have in its possession of the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the SFO and any rules made thereunder.

Notice to Prospect Investors in Israel

This Memorandum does not constitute a prospectus under the Israeli Securities Law, 5728-1968, and has not been filed with or approved by the Israel Securities Authority. In Israel, this Memorandum is being distributed only to, and is directed only at, investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters purchasing for their own account, venture capital funds, and entities with shareholders’ equity in excess of NIS 250 million, each as defined in the Addendum (as it may be amended from time to time, collectively referred to as institutional investors). Institutional investors may be required to submit written confirmation that they fall within the scope of the Addendum. In addition, the Company may distribute and direct this Memorandum in Israel, at its sole discretion, to certain other exempt investors or to investors who do not qualify as institutional or exempt investors, provided that the number of such non-qualified investors in Israel shall be no greater than 35 in any 12-month period.

Notice to Prospective Purchasers in Singapore

Each investor has acknowledged that this Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). Accordingly, this Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, may not be circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the units, as the case may be, pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor pursuant to Section 274 of the SFA or to a relevant person pursuant to Section 275(1) of the SFA, or to any person pursuant arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; and/or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

By accepting receipt of this Memorandum, any person in Singapore represents and warrants that he is entitled to receive such Memorandum in accordance with the restrictions set forth above and agrees to be bound by the limitations contained herein.

Notice to Prospective Purchasers in The Netherlands

The Securities may not be offered or sold in The Netherlands to any persons other than qualified investors within the meaning of the Prospectus Directive. For purposes of the above, the expression "Prospectus Directive" shall have the meaning given to it in the paragraph "Notice to Prospective Purchasers in the European Economic Area" above.

Notice to Prospective Purchasers in the United Kingdom

With respect to offers and sales of the Securities that are the subject of this Memorandum, offers or sales of any of such Securities to persons in the United Kingdom are prohibited in circumstances which have resulted in or will result in such Securities being or becoming the subject of an offer of transferable securities to the public as defined in Section 102B of the Financial Services and Markets Act 2000 (as amended) (the "FSMA") and all applicable provisions of the FSMA must be complied with, with respect to anything done in relation to such Securities in, from or otherwise involving the United Kingdom. To the extent this Memorandum is distributed in the United Kingdom, it will only be distributed to and directed at: (i) persons

who have professional experience in matters relating to investments falling within Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "FPO"); (ii) high net worth entities and other persons to whom it may otherwise lawfully be communicated falling within Article 49 of the FPO; (iii) certified sophisticated investors falling within Article 50 of the FPO; or (iv) other persons to whom it may lawfully be directed under an exemption contained in the FPO (the persons specified in (i), (ii), (iii) and (iv) above are, together, referred to as "relevant persons"). Persons who are not relevant persons must not act on or rely on this Memorandum or any of its contents. Any investment or investment activity to which this Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Relevant persons in receipt of this Memorandum must not distribute, publish, reproduce, or disclose this Memorandum (in whole or in part) to any person who is not a relevant person. In addition, any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received in connection with the issue or sale of such Securities will only be communicated, or be caused to be communicated, in circumstances in which Section 21(1) of the FSMA does not apply to the Company.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Tokens and SAFEs. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury Regulations thereunder, administrative rulings and pronouncements and judicial decisions, all as in effect on the date of this Memorandum and all of which are subject to change or differing interpretations, possibly with retroactive effect. This discussion is addressed only to beneficial owners of the Tokens and SAFEs that purchase them for cash on original issuance, and to beneficial owners that hold the Tokens or SAFEs as "capital assets" within the meaning of Section 1221 of the Code.

This discussion does not address all of the tax considerations that may be relevant to a purchaser of Tokens or SAFEs in light of its particular circumstances or to purchasers that are subject to special rules, such as: banks and other financial institutions; insurance companies; real estate investment trusts and regulated investment companies; tax-exempt organizations; pension funds and retirement plans; brokers and dealers in securities or currencies; traders in securities that elect to use a mark-to-market method of tax accounting; persons that own the Tokens or SAFEs as a position in a hedging transaction; persons that own the Tokens or SAFEs as part of a "straddle," "conversion" or other integrated transaction for tax purposes; or U.S. Holders (as defined below) whose "functional currency" for tax purposes is not the United States dollar.

As used in this discussion, the term "U.S. Holder" means a beneficial owner of a Token or SAFE that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust, if (A) a court within the United States is able to exercise primary jurisdiction over administration of the trust and one or more United States persons have authority to control all substantial decisions of the trust or (B) it has a valid election in effect to be treated as a United States person. As used in this discussion, the term "non-U.S. Holder" means a beneficial owner of Notes or SAFEs (other than a partnership or other entity treated as a partnership or as a disregarded entity for U.S. federal income tax purposes) that is not a U.S. person. The tax treatment of a partnership and each partner thereof will generally depend upon the status and

activities of the partnership and such partner. A holder that is treated as a partnership for U.S. federal income tax purposes or a partner in such partnership should consult its own tax advisor regarding the U.S. Federal income tax consequences applicable to it and its partners of the acquisition, ownership and disposition of the Notes or SAFEs.

Characterization of the Tokens and SAFEs

There are no regulations, published rulings or judicial decisions involving the characterization for US federal income tax purposes of instruments with substantially the same terms as either the Tokens or the SAFEs. Thus, the characterization of these instruments is uncertain. It should be expected that the Internal Revenue Service (“IRS”) or a court would determine this characterization based on a consideration and weighing of the characteristics of these instruments. Except for purposes of withholding on payments to non-US persons discussed below, the Company intends to treat the Tokens as equity in the Company analogous to preferred stock and to treat the SAFEs as a forward contract arrangement to purchase the Tokens on the terms provided. Other characterizations of each of the Tokens and SAFEs are possible, some of which are discussed briefly below, which may have less favorable US federal income tax consequences for investors. Potential purchasers are strongly advised to consult their own tax advisors as to the US federal income tax characterization of the Tokens and SAFEs and the consequences to them of the various alternative characterizations.

Characteristics of Tokens.

