

CONFIDENTIAL PRIVATE OFFERING MEMORANDUM

GAB AI INC.



Offering Amount: \$9,999,997.50

Up to 1,449,275 shares of Series A Preferred Stock for \$6.90 per share

Minimum Subscription: \$993.60 (144 shares)

This Confidential Private Offering Memorandum (this “**Memorandum**”) relates to the offer and sale of shares of Series A Preferred Stock (“**Series A Preferred Stock**” of “**Securities**”) of GAB AI Inc., a Delaware corporation (“we,” “us,” “our,” or the “**Company**”) for \$6.90 per share. The offer and sale of the Company’s Series A Preferred Stock will start on July 1, 2019 and end on March 31, 2020, or such other earlier or later date as decided by the Company in its sole discretion. The Company may, in its sole discretion, withdraw or extend the period of this Offering at any time, and for any reason. There is no minimum amount of financing required before the Company may begin closing on subscriptions, and the Company may, in its discretion, sell substantially less than the number of shares of Series A Preferred Stock being offered in this Offering.

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 requirements 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 Company has engaged a third party crowdfunding platform provider to provide technical support for the Offering. The Company has agreed to pay a flat fee of approximately \$15,000 plus 5% of funds raised to the crowdfunding platform provider.

The date of this Memorandum is June 28th, 2019.

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NOTICES TO PURCHASERS

NO PROSPECTUS HAS BEEN FILED WITH ANY SECURITIES REGULATORY AUTHORITY IN THE UNITED STATES OR IN ANY OTHER JURISDICTION IN CONNECTION WITH THE OFFERING HEREUNDER. THIS MEMORANDUM IS NOT TO BE CONSTRUED AS A PROSPECTUS OR ADVERTISEMENT OR A PUBLIC OFFERING OF SERIES A PREFERRED STOCK AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY COUNTRY, STATE, OR OTHER JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED. PROSPECTIVE PURCHASERS SHOULD READ THE WHOLE OF THIS MEMORANDUM AND SHOULD BE AWARE THAT THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. SEE THE SECTION ENTITLED “RISK FACTORS” OF THIS MEMORANDUM FOR A DISCUSSION OF RISKS AND OTHER FACTORS WHICH SHOULD BE CONSIDERED PRIOR TO ANY PURCHASE OF SERIES A PREFERRED STOCK. THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO CAN BEAR THE ECONOMIC RISK FOR AN INDEFINITE PERIOD OF TIME AND WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. FURTHERMORE, INVESTORS MUST UNDERSTAND THAT SUCH INVESTMENT IS ILLIQUID AND IS EXPECTED TO CONTINUE TO BE ILLIQUID FOR AN INDEFINITE PERIOD OF TIME. NO PUBLIC MARKET EXISTS FOR THE SECURITIES, AND NO PUBLIC MARKET IS EXPECTED TO DEVELOP FOLLOWING THIS OFFERING.

THE INFORMATION CONTAINED IN THIS MEMORANDUM IS PRIVILEGED, PROPRIETARY, AND OTHERWISE PROTECTED FROM DISCLOSURE. EACH PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY (ELECTRONICALLY OR PHYSICALLY) OF THIS MEMORANDUM, AGREES TO THE FOREGOING AND UNDERTAKES NOT TO REPRODUCE, IN WHOLE OR IN PART, THIS MEMORANDUM, OR ANY DOCUMENTS RELATING THERETO AND, IF SUCH PROSPECTIVE INVESTOR DOES NOT PURCHASE ANY OF THE SERIES A PREFERRED STOCK BEING OFFERED HEREBY OR THE OFFERING IS TERMINATED, TO PROMPTLY RETURN TO THE COMPANY, OR DESTROY, THIS MEMORANDUM AND ALL SUCH DOCUMENTS, IF SO REQUESTED BY THE COMPANY.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY STATE SECURITIES OR BLUESKY LAWS OR WITH THE SECURITIES AUTHORITIES OF ANY OTHER JURISDICTION. THE OFFER AND SALE OF SERIES A PREFERRED STOCK IN THE UNITED STATES IS BEING MADE PURSUANT TO RULE 506(C) OF REGULATION D OF THE ACT AND IS LIMITED (I) IN THE UNITED STATES, TO “ACCREDITED INVESTORS” (AS DEFINED UNDER THE SECURITIES ACT, RULE 501 OF REGULATION D) AND CONSIDERED “A SAFE HARBOR” FOR THE PRIVATE OFFERING EXEMPTION OF SECTION 4(A)(2) OF THE SECURITIES ACT AS AMENDED, AND (II) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN SECTION 902 OF REGULATION S UNDER THE ACT) IN AN OFFSHORE TRANSACTION (DEFINED IN RULE 902 UNDER THE ACT) IN RELIANCE ON REGULATION S OF THE ACT AND APPLICABLE SECURITIES LAWS AND REGULATIONS IN THE APPLICABLE FOREIGN JURISDICTIONS. PERSONS PURCHASING AS U.S. ACCREDITED INVESTORS WILL BE REQUIRED TO GIVE AN UNDERTAKING THAT THE SERIES A PREFERRED STOCK WILL NOT BE SOLD, TRANSFERRED, PLEDGED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF

