RISK DISCLOSURES

Last Updated: 22th March 2018

1. **Risk of Losing Access to VLT Due to Wallet Incompatibility:** A valid ERC20 Ethereum address from an ERC20 compatible wallet like Parity, Mist, MyEtherWallet, or Metamask is required to receive your VLT because your VLT will be delivered to this address. Non-ERC20 compatible wallet addresses will not be accepted. In addition, the Ethereum address used must not be associated with a third party exchange or service that has custody over the private key. You must own the private key if your address is an exchange address.

2. **Risks Associated with the Ethereum Protocol:** VLT and the Contract Vault platform are based on the Ethereum protocol. As such, any malfunction, unintended function, unexpected functioning of or attack on the Ethereum protocol may cause the Contract Vault platform or VLT to malfunction or function in an unexpected or unintended manner. Ether, the native unit of account of the Ethereum protocol, may itself lose value in ways similar to VLT, and also other ways.

3. **Risks Associated with Purchaser Credentials:** Any third party that gains access to or learns of your wallet login credentials or private keys may be able to dispose of your VLT. To minimize this risk, you should guard against unauthorized access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separated from the working location. In addition, you are responsible for giving us the correct address to send you your VLT. If you give us the incorrect address to send your VLT to, we are not responsible for any loss of VLT that may occur.

4. **Risk of Unfavorable Regulatory Action in One or More Jurisdictions:** Blockchain technologies and token sales have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Contract Vault platform and VLT could be impacted by one or more regulatory inquiries or actions, including the licensing of or restrictions on the use, sale, or possession of digital tokens like VLT, which could impede, limit or end the development of the Contract Vault platform and increase legal costs.

5. **Risk of Alternative, Unofficial Contract Vault platform:** Following the Sale Period and the development of the initial version of the VLT platform, it is possible that alternative applications could be established, which use the same open source code and protocol underlying the Contract Vault platform. The official Contract Vault platform may compete with these alternative, unofficial VLT-based applications, which could potentially negatively impact the Contract Vault platform and VLT, including its value.

6. **Risk of Insufficient Interest in the Contract Vault platform:** It is possible that the Contract Vault platform will not be used by a large number of businesses, individuals, and other organizations and that there will be limited public interest in the creation and

development of distributed applications. Such a lack of interest could negatively impact VLT and the Contract Vault platform.

7. **Risk that the Contract Vault platform, As Developed, Will Not Meet the Expectations of Contract Vault or the Purchaser:** The Contract Vault platform is presently under development and may undergo significant changes before release. Any expectations or assumptions regarding the form and functionality of the Contract Vault platform or VLT (including participant behavior) held by Contract Vault or you may not be met upon release, for any number of reasons including mistaken assumptions or analysis, a change in the design and implementation plans and execution of the Contract Vault platform.

8. **Risk of Unfavorable Fluctuation of Ether and Other Currency Value:** We correctly intend to use the proceeds from selling VLT to fund the maintenance and development of the Contract Vault platform. The proceeds of the token sale will be denominated in Ether, and converted into other cryptographic and fiat currencies. If the value of Ether or other currencies fluctuates unfavorably during or after the Token Issuance Program, the Company team may not be able to fund development, or may not be able to develop or maintain the Contract Vault platform in the manner that it intended.

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

10. **Risk of Theft and Hacking:** Hackers or other groups or organizations or countries may attempt to interfere with the Contract Vault platform or the availability of VLT in any number of ways, including service attacks, Sybil attacks, spoofing, smurfing malware attacks, or consensus based attacks, or phishing, or other novel methods that may or may not be known to steal Tokens.

11. **Risk of Security Weaknesses in the Contract Vault platform Core Infrastructure Software:** The Contract Vault platform consists of open source software that is based on other open source software. There is a risk that the Contract Vault team, or other third parties may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructural elements of the Contract Vault platform interfering with the use of or causing the loss of VLT.

12. **Risk of Weaknesses or Exploitable Breakthroughs in the Field of Cryptography:** Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies and the Contract Vault platform, which could result in the theft or loss of VLT.

13. **Risk of VLT Mining Attacks:** As with other decentralized cryptographic tokens and cryptocurrencies, the blockchain used for the Contract Vault platform is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, selfish-

mining attacks, and race condition attacks. Any successful attacks present a risk to the Contract Vault platform, VLT, and expected proper execution and sequencing of Ethereum contract computations. Despite the efforts of the Contract Vault team, the risk of known or novel mining attacks exists.

14. **Risk of Lack of Adoption or Use of the Contract Vault platform:** While VLT should not be viewed as an investment, it may have value over time. That value may be limited or nonexistent if the Contract Vault platform lacks use and adoption. If this becomes the case, there may be few or no markets following the launch of the platform, potentially having an adverse impact on VLT.

15. **Risk of an Illiquid Market for VLT:** The Company is not aware of any a marketplace for VLT and there may never be any such marketplace for VLT. There are currently no exchanges upon which VLT would trade.

16. **Risk of Uninsured Losses:** Unlike bank accounts or accounts at some other financial institutions, funds held using the Contract Vault platform or Ethereum network are generally uninsured. In the event of any loss, there is no public insurer or private insurer, to offer recourse to the purchaser.

17. **Risk of Dissolution of the Contract Vault Project:** It is possible that, due to any number of reasons, including an unfavorable fluctuation in the value of Ether, development issues with the Contract Vault platform, the failure of business relationships, or competing intellectual property claims, the Contract Vault project may no longer be viable as a business or otherwise and may dissolve or fail to launch.

18. **Risk of Malfunction in the Contract Vault platform:** It is possible that the Contract Vault platform malfunctions in an unfavorable way, including one that results in the loss of VLT.

19. **Unanticipated Risks:** Cryptographic tokens are a new and untested technology. In addition to the risks discussed in the White Paper and these Terms, there are further risks that the Contract Vault team cannot anticipate. Further risks may materialize as unanticipated combinations or variations of the discussed risks or the emergence of new risks.