As noted, the Company intends generally to treat the Tokens as preferred equity in the Company. Among the characteristics of the Tokens that support equity treatment are their treatment as a type of stock under Delaware law, their rights to dividends and their rights to participate in proceeds if the Company is liquidated. Among the characteristics of the Tokens that are less supportive is the nontraditional form of the Tokens.

Characteristics of SAFEs.

As noted, the Company intends generally to treat the SAFEs as a forward contract to purchase the Tokens and thus a prepaid forward contract to purchase equity of the Company. Among the characteristics of the SAFEs that support such treatment are their terms providing for purchase of Tokens on fixed terms for a fixed price during each of the Pre-Sale Period and the Subsequent Sale Period, as well as the lack of participation of the SAFEs in dividends and liquidation proceeds. The SAFEs, however, may remain outstanding indefinitely if Tokens are not issued (unless the SAFES are redeemed by the Company), which is not a usual feature of a prepaid forward contract.

The following is a description of the US federal income consequences of holders that would obtain if the Company’s characterization of the Tokens as preferred equity and the SAFEs as prepaid forward contracts prevails. Other characterizations are possible, as explained in more detail below, and these could have less favorable US federal income tax consequences for holders.

US Holders

Tax Treatment of Tokens

Dividends

For US federal income tax purposes, the gross amount of any cash Dividends paid to US Holders will be treated as ordinary dividend income to the extent paid or deemed paid out of the current or accumulated earnings and profits of the Company (as determined under US federal income tax principles). Dividends paid by the Company may be eligible for the dividends-received deduction generally allowed to corporate US Holders.

To the extent that an amount received by a US Holder exceeds the allocable share of the Company's current and accumulated earnings and profits, such excess will be applied first to reduce such US Holder's tax basis in its Tokens and then, to the extent it exceeds the US Holder's tax basis, it will constitute capital gain from a deemed sale or exchange of such Tokens (see "Gain or Loss upon Sale or Other Disposition of Tokens or Shares", below).

The amount of any distribution paid in property other than cash, specifically additional Tokens (defined as a "PIK Dividend") will equal the dollar value of the property so distributed, calculated as of the date the dividend is received by a US Holder, and will otherwise be subject to the above rules.

Tax Treatment of SAFEs

The treatment of the SAFEs as a prepaid forward contract generally means that a US Holder would have no tax consequences upon acquiring the SAFE. Upon receipt of the Tokens, the US Holder would be treated as purchasing the Tokens for its original purchase price for the SAFEs plus the price paid for the Tokens, and the holder's initial tax basis in the Tokens would be the sum of these amounts.

In the event no Tokens are issued, it is not clear whether a US Holder would be able to claim a loss with respect to its investment in the SAFEs, unless the Company redeems the SAFEs or the US Holder otherwise disposes of them.

Gain or Loss upon Sale or Other Disposition of Tokens or SAFEs

In general, a US Holder that sells, exchanges or otherwise disposes of its Tokens or SAFEs (including by redemption) will recognize capital gain or loss in an amount equal to the amount realized for the Tokens and the US Holder's tax basis in the Tokens or SAFEs disposed of. For non-corporate US Holders, including individuals, any capital gain generally will be subject to US federal income tax at preferential rates (currently a maximum of 20%) if the US Holder's holding period for the Tokens or SAFEs exceeds one year. The deductibility of capital losses is subject to significant limitations.

Medicare Tax

Certain US Holders who are individuals, estates or trusts are required to pay a Medicare tax of 3.8% (in addition to taxes they would otherwise be subject to) on their "net investment income" which would include, among other things, dividends and capital gains from the Tokens and capital gains from the SAFEs.

Alternative Characterizations

Each of the Tokens and the SAFEs are subject to possible characterizations for US federal income tax purposes different from those described above. The Tokens could be viewed as a type of “phantom” or derivative stock right that is not itself equity in the Company. Less likely, the Tokens might be characterized as debt of the Company. The SAFEs could be viewed as agreements for the present sale of the Tokens on a “when issued” basis, or, alternatively, as options to buy the Tokens or, less likely, some type of non-stock right. US Holders should be aware that several of these characterizations could be disadvantageous for the holder’s US federal income tax treatment, including the timing and characterization of the holder’s income.

Holders should also be aware that the IRS has issued guidance, Notice 2014-21, regarding the treatment of “virtual currencies” such as Bitcoin. The Company believes that the Tokens have important difference from a virtual currency, chiefly that they cannot generally be used as a medium of exchange for goods or services and will be traded, if at all, only in on a Designated Exchange, ATS as described herein.

US Holders are strongly encouraged to consult their US tax advisors regarding the US federal income tax characterization of the Tokens and SAFES and the consequences of these alternative characterizations.

Non-US Holders

Dividends on Tokens

As for US Holders above, Dividends on Tokens to non-US Holders will constitute dividends for US federal income tax purposes to the extent paid from the Company’s current or accumulated earnings and profits, as determined under US federal income tax principles. To the extent Dividends exceed both current and our accumulated earnings and profits, they will be treated as a return of capital and first will reduce the holder’s basis in the Tokens, but not below zero, and then will be treated as gain from the sale of stock, subject to the tax treatment described below in “— Gain on Sale or Other Taxable Disposition of Tokens and SAFEs.”

Any dividend paid to a non-US Holder will be subject to US federal withholding tax at a rate of 30% of the gross amount of the dividend, except to the extent that the dividends are “effectively connected” dividends, as described below. The Company and its paying and withholding agents generally will not apply lower rates of withholding that would be applicable to dividends under an applicable income tax treaty, unless they judge that such lower rate would also be available for each of the alternative characterizations of the transaction. *See* “US Holders--Alternative Characterizations”, above. In order to be eligible for a reduced treaty rate, a non-US Holder must provide the Company with a properly completed IRS Form W-8BEN or W-8BEN-E or other appropriate version of IRS Form W-8 certifying qualification for the reduced rate. If a non-US Holder holds stock through a financial institution or other agent acting on its behalf, the holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries. If, after consulting with its tax advisors, a non-US Holder believes it is eligible for a reduced rate of withholding tax pursuant to an income tax treaty that was not applied to the Dividend, such US Holder may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

The above rules fully apply to PIK Dividends. For PIK Dividends, the amount withheld will be based on the fair market value of the PIK Dividend, and the PIK Dividend amount will be reduced accordingly. The Company may also withhold up to 30% of the gross amount of the entire distribution even if greater than the amount constituting a dividend, as described above, to the extent provided for in the Treasury

Regulations. Again, a non-US Holder may file a claim for refund with the IRS if it believes an excess amount has been withheld.