EITHER AN EFFECTIVE REGISTRATION STATEMENT COVERING THE SERIES A PREFERRED STOCK UNDER THE ACT, AND RELEVANT STATE SECURITIES LAWS, OR AN ACCEPTABLE OPINION OF LEGAL COUNSEL THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT AND UNDER THE SECURITIES LAWS OF ALL RELEVANT STATES. PERSONS PURCHASING AS NON-U.S. PERSONS WILL BE ENTITLED TO RESELL THEIR SERIES A PREFERRED STOCK TO OTHER NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION (IN COMPLIANCE WITH RULE 903 OR RULE 904) AND NOT TO ANY U.S. PERSONS AS PURCHASERS OR AS ULTIMATE BENEFICIAL OWNERS OF THE SERIES A PREFERRED STOCK (WHETHER DIRECTLY OR INDIRECTLY), AND OTHERWISE IN COMPLIANCE WITH APPLICABLE FOREIGN SECURITIES LAWS.

PROSPECTIVE INVESTORS MAY NOT TREAT THE CONTENTS OF THE SUBSCRIPTION AGREEMENT, THIS PRIVATE PLACEMENT MEMORANDUM, OR ANY OF THE OTHER MATERIALS (COLLECTIVELY, THE “OFFERING MATERIALS”) OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS OFFICERS, EMPLOYEES OR AGENTS AS INVESTMENT, LEGAL OR TAX ADVICE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND THE RISKS INVOLVED. EACH PROSPECTIVE INVESTOR SHOULD CONSULT THE INVESTOR’S OWN COUNSEL, ACCOUNTANT, AND OTHER PROFESSIONAL ADVISOR AS TO INVESTMENT, LEGAL, TAX, AND OTHER RELATED MATTERS CONCERNING THE INVESTOR’S PROPOSED INVESTMENT.

THE SUMMARIES IN THIS OFFERING MATERIAL DO NOT PURPORT TO BE COMPLETE AND ARE SUBJECT TO AND QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE ACTUAL TEXT OF THE RELEVANT DOCUMENTS, COPIES OF WHICH WILL BE PROVIDED TO PROSPECTIVE INVESTORS UPON REQUEST. EACH PROSPECTIVE INVESTOR SHOULD REVIEW THE SUBSCRIPTION AGREEMENT AND SUCH OTHER RELEVANT OFFERING MATERIALS FOR COMPLETE INFORMATION CONCERNING THE RIGHTS, PRIVILEGES, AND OBLIGATIONS OF INVESTORS IN THE COMPANY. THE INFORMATION CONTAINED IN THE OFFERING MATERIALS MAY CHANGE OR VARY AFTER THE DATE OF THIS OFFERING MEMORANDUM. THE COMPANY UNDERTAKES TO MAKE AVAILABLE TO EVERY INVESTOR DURING THE COURSE OF THIS TRANSACTION AND PRIOR TO THE SALE OF SECURITIES THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY APPROPRIATE ADDITIONAL INFORMATION NECESSARY TO THE EXTENT THE COMPANY CAN ACQUIRE AND PROVIDE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

THE COMPANY MAY NOT BE OFFERING THE SECURITIES IN EVERY STATE OR FOREIGN JURISDICTION. THE OFFERING MATERIALS DO NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR JURISDICTION IN WHICH THE SECURITIES ARE NOT BEING OFFERED.

