

Risk Warnings

13.06.2022

You acknowledge and agree that there are numerous risks associated with purchasing the SQATs, owning the SQATs, and using the SQATs to participate in the Syndiqate platform. In the worst case scenario, this may result in the total or partial loss of the SQATs you purchase. If you decide to purchase a SQAT, you expressly acknowledge, assume the following risks:

- **Uncertain Rules and Enforcement Measures.** The regulatory status of the SQAT and distributed ledger technology is unclear or undefined in many jurisdictions. Regulation of virtual currencies has become a major regulatory goal in every major country in the world. It is impossible to predict how, when and whether regulators may enforce existing rules or create new rules with respect to such technology and its applications, including the SQAT and / or the Syndiqate platform. Regulatory actions could adversely affect the SQAT and / or the Syndiqate platform in various ways. The Fund, the Distributor (or their respective affiliates) may cease operations in a jurisdiction if regulatory action or changes in law or regulation would make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approvals to operate in such jurisdiction. After consultation with a wide range of legal counsel and ongoing analysis of the development and legal structure of virtual currencies, a cautious approach will be taken to selling the SQAT. Therefore, for the Token sales, the sales strategy may be continually adjusted to avoid the relevant legal risks as much as possible.
- **Improper Disclosure of Information.** As of the date of this document, the Syndiqate platform is still under development and its design concepts, consensus mechanisms, algorithms, codes and other technical, financial and business models, details, and parameters are subject to constant and frequent updates and changes. While this document contains the latest information about the Syndiqate platform, it is not absolutely complete and may be adjusted and updated from time to time by the Syndiqate Team. The Syndiqate Team shall not be obliged to inform the SQAT holders of every detail (including development progress and expected milestones) of the Syndiqate Platform Development Project, so insufficient disclosure is inevitable and reasonable.
- **Competitors.** Various blockchain-based projects as well as various types of decentralized applications and networks are emerging at a rapid pace, and the industry is growing rapidly and becoming more competitive. Alternative projects, networks that use the same or similar mechanism, business model, utility property, code and protocol underlying the SQAT and / or the Syndiqate platform and try to recreate similar algorithms and objects will probably be created. The Syndiqate platform may need to compete with these alternative networks, which could negatively impact the SQAT and / or the Syndiqate platform.
- **Loss of Talent.** The development of the Syndiqate platform relies heavily on the continued cooperation of the existing technical team and experienced consultants who are knowledgeable and experienced in their fields. The loss of any member could negatively impact the Syndiqate platform or its future development. In addition, stability and cohesion within the team is critical to the overall development of the Syndiqate platform. There is the potential for conflict within the team and / or the departure of key personnel, which could negatively impact the Project in the future and postpone implementation deadlines.
- **Failure to Develop.** There is a risk that the development of the Syndiqate platform will not be performed or implemented as planned for a number of reasons, including but not

limited to the case of a decline in the price of any digital asset, virtual currency, or the SQAT. Unforeseen technical difficulties and a lack of funds to develop activities may extend the deadline of the intended plans or cause the project to be canceled.

- Disadvantages. There is a risk that a third party or project member, the Distributor or their respective affiliates may intentionally or unintentionally introduce weaknesses in the underlying infrastructure of the SQAT and / or the Syndiqate platform, which could negatively impact the SQAT and / or the Syndiqate platform.

In addition, the future of cryptography and security innovation is highly unpredictable, and advances in cryptography or technical advances (including but not limited to the development of quantum computing) may present unknown risks to the SQAT and / or the Syndiqate platform, rendering the cryptographic consensus mechanism that underlies the Project protocol and blockchain in general ineffective.

- Miscellaneous.
In addition, the foregoing potential risks are not exhaustive, and there are other risks (more fully set forth in the Terms and Conditions) associated with your purchase, ownership and use of the SQAT and the Syndiqate platform, including those that the Developers or Distributors cannot foresee. Such risks may further materialize as unforeseen changes or combinations of the foregoing risks. You shall conduct a full due diligence review of the Project, the Distributor, their respective affiliates and the Syndiqate Team, and understand the overall structure, mission and vision of the Syndiqate platform before purchasing the SQAT or using the Syndiqate platform.