Dividends and PIK Dividends that are effectively connected with the conduct of a US trade or business (and, if an income tax treaty applies, attributable to a permanent establishment or fixed base maintained in the United States) are exempt from such withholding tax. In order to obtain this exemption, a non-US Holder must provide an IRS Form W-8ECI (or other successor form) properly certifying such exemption. Such effectively connected dividends, although not subject to US federal withholding tax, are generally taxed at the same graduated rates applicable to US persons, net of certain deductions and credits. In addition, in the case of a corporate non-US Holder, dividends received that are effectively connected with the conduct of a US trade or business may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty.

Gain on Sale or Other Disposition of Tokens and SAFEs

A non-US Holder generally will not be required to pay US federal income tax on any gain realized upon the sale or other taxable disposition of Tokens or SAFEs unless (1) the gain is effectively connected with the conduct of a US trade or business by the non-U.S. Holder (and, if an income tax treaty applies, the gain is attributable to a permanent establishment or fixed base maintained in the United States), (2) the non-US Holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met, or (3) the Tokens constitute a US real property interest by reason of our status as a “United States real property holding corporation” for US federal income tax purposes, or a USRPHC, at any time within the shorter of the five-year period preceding the disposition or the non-US Holder’s holding period for the Tokens.

In general, the Company would be a USRPHC if its “US real property interests” comprised at least 50% of the sum of the fair market value of our worldwide real property interests plus its other assets used or held in a trade or business. The Company believes that it is not currently and (based upon its projections as to its business) will not become a USRPHC. However, because the USRPHC determination depends on the fair market value of the Company’s US real property relative to the fair market value of our other business assets, there can be no assurance that the Company will not become a USRPHC in the future.

A non-US Holder described in (1) above will generally be required to pay tax on the gain derived from the sale (net of certain deductions or credits) under regular graduated US federal income tax rates generally applicable to US persons, and corporate non-US Holders described in (1) above also may be subject to branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. An individual non-US Holder described in (2) above will be required to pay a flat 30% tax on the gain derived from the sale, which tax may be offset by US source capital losses for that year (even though the non-US Holder is not considered a resident of the United States), provided that the non-US Holder has timely filed US federal income tax returns with respect to such losses. A non-US Holder should seek advice on any applicable income tax or other treaties that may provide for different rules.

Information Reporting and Backup Withholding Tax

Distributions made to holders and proceeds paid from the sale, exchange, redemption or disposal of Tokens or SAFEs may be subject to information reporting to the IRS. Such payments may be subject to backup withholding taxes unless the holder (i) is a corporation or other exempt recipient or (ii) provides taxpayer identification number and certifies that no loss of exemption from backup withholding has

occurred. Holders that are not US persons generally are not subject to information reporting or backup withholding. However, such a holder may be required to provide a certification of its non-US status in connection with payments received within the United States or through a US-related financial intermediary to establish that it is an exempt recipient. Backup withholding is not an additional tax; amounts withheld as backup withholding may be credited against a holder's US federal income tax liability.

THE US FEDERAL INCOME TAX TREATMENT OF THE TOKENS AND SAFES IS NOT CLEAR AND THE FOREGOING DISCUSSION DOES NOT ADDRESS ALL ASPECTS OF US FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF ITS INDIVIDUAL CIRCUMSTANCES, NOR DOES SUCH DISCUSSION ADDRESS ANY ASPECTS OF STATE, LOCAL, OR FOREIGN TAX LAWS OR OF ANY US FEDERAL TAX LAWS OTHER THAN THE INCOME TAX LAWS. ACCORDINGLY, PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE US FEDERAL INCOME TAX CHARACTERIZATION OF THE TOKENS AND SAFES, AS WELL AS THE OTHER TAX CONSEQUENCES OF ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES IN THEIR OWN PARTICULAR CIRCUMSTANCES.

ANNEX A

FORM OF SIMPLE AGREEMENT FOR FUTURE EQUITY



**Gramarye
Media**

SIMPLE AGREEMENT FOR FUTURE EQUITY

THIS SECURITY, AND ANY TOKENS WHEN ISSUED PURSUANT TO IT (THE “TOKENS”), HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. SUBSEQUENT TO THE INITIAL ISSUANCE OF THIS SECURITY, EACH HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT (A) IT IS A “ACCREDITED INVESTOR” (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) OR (B) IT IS NOT A “U.S. PERSON” AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT AND IN ACCORDANCE WITH THE LAWS APPLICABLE TO IT IN THE JURISDICTION IN WHICH SUCH ACQUISITION IS MADE.

THE HOLDER OF ANY TOKENS WHEN ISSUED AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH TOKENS PRIOR TO THE EXPIRATION OF A 12MONTH LOCK-UP PERIOD FOLLOWING THE DATE OF ISSUANCE OF THE TOKENS DURING WHICH THE TOKENS MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF.

FOLLOWING THE EXPIRATION OF THE 12-MONTH LOCK-UP PERIOD, ANY AFFILIATE OF THE COMPANY (OR PERSON WHO HAS BEEN AN AFFILIATE OF THE COMPANY WITHIN THE IMMEDIATELY PRECEDING THREE MONTHS) SHALL OFFER, SELL OR OTHERWISE TRANSFER TOKENS ONLY (I) TO THE COMPANY OR ANY OF ITS SUBSIDIARIES, (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (III) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION

REQUIREMENTS OF THE SECURITIES ACT (INCLUDING IN ACCORDANCE WITH RULE 144, IF AVAILABLE), SUBJECT IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES

WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY U.S. STATE OR ANY OTHER APPLICABLE JURISDICTION. IN ADDITION, THE COMPANY WILL REQUIRE, PRIOR TO ANY OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (III), THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO THE COMPANY.