THE INFORMATION PRESENTED IN THE OFFERING MATERIALS WAS PREPARED BY THE COMPANY SOLELY FOR THE USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THIS OFFERING AND IS CREATED BY THE COMPANY FROM ITS OWN INTERNAL

RECORDS AND FROM PUBLISHED AND UNPUBLISHED SOURCES IT BELIEVES TO BE RELIABLE. NEITHER THIS MEMORANDUM NOR ANY OTHER OFFERING MATERIAL PURPORTS TO BE INCLUSIVE, AND, ACCORDINGLY, EACH PROSPECTIVE INVESTOR IS EXPECTED TO CONDUCT ITS OWN DUE DILIGENCE. NEITHER THE COMPANY, NOR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, ADVISORS, OR AGENTS, MAKE ANY REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN ANY OFFERING MATERIALS, AND NOTHING CONTAINED IN THE OFFERING MATERIALS IS OR SHOULD BE RELIED UPON AS A PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE COMPANY AND NO LEGAL LIABILITY IS ASSUMED OR IS TO BE IMPLIED AGAINST ANY OF THE AFOREMENTIONED WITH RESPECT HERETO. NO INFORMATION CONTAINED IN THE OFFERING MATERIAL OR ANY OTHER WRITTEN OR ORAL COMMUNICATIONS TRANSMITTED OR MADE AVAILABLE TO A RECIPIENT OF THIS MEMORANDUM IS, OR SHALL BE RELIED UPON AS A PROMISE OR REPRESENTATION, WHETHER AS TO THE PAST OR FUTURE, AND NO LIABILITY WILL ATTACH. IN ADDITION, ANY PROJECTIONS AND ESTIMATES CONTAINED IN THE OFFERING MATERIAL INVOLVE NUMEROUS AND SIGNIFICANT SUBJECTIVE DETERMINATIONS. ACCORDINGLY, NO REPRESENTATION OR WARRANTY CAN BE OR IS MADE AS TO THE ACCURACY OR ATTAINABILITY OF SUCH ESTIMATES AND PROJECTIONS. THE INFORMATION HAS BEEN PREPARED BY THE COMPANY AND HAS NOT BEEN REVIEWED OR COMPILED BY THE COMPANY'S INDEPENDENT AUDITORS. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY STATEMENTS OTHER THAN AS CONTAINED IN THIS MEMORANDUM OR IN THE SUPPLEMENTAL DATA TO BE FURNISHED OR MADE AVAILABLE BY THE COMPANY TO THE INVESTORS, AS MORE FULLY DESCRIBED HEREIN AND ANY SUCH STATEMENTS, IF MADE, MUST NOT BE RELIED UPON. IF GIVEN OR MADE ANY SUCH OTHER INFORMATION OR REPRESENTATION, IT MAY NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

PROSPECTIVE INVESTORS SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS AND TAX CONSEQUENCES WITHIN THE COUNTRIES OF THEIR CITIZENSHIP, RESIDENCE, DOMICILE, AND PLACE OF BUSINESS WITH RESPECT TO THE ACQUISITION, HOLDING, OR DISPOSAL OF SERIES A PREFERRED STOCK. THE OFFER AND SALE OF SERIES A PREFERRED STOCK IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. IN COMPLIANCE WITH U.S. AND INTERNATIONAL TRADE LAWS, PROSPECTIVE PURCHASERS LOCATED IN, UNDER THE CONTROL OF, OR A NATIONAL OR RESIDENT OF ANY RESTRICTED LOCATION OR COUNTRY TO WHICH THE UNITED STATES HAS EMBARGOED GOODS OR SERVICES (INCLUDING IRAN, NORTH KOREA, SUDAN, SYRIA, AND THE CRIMEA REGION OF THE UKRAINE), ARE PROHIBITED FROM PARTICIPATING IN THE OFFERING. THE SERIES A PREFERRED STOCK WILL NOT BE OFFERED IN RESTRICTED/PROHIBITED JURISDICTIONS INCLUDING, BUT NOT LIMITED TO, CUBA, IRAN, NORTH KOREA, SOMALIA, LIBYA, LEBANON, CHINA, SOUTH KOREA, MACAU, SUDAN, SYRIA, AND THE CRIMEA REGION OF THE UKRAINE.

THE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION AND FOR ANY REASON WHATSOEVER TO MODIFY, AMEND AND/OR WITHDRAW ALL OR A PORTION OF THE OFFERING AND/OR ACCEPT OR REJECT IN WHOLE OR IN PART ANY

PROSPECTIVE INVESTMENT IN THE SECURITIES OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF SECURITIES SUCH INVESTOR DESIRES TO PURCHASE. EXCEPT AS OTHERWISE INDICATED, THE OFFERING MATERIALS SPEAK AS OF THEIR DATE. NEITHER THE DELIVERY NOR THE PURCHASE OF THE SECURITIES SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THAT DATE.