THE HOLDER OF THIS SECURITY OR TOKENS BY ITS ACCEPTANCE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY OR TOKEN CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), A PLAN TO WHICH SECTION 4975

OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”) APPLIES (INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT), AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE PLAN ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN, OR PLAN, A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN, OR (2)(A) THE HOLDER IS, OR IS USING, THE ASSETS OF A GOVERNMENTAL PLAN, A CHURCH PLAN THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN AND (B) THE ACQUISITION AND HOLDING OF THIS SECURITY WILL NOT CONSTITUTE A VIOLATION UNDER ANY APPLICABLE PROVISIONS UNDER ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT REGULATE SUCH PLAN’S INVESTMENTS.

THIS CERTIFIES THAT in exchange for the payment by the undersigned purchaser (“**Purchaser**”) of the (“**Purchase Price**”) on or about the Effective Date, Gramarye Media, Inc., a Delaware corporation, the (“**Company**”), hereby issues to Purchaser the right (the “**Right**”) to acquire, if, as and when issued by the Company in a Token Launch, a number of shares of the Company’s Series A Preferred Stock, par value \$0.0001 per share (the “**Preferred Stock**”) equal to the Token Amount, with each such share of Preferred Stock in uncertificated form as a Gramarye (MYT) Token (the “**Token**”), subject to the terms and conditions set forth in this instrument, as may be amended, restated and/or modified from time to time in accordance with the provisions hereunder (this “**SAFE**”).

Effective Date:	December 15, 2020
Purchase Price:	USD \$0.70/Token
Purchaser Commitment Amount	_____ (USD)
Transfer Restriction:	See section titled “Notice to Purchasers” in the Offering Memorandum, which section is incorporated herein by reference

Tokens

(a) **Token Launch.**

(i) The Company will use its commercially reasonable efforts to cause the Token Launch to occur.

(ii) In the event that the Token Launch occurs, the Company will issue to Purchaser a number of units of the Token equal to the Token Amount. In connection with and prior to the issuance of Tokens by the Company to Purchaser:

(A) Purchaser will execute and deliver to the Company any and all other transaction documents related to this SAFE as are reasonably requested by the Company; and

(B) Purchaser will provide to the Company a valid Ethereum wallet address to which Purchaser's Tokens will be allocated.

(iii) If the Token Launch does not occur, Purchaser will receive Series A Preferred Stock in certificate form, in lieu of Tokens.

(b) **Terms and Conditions.** Upon the Token Launch, if, as and when it occurs, the Preferred Stock associated with the Tokens will have the rights, powers and preferences, and restrictions and limitations thereon, described in the Offering Memorandum Token Terms and Conditions, which will be set forth in an amendment to the Company's Certificate of Incorporation.

(c) **Restrictions on Transferability.** All Tokens (including the shares of Preferred Stock associated with them) acquired pursuant to this SAFE will be subject to the restrictions on transferability and resale described in the section titled "Notice to Purchasers" in the Offering Memorandum, which section is incorporated herein by reference.

(d) **Withdrawal Rights.** Purchaser will have the rights set forth in the section titled "Withdrawal Rights" in the Offering Memorandum Token Terms and Conditions, which section is incorporated herein by reference (such rights, the "Withdrawal Rights", and such section, the "Withdrawal Rights Terms and Conditions").

(e) **Termination.** This SAFE will expire and terminate upon (a) the issuance of Tokens to Purchaser pursuant to Section 1(a) of this SAFE or (b) exercise of the Withdrawal Rights by Purchaser in accordance with the Withdrawal Rights Terms and Conditions. Notwithstanding the foregoing, in the event of any termination of this SAFE, the provisions of Section 5, 6 and 7 (other than clauses (l) and (m)) of this SAFE shall survive and not terminate.

Payment

- (a) In consideration of the grant of the Right by the Company to Purchaser, Purchaser will pay the Purchase Price to the Company in accordance with the SAFE Payment Procedures. An amount of the Purchase Price equal to USD \$0.01 multiplied by the Token Amount shall be deemed a prepayment for the issuance of the Preferred Stock associated with the Tokens to be issued pursuant to this SAFE.
- (b) The Company will accept payment for the Right solely in U.S. dollars, (USD).

Definitions

“Offering Memorandum” means the Company’s confidential private placement offering memorandum, dated October 15, 2018, as may be amended or supplemented from time to time, regarding the Gramarye Token (MYT).

“Offering Memorandum Token Terms and Conditions” means the rights, powers and preferences and the restrictions and limitations thereon, of the Preferred Stock associated with the Tokens described in Annex B of the Offering Memorandum, which Annex B is incorporated herein by reference.

“SAFE Payment Procedures” means the payment procedures set forth in Annex C of the Offering Memorandum, which Annex C is incorporated herein by reference.

“Token Launch” means the bona fide issuance of the Tokens to Purchaser that is compliant with the ERC-20 standard (or any other standard that the Company may elect in its sole discretion).

Company Representations and Warranties

The Company represents and warrants to Purchaser, as of the Effective Date and the date of the Token Launch, as follows:

- (a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.
- (b) The execution, delivery and performance by the Company of this SAFE is within the power of the Company and, other than with respect to the actions to be taken when Tokens are to be authorized and issued to Purchaser, has been duly authorized by all necessary actions on the part of the Company. This SAFE constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current

certificate of incorporation or bylaws, (ii) any material statute, rule or regulation applicable to the Company or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) To the knowledge of the Company, the performance and consummation of the transactions contemplated by this SAFE do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) To the knowledge of the Company, no consents or approvals are required in connection with the performance of this SAFE, other than: (i) the Company's corporate approvals; (ii) any qualifications or filings under applicable securities laws; (iii) any filings with the Secretary of State of the Company's State of incorporation, or equivalent agency, in connection with the designation of the Preferred Stock associated with the Tokens; and (iv) necessary corporate approvals for the authorization of Preferred Stock associated with the Tokens and issuable pursuant to Section 1.

(e) THE COMPANY MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO THE TOKENS, INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (iii) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

Purchaser Representations and Warranties

Purchaser represents and warrants to the Company, as of the Effective Date and the date of the Token Launch, as follows:

(a) Purchaser has full legal capacity, power and authority to execute and deliver this SAFE and to perform his, her or its obligations hereunder. This SAFE constitutes the valid and binding obligation of Purchaser, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) Purchaser is acting for his, her or its own account, and Purchaser has made his, her or its own independent decisions regarding his, her or its investment and to whether the investment is appropriate or proper for him, her or it based solely upon his, her or its own judgment and upon advice from such advisors as Purchaser has deemed necessary. Purchaser is not relying on any communication (written or oral) from the Company as investment advice or as a recommendation to make an investment, it being understood that the Offering Memorandum and this SAFE and any explanations related to the Offering Memorandum and this SAFE will not be considered investment advice

or a recommendation to make an investment. No communication (written or oral) received from the Company will be deemed to be an assurance or guaranty as to the expected results of the investment.

(c) Purchaser has made his, her or its own investigation and evaluation of this SAFE and the Tokens, including the risks involved in an investment in this SAFE and the Tokens. In making such investigation and evaluation, Purchaser has been provided with, and has carefully reviewed, the Offering Memorandum, including the information under the caption “Risk Factors,” therein, and has consulted with his, her or its own legal, financial and tax advisors as to the merits and risks of an investment in this SAFE and the Tokens.

(d) Other than as set forth in the Offering Memorandum and this SAFE as having been authorized by the Company, Purchaser has not relied on any statements concerning the Company, this SAFE or the Tokens.

(e) Purchaser has read each of the representations and warranties contained in the Offering Memorandum under the caption “Notice to Purchasers” and understands, and agrees, that Purchaser is deemed to have made such representations and warranties for the benefit of the Company under this SAFE.

(f) Purchaser is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act. Purchaser has been advised that this instrument and the underlying securities have not been registered under the Securities Act, or any state securities laws. Purchaser has been advised that this instrument is non-transferable and that the securities to be issued pursuant hereto cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available and are subject to the transfer restrictions described in the Offering Memorandum. Purchaser is purchasing this instrument and the securities to be acquired by Purchaser hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same.

(g) Purchaser has knowledge and experience in financial and business matters such that Purchaser is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing Purchaser’s financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

(h) EXCEPT AS EXPRESSLY SET FORTH IN THIS SAFE, PURCHASER ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY AND DISCLAIMS ANY RELIANCE (INCLUDING AS TO THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED BY OR ON BEHALF OF THE COMPANY) ON ANY STATEMENT MADE, OR ANY INFORMATION PROVIDED, BY THE COMPANY, OR ANY OTHER PERSON ON THE COMPANY’S BEHALF.

Limitations on Liability

(a) THE COMPANY’S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS SAFE, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT OR OTHERWISE, WILL NOT EXCEED THE TOTAL OF THE AMOUNTS PAID TO THE COMPANY UNDER THIS SAFE.

- (b) NEITHER THE COMPANY NOR ITS DIRECTORS, OFFICERS, EMPLOYEES OR AGENTS SHALL BE LIABLE FOR ANY SPECIAL, EXEMPLARY, PUNITIVE, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOST REVENUES, LOST PROFITS OR DIMINUTION IN VALUE OR ANY OTHER SIMILAR DAMAGES OR LOSSES, IN EACH CASE ARISING OUT OF, RELATING TO OR RESULTING FROM THIS SAFE.
- (c) NO RECOURSE UNDER OR UPON ANY OBLIGATION, COVENANT OR AGREEMENT CONTAINED IN THIS SAFE SHALL BE HAD AGAINST ANY PAST, PRESENT OR FUTURE STOCKHOLDER, OFFICER, DIRECTOR OR EMPLOYEE, AS SUCH, OF THE COMPANY OR OF ANY SUCCESSOR, EITHER DIRECTLY OR THROUGH THE COMPANY OR ANY SUCCESSOR, UNDER ANY RULE OF LAW, STATUTE OR CONSTITUTIONAL PROVISION OR BY THE ENFORCEMENT OF ANY ASSESSMENT OR BY ANY LEGAL OR EQUITABLE PROCEEDING OR OTHERWISE, ALL SUCH LIABILITY BEING, BY ACCEPTANCE HEREOF AND AS PART OF THE CONSIDERATION OF THE GRANT OF THE RIGHT BY THE COMPANY TO PURCHASER, EXPRESSLY WAIVED AND RELEASED.

Miscellaneous

- (a) This SAFE sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous disclosures, discussions, understandings and agreements, whether oral or written, between them.
- (b) Except as set forth in Section 2(b) of this SAFE, any provision of this SAFE may be amended or modified only upon the written consent of the Company and Purchaser.
- (c) Any waiver at any time by any party under this SAFE, or with respect to any other matters arising in connection with this SAFE, will not be deemed to be a waiver with respect to any subsequent matter. Any waiver under this SAFE must be in writing. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this SAFE will operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- (d) Any notice required or permitted by this SAFE will be deemed to have been delivered when sent by email to the relevant address listed on the signature page, which address may be subsequently modified by email notice.
- (e) Purchaser is not entitled, as a holder of this SAFE, to vote or receive dividends or be deemed the holder of capital stock of the Company for any purpose, nor will anything contained herein be construed to confer on Purchaser, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive dividends, subscription rights or otherwise.

(f) The Company will treat this instrument as a prepaid forward contract for U.S. federal, state and local income tax purposes, and will not take any position on any tax return, report, statement or other tax document that is inconsistent with such treatment.

(g) Purchaser will have no legal or equitable rights, interests or claims in or to any specific property or assets of the Company as a result of this SAFE. To the extent that Purchaser acquires a right to receive any payment from the Company in connection with this SAFE, such right shall be no greater than the right of an unsecured general creditor of the Company.

(h) Neither this SAFE nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other party, except that the Company may assign this SAFE, without the consent of Purchaser, in connection with a reincorporation by merger or conversion. Any assignment in contravention of the provisions of this Section will be null and void.

(i) In the event any one or more of the provisions of this SAFE is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this SAFE operate or would prospectively operate to invalidate this SAFE, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this SAFE and the remaining provisions of this SAFE will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(j) All rights and obligations hereunder will be governed by the laws of the State of Delaware, without regard to the conflicts of law provisions of such jurisdiction. The state or federal courts located in Wilmington, Delaware, will have exclusive jurisdiction over any dispute arising out of this SAFE or the transactions contemplated hereunder, and the parties hereby submit to personal jurisdiction of such courts and agree that service of process upon such party shall be effective if given in accordance with Section 7(d) of the SAFE.