ANTI-MONEY LAUNDERING AND ANTI-TERRORIST FINANCING

AS PART OF THE COMPANY'S RESPONSIBILITY TO COMPLY WITH REGULATIONS AIMED AT THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING AND ASSOCIATED INCREASED REGULATORY REQUIREMENTS WITH RESPECT TO THE SOURCES OF FUNDS USED IN INVESTMENTS AND OTHER ACTIVITIES, THE COMPANY MAY REQUIRE PROSPECTIVE INVESTORS TO PROVIDE DOCUMENTATION VERIFYING, AMONG OTHER THINGS, SUCH INVESTORS' AND ANY OF THEIR BENEFICIAL OWNERS' IDENTITIES AND SOURCE AND USE OF FUNDS USED TO PURCHASE THE SERIES A PREFERRED STOCK EITHER AT THE TIME OF THIS OFFERING OR ANYTIME AFTER COMPLETION OF THIS OFFERING.

THE COMPANY RESERVES THE RIGHT TO REQUEST SUCH IDENTIFICATION EVIDENCE IN RESPECT TO A TRANSFEREE OF SERIES A PREFERRED STOCK. IN THE EVENT OF DELAY OR FAILURE BY A PURCHASER OR TRANSFEREE TO PRODUCE ANY INFORMATION REQUIRED FOR VERIFICATION PURPOSES, THE COMPANY MAY (I) IN THE CASE OF A SUBSCRIPTION, REFUSE TO ACCEPT OR DELAY THE ACCEPTANCE OF ANY SUBSCRIPTION, (II) IN THE CASE OF A TRANSFER OF SERIES A PREFERRED STOCK, REFUSE TO REGISTER THE RELEVANT TRANSFER OF SERIES A PREFERRED STOCK. THE COMPANY ALSO RESERVES THE RIGHT TO REFUSE TO MAKE ANY WITHDRAWAL PAYMENT OR DISTRIBUTION TO AN INVESTOR, IF THE COMPANY SUSPECTS OR IS ADVISED THAT THE PAYMENT OF ANY WITHDRAWAL OR DISTRIBUTION MONIES TO SUCH INVESTOR MIGHT RESULT IN A BREACH OR VIOLATION OF ANY APPLICABLE ANTI-MONEY LAUNDERING OR ANTI-TERRORIST FINANCING LAWS.

REQUESTS BY THE COMPANY FOR DOCUMENTATION AND ADDITIONAL INFORMATION MAY BE MADE AT ANY TIME DURING WHICH A PURCHASER HOLDS THE SERIES A PREFERRED STOCK. THE COMPANY WILL TAKE SUCH STEPS AS IT DETERMINES ARE NECESSARY TO COMPLY WITH APPLICABLE LAWS, REGULATIONS, ORDERS, DIRECTIVES, OR SPECIAL MEASURES TO IMPLEMENT ANTI MONEY LAUNDERING AND ANTI-TERRORISM LAWS.

THE PROVISIONS SET OUT HEREIN ARE WITHOUT PREJUDICE TO THE PROVISIONS RELATING TO ANTI-MONEY LAUNDERING CONTAINED IN ANY SUBSCRIPTION AGREEMENT WHICH AN INVESTOR SHALL SIGN IN CONNECTION WITH ITS SUBSCRIPTION FOR THE PURCHASE OF THE SERIES A PREFERRED STOCK, EACH OF WHICH INVESTORS WILL BE BOUND BY.

DISCLOSURE OF INFORMATION TO REGULATORY AUTHORITIES

THE COMPANY MAY BE COMPELLED TO PROVIDE INFORMATION, SUBJECT TO A REQUEST FOR INFORMATION MADE BY A REGULATORY OR GOVERNMENTAL AUTHORITY OR AGENCY UNDER APPLICABLE LAW (E.G., BY A MONETARY AUTHORITY, EITHER FOR ITSELF OR FOR A RECOGNISED OVERSEAS REGULATORY AUTHORITY, UNDER THE MONETARY AUTHORITY LAW (AS REVISED) OR BY A TAX AUTHORITY AND ASSOCIATED REGULATIONS, AGREEMENTS, ARRANGEMENTS, AND MEMORANDA OF UNDERSTANDING). DISCLOSURE OF CONFIDENTIAL INFORMATION UNDER SUCH LAWS SHALL NOT BE REGARDED AS A BREACH OF ANY DUTY OF CONFIDENTIALITY AND, IN CERTAIN CIRCUMSTANCES THE COMPANY MAY BE PROHIBITED FROM DISCLOSING THAT THE REQUEST HAS BEEN MADE.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Memorandum constitute forward-looking statements. When used in this Memorandum, the words “may,” “will,” “should,” “project,” “anticipate,” “believe,” “estimate,” “intend,” “expect,” “continue,” and similar expressions or the negatives thereof are generally intended to identify forward-looking statements. Such forward-looking statements, including the intended actions and performance objectives of the Company, involve known and unknown risks, uncertainties, and other important factors that could cause the actual results, performance, or achievements of the Company and its further development and operation of the GAB Platform (as defined below) to differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements. No representation or warranty is made as to future performance or such forward-looking statements. 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.