(k) EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATED TO THIS SAFE OR THE TRANSACTIONS CONTEMPLATED HEREUNDER.

(l) Purchaser will, and will cause its affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably requested by the Company to carry out the provisions of this SAFE and give effect to the transactions contemplated by this SAFE, including, without limitation, to enable the Company or the transactions contemplated by this SAFE to comply with applicable laws.

(m) Purchaser hereby consents to the Company's giving of any notice in connection with the Tokens upon and after the Token Launch by electronic transmission in any manner contemplated by Section 232 of the General Corporation Law of the State of Delaware.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have caused this SAFE to be duly executed and delivered.

GRAMARYE MEDIA, INC.

By:

Name: John Adcox

Title: CEO

Registered Address:

1679 S. DuPont Highway, Suite 100
Dover, DE 19901 (Kent County)

Email: ico@gramaryemedia.com

PURCHASER:

By: _____

Name: _____

ANNEX B

CERTIFICATE OF DESIGNATION GRAMARYE PREFERRED TOKENS

**CERTIFICATE OF DESIGNATION
OF
PREFERRED STOCK
OF
GRAMARYE MEDIA, INC.**

**To Be Designated
Series A Convertible Preferred Stock Token**

*Pursuant to Section 151(g) of the
General Corporation Law of the State of Delaware*

The undersigned DOES HEREBY CERTIFY that the following resolution was duly adopted by the Board of Directors (the “Board of Directors”) of Gramarye Media, Inc. ("GMI"), a Delaware corporation (the “Corporation”), at a meeting duly convened and held, at which a quorum was present and acting throughout:

RESOLVED, that pursuant to the authority conferred on the Board of Directors by the Corporation’s Certificate of Incorporation, the issuance of a series of preferred stock token, par value \$0.0001 per share, of the Corporation which shall consist of 175,000,000 Tokens of non-voting preferred stock be, and the same hereby is, authorized; and the President/Director of the Corporation be, and he hereby is, authorized and directed to execute and file with the Secretary of State of the State of Delaware a Certificate of Designation of Preferred Stock of the Corporation fixing the designations, powers, preferences and rights of the shares of such series, and the qualifications, limitations or restrictions thereof (in addition to the designations, powers, preferences and rights, and the qualifications, limitations or restrictions thereof, set forth in the Certificate of Incorporation which may be applicable to the Corporation’s preferred stock token), as follows:

1. ***Number of Tokens; Designation.*** A total of 75,000,000 share tokens of preferred stock, par value \$0.0001 per share, of the Corporation are hereby designated as Series A Preferred Stock Token (the “Series”). The Token shall be designated as “GMI Tokens”. The number of Tokens to be authorized, issued and designated shall be the number required to satisfy the Company’s Token delivery requirements under the SAFEs (the “Purchased Tokens”). Any Tokens

which exceed the amount required to satisfy the Company's Token delivery requirement will remain authorized but unissued.

2. **Rank.** The Series shall, with respect to rights (including to redemption payments) upon liquidation, dissolution or winding-up of the affairs of the Corporation, rank:

(i) Senior to the Common Stock, par value \$0.001 per share, of the Corporation (the "Common Stock"), and any additional series of preferred stock which may in the future be issued by the Corporation and are designated in the amendment to the Certificate of Incorporation or the certificate of designation establishing such additional preferred stock as ranking junior to the Preferred Shares. Each preferred stock Token shall be identical in all respects to every other preferred stock Token. Any shares of the Corporation's Capital Stock which are junior to the Preferred Shares with respect to rights (including to redemption payments) upon liquidation, dissolution or winding-up of the affairs of the Corporation are hereinafter referred to as "Junior Liquidation Shares."

(ii) Pari passu with any additional series of preferred stock which may in the future be issued by the Corporation and are designated in the amendment to the Certificate of Incorporation or the certificate of designation establishing such additional preferred stock as ranking equal to the Preferred Shares or which do not state they are Junior Liquidation Shares or Senior Liquidation Shares (as defined below). Any shares of the Corporation's Capital Stock which are equal to the Preferred Shares with respect to rights (including to redemption payments) upon liquidation, dissolution or winding-up of the affairs of the Corporation are hereinafter referred to as "Parity Liquidation Shares."

(iii) Junior to any additional series of preferred stock which may in the future be issued by the Corporation and are designated in the amendment to the Certificate of Incorporation or the certificate of designation establishing such additional preferred stock as ranking senior to the Preferred Shares. Any shares of the Corporation's Capital Stock which are senior to the Preferred Shares with respect to rights (including to redemption payments) upon liquidation, dissolution or winding-up of the affairs of the Corporation are hereinafter referred to as "Senior Liquidation Shares."

3. **Dividends.** Dividends may be declared and paid on the Preferred Share Tokens from funds legally available therefor if as and when determined by the Board of Directors. Noncumulative dividends may be declared and paid (subject to Section 3.A) on the Tokens on a quarterly basis (each, a "Dividend"). The Series shall, with respect to the payment of dividends, rank Senior to the Common Stock;

A. Available Funds - Dividends (i) may only be declared on a Dividend Declaration Date (defined in Section 3.B) and paid out of funds lawfully available therefor and (ii) with respect to the fiscal quarter to which a Dividend relates, shall only be paid if the Corporation's reported consolidated GAAP net income for such quarter exceeds the Dividend Amount (defined in Section 3.B).

B. Dividend Amount and Payment Dates - The Board intends that Dividends, if any, will be declared on the last day of the second month after the end of each fiscal quarter (each, a “Dividend Declaration Date”). If, as and when a Dividend is declared by the Corporation’s Board of Directors on a Dividend Declaration Date, the Corporation will calculate an amount equal to 15% of the Company’s (“Adjusted Gross Revenue”) for the most recently completed fiscal quarter (the “Dividend Amount”).

“Adjusted Gross Revenue” is Revenue, net, less Cost of Goods Sold, which is equivalent to Gross Profit as reported in the Corporations pro forma Income Statement and consolidated financial statements.

C. Currency and Payment in Kind - Each dividend declared by the Board shall be paid in either currency (U.S. Dollars).

D. Fractional Tokens - The Corporation will not issue any fractional Tokens and, where they would otherwise be required to do so, the Company will make a cash payment in lieu thereof in an amount equal to its fair market value (if any) as determined in good faith by the Company’s board of directors (which, to the extent permitted by law, and solely if no market value is determinable at such time, shall be deemed equal to the fraction multiplied by USD \$1.00).

E. Required Lock-Up - Dividends will be paid only on Tokens that have been rendered nontransferable by their respective holders from the first day of the fiscal quarter for which a Dividend Amount is calculated to the last day of that quarter.

F. Mechanics - If, as and when declared, Dividends will be paid on a pro rata basis to Token holders eligible to participate in the applicable Dividend and the holders of any class or series of preferred stock ranking pari passu with the Tokens as to the payment of Dividends. The method to be used for delivery of each Dividend will be determined at the time the Dividend is declared by the Board.

4. ***Transfer.*** Token holders that initially receive the Tokens pursuant to Rule 506(c) of Regulation D will be subject to a 12-month lock-up period (the “Lock-Up”), during which the Tokens will be entirely non-transferrable or re-sellable. Non-U.S. Persons, as defined in Regulation S (“Regulation S”) promulgated pursuant to the Securities Act of 1933 (the “Securities Act”) that initially receive the Tokens pursuant to Regulation S (the “Non-U.S. Tokens”) may immediately transfer or resell their Tokens pursuant to Regulation S to other Non-U.S. Persons in offshore transactions. Non-U.S. Tokens shall constitute “restricted securities,” as that term is defined in Rule 144 promulgated pursuant to the Securities Act, and such Tokens may be transferred or resold only pursuant to a registration statement filed with the SEC in accordance with the Securities Act and applicable state securities laws, or an exemption from the requirements of such registration.

Token holders will not be able to transfer their Tokens until the Company designates or lists the Tokens on a Designated Exchange (as defined below). Peer-to-peer trading will not be

permitted unless Token holders are notified otherwise by the Company and informed of the requirements to do so.

5. ***Optional Redemption.*** The Company shall have the right to redeem the Tokens, in whole or in part, at any time, by giving notice of such redemption by either mailing notice to the Token holders or by press release or other public announcement. If notice is given by public announcement, by press release or otherwise, such notice shall be effective as of the date of such announcement, regardless of whether notice is also mailed or otherwise given to Token holders. The redemption price for a Token shall be either (i) its fair market value (if any) as determined in good faith by the Company's board of directors (but, in no event, less than \$1.00) or (ii) if no market value is determinable at such time, USD \$1.00 per Token (the "Redemption Price"). The Redemption Price will be paid in U.S. dollars. If fewer than all of the outstanding Tokens are to be redeemed at any time, the Company may choose to redeem the Tokens proportionally from all Token holders, or may choose the Tokens to be redeemed by lot or by any other equitable method. From and after the redemption date specified in the notice of redemption (the "Redemption Date"), if funds necessary for the redemption are lawfully available therefor and have been irrevocably deposited or set aside, such Tokens will no longer be deemed to be outstanding and all rights of the Token holder thereof as a holder of Tokens (except the right to receive from the Company the Redemption Price without interest) shall cease and terminate with respect to such Tokens, provided that if a Token is not redeemed on the Redemption Date for any reason (including without limitation, because the Company is unable to lawfully pay the Redemption Price), such Token will remain outstanding and will be entitled to, without interruption, all of the rights, preferences and powers as provided herein.

6. ***Repurchases.*** At the Token holder's option, the Company shall agree to repurchase the preferred share Token at fair market value as determined by the Corporation, but in no event less than \$1.00 per Token and apply the proceeds owed to the Token holder as payment for any monies which are owed by the Token holder (each "Account Receivable") for goods and/or services provided/rendered by the Company to the Token Holder. In no circumstance shall the Company have any obligation to repurchase any Token amount that exceeds a Token holder's "Account Receivable" account with the Company. The Company shall also have the right from time to time to repurchase Tokens pursuant to purchases effected through any Designated Exchange (as defined below in Section 12) or on a private basis at a purchase price equal to or less than the Redemption Price.

5. ***Liquidation.***

(a) The liquidation value per Preferred Share, in case of the voluntary or involuntary liquidation, dissolution or winding-up of the affairs of the Corporation, shall be an amount equal to (i) \$1.00 per share (the "Purchase Price"), subject to adjustment in the event of a stock split, stock dividend or similar event applicable to the Series, plus (ii) an amount accruing with respect to dividends declared, but not yet paid, from the date of original issuance and compounding annually (the sum of the foregoing clauses (i) and (ii) being hereinafter referred to as the "Liquidation Value").

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Corporation (a “Liquidation Event”), the Holders (i) shall be entitled to receive the Liquidation Value of such Tokens held by them in preference to and in priority over any distributions upon the Junior Liquidation Shares. Upon payment in full of the Liquidation Value to which the Holders are entitled, the Holders will not be entitled to any further participation in any distribution of assets by the Corporation. If the assets of the Corporation are not sufficient to pay in full the Liquidation Value payable to the Holders and the liquidation value payable to the holders of any Parity Liquidation Shares, the holders of all such shares shall share ratably in such distribution of assets in accordance with the amounts that would be payable on the distribution if the amounts to which the Holders and the holders of Parity Liquidation Shares are entitled were paid in full.

(c) For purposes of this paragraph 4, the merger or consolidation of the Company with any other company, including a merger in which the holders of Tokens receive cash or property for their Tokens, or the sale of all or substantially all of the assets of the Company, or any other change of control of the Company shall not constitute a Liquidation Event and Token holders shall have no preferential rights connected therewith except to the extent required by applicable law.

6. ***Status of Shares.*** All Preferred Share Tokens that are at any time reacquired by the Corporation and subsequently canceled by the Board of Directors, shall be retired and shall not be subject to reissuance.

7. ***Voting Rights.*** No voting rights. Each share Token of the Series shall not entitle the holder to any voting rights

8. ***Exclusion of Other Rights.*** Except as may otherwise be required by law, the Tokens shall not have any voting powers, preferences and relative, participating, optional or other special rights, other than those specifically set forth in these Terms (as such Terms may be amended from time to time). The Tokens shall have no preemptive or subscription rights.

9. ***Information Rights.*** The holders of the Tokens shall have the right to receive all reports, notices and other information delivered to the holders of the Company’s common stock, at the same time and in the same manner as the holders of the common stock and have such other information rights as are provided by Delaware law.

10. ***Headings of Subdivisions.*** The headings of the various subdivisions hereof are for convenience of reference only and shall not affect the interpretation of any of the provisions hereof.

11. ***Severability of Provisions.*** If any rights, preferences, powers or restrictions or limitations of the Tokens set forth herein is found to be invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences, powers and restrictions and limitations of the Tokens set forth herein which can be given effect without the invalid, unlawful or unenforceable rights, preferences, powers and restrictions and limitations thereof shall, nevertheless, remain in full force and effect and no rights, preferences, powers,

restrictions and limitations of the Tokens set forth shall be deemed dependent upon any other rights, preferences, powers or restrictions and limitations of the Tokens unless so expressed herein.

12. ***Transfer Agent, Registrar, Paying Agent and Exchange*** The Company may in the future appoint, or itself act as, a transfer agent, registrar and paying agent for the Tokens. The Company may appoint a successor to any one or more of such roles (and may remove any such successor in accordance with any agreement with such successor and appoint a new successor). Upon any such removal or appointment, the Company shall provide notice to the holders of the Tokens. To the fullest extent permitted by applicable law, the Company and any future transfer agent may deem and treat the holder of any Tokens as the true and lawful owner thereof for all purposes. The Company may in the future designate a digital tokens exchange pursuant to which holders of Tokens may transfer or resell their Tokens (each, a “Designated Exchange”). There can be no assurance that any Designated Exchange will be chosen or that all Token holders will have access to a Designated Exchange or that a Designated Exchange may ever exist.

13. ***Taxes.*** All payments and distributions (or deemed distributions) on the Tokens shall be subject to withholding and backup withholding of tax to the extent required by law, and such amounts withheld, if any, shall be treated as received by the holders of Tokens.

14. ***Notices.*** Except as otherwise set forth herein, to the fullest extent permitted by law all notices provided by the Company to holders of the Tokens hereunder shall be delivered by a notice sent to the holders of Tokens by posting such notice to the GMI website: <https://www.gramaryemedia.com/>, or by such other manner as may be permitted in the Company’s Certificate of Incorporation or bylaws.

GRAMARYE MEDIA, INC.

By: _____
John Adcox, Chief Executive Officer

ANNEX C

PAYMENT PROCEDURES

1. **Payment of Purchase Price (U.S. Dollars)**

SAFE provided to potential purchasers shall specify a U.S. dollar (USD) per GMI Token offering price.

Purchaser is required to:

- Enter the aggregate amount of the funds that will be delivered (“Purchaser Commitment Amount”).

Following execution and delivery of SAFE by the purchaser, the Company will review the SAFE and, if acceptable to the Company, deliver to purchaser either (i) a fully executed SAFE or (ii) notification that the SAFE has been fully executed electronically (each of clause (i) or (ii), the “Execution Notification”). At this time, instructions for payment (bank wire instructions) of the applicable Purchaser Commitment Amount in (USD) will be made available to purchaser via email: ico@gramaryemedia.com.

The applicable USD price per GMI Token for a purchaser shall be determined based upon the applicable offering price in effect upon the Company’s execution of the SAFE. In the event that the offering price changes following receipt of an executed SAFE by purchaser, but prior to execution by the Company, Company may either (i) execute the SAFE based on the per GMI Token offering price reflected on the SAFE or (ii) request that purchaser execute a new SAFE reflecting the then-current per GMI Token offering price.

Upon execution of a SAFE by the Company, purchasers will be provided with 24 hours from the Execution Notification to deliver the Purchaser Commitment Amount.

If purchaser fails to deliver the Purchaser Commitment Amount within 24 hours of the Execution Notification, the Company may (but shall not be obligated to) re-allocate any GMI Tokens reserved for purchaser to an alternative purchaser at the applicable per GMI Token offering price.

If a Purchaser Commitment Amount is received more than 24 hours following the Execution Notification, the applicable USD per GMI Token offering price for such purchaser shall be re-determined as described above, as if the SAFE had been executed and delivered by the Company to purchaser on the date on which such Purchaser Commitment Amount is actually received by the Company (the “Actual Receipt Date”) and purchaser agrees, by delivery of such Purchaser Commitment Amount, that the USD per GMI Token offering price reflected on purchaser’s SAFE shall be deemed to be the amount that would be set forth on a SAFE executed by the Company on such Actual Receipt Date.

U.S. Dollar Wire

- Wire instructions for the Company’s receipt of the Purchaser Commitment Amount will be provided to the purchaser by email: ico@gramaryemedia.com.
- A unique alphanumeric reference number will be provided for each purchaser to include in the “reference” field for the wire. This reference number must be provided for receipt of purchaser’s Purchaser Commitment Amount to be credited and attributed to purchaser.

2. Determination of Tokens Issuable for Purchase Price

The number of Tokens to which a purchaser will be entitled under the SAFE (the “Token Amount”) will be determined as follows:

Token Amounts for U.S. Dollar Payments

- The Token Amounts for U.S. dollar payments will be definitively established (based upon the applicable per GMI Token USD price) upon receipt by the Company of the Purchaser Commitment

Amount.

- The Token Amount shall be calculated by dividing the Purchaser Commitment Amount by the applicable per GMI Token USD price, rounded down to the nearest number of whole GMI Tokens.

3. Refunded Purchase Amount in Connection with Termination of the Offering or Withdrawal From the Offering Following a Material Change to the Offering Terms

If a purchaser has funded a Purchase Price and the offering is (i) subsequently terminated such that the purchaser's Purchase Price must be refunded or (ii) subsequently materially modified and purchaser elects to withdraw from its participation in the Offering such that the purchaser's Purchase Price shall be refunded, such purchaser's Purchase Price refund shall be repaid in the in the same amount, without interest, paid to the Company as a Purchaser Commitment Amount.