SUMMARY

The Summary highlights information contained elsewhere and does not contain all the information that you should consider in making your investment decision. Before investing in our Series A Preferred Stock, you should carefully read this entire Private Placement Memorandum. You should consider among other information, the matters described under “Risk Factors”.

Overview of GAB

Gab AI Inc. is the creator of Gab.com, a social networking platform that offers telecommunications and social networking services, namely, providing online chat rooms and electronic bulletin boards for the transmission of messages among users in the field of general interest, Dissenter.com, a browser extension and web application that allows Gab users to create and participate in a comment section on every URL on the internet, and the Dissenter web browser, an open-source, free-speech-oriented, privacy enhancing web browser that has the Dissenter extension and ad blockers built in (the “**GAB Platform**”). Our mission is to defend, preserve, and protect freedom of expression online for all people. As of June 18, 2019, there are approximately 975,000 cumulative registered accounts on our platform. *See “Our Business”.*

Capitalization

Our authorized capital stock consists of 14,000,000 shares of common stock, consisting of 11,725,000 shares of voting common stock, \$0.0001 par value per share designated as “Class A Voting Common Stock” (“**Class A Common Stock**”), 275,000 shares of non-voting common stock, \$0.0001 par value per token, designated as “GAB Tokens,” (“**GAB Tokens**”), and Two Million (2,000,000) shares of non-voting common stock, par value \$0.0001 per share, designated as “**Class C Common Stock**” (the “Class C Common Stock, and sometimes together with the Class A Common Stock and the GAB Tokens, the “**Common Stock**”), and 4,000,000 shares of preferred stock, 1,500,000 shares of which are designated as “Series A Preferred Stock” (“**Series A Preferred Stock**,” and sometimes together with the Common Stock, the “**Capital Stock**”). As of June 1, 2019, we had 6,995,641 shares of Class A Common Stock outstanding, 251,040 GAB Tokens outstanding and no shares of Class C Common Stock or Series A Preferred Stock outstanding. We also have an outstanding warrant to purchase 50,000 shares of Class A Common Stock having an exercise price of \$2.09 per share, and outstanding options to purchase 572,486 shares of Class A Common Stock having an exercise price of \$0.157 per share.

The Offering

Issuer	GAB AI Inc., a Delaware corporation
Security Offered	1,449,275 shares of Series A Preferred Stock
Offering Size	\$9,999,997.50
Offering Price	\$6.90 per share

Form of Payment	US dollars, Euros, Bitcoin, and other fiat and cryptocurrencies as determined in the sole discretion of the Company, from time to time.
Payment Instructions	See Plan of Distribution.
Dividend Rights	Any dividends (other than dividends on Common Stock payable solely in Common Stock) set aside or paid in any fiscal year shall be set aside or paid on a <i>pro rata, pari passu</i> basis among the holders of Common Stock and Series A Preferred Stock then outstanding, in proportion to the greatest whole number of shares of Common Stock which would be held by each such holder if all shares of Preferred Stock were converted at the then-effective Conversion Rate (as defined below).
Liquidation Preference	<p>In the event of any Deemed Liquidation Event (as defined below), the holders of Series A Preferred Stock shall be entitled to receive, on a <i>pari passu</i> basis, and prior and in preference to any distribution of any of the assets of the Company to the holders of Common Stock by reason of their ownership of such stock, an amount per share for each share of Series A Preferred Stock held by them equal to the sum of (i) \$6.90, is subject to adjustment from time to time as provided in the Amended and Restated Certificate of Incorporation, and (ii) all declared but unpaid dividends (if any) on such share of Series A Preferred Stock, or such lesser amount as may be approved by the holders of the majority of the outstanding shares of Series A Preferred Stock. If upon the Deemed Liquidation Event, the assets of the Company legally available for distribution to the holders of the Series A Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified above, then the entire assets of the Company legally available for distribution shall be distributed with equal priority and <i>pro rata</i> among the holders of the Series A Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to the above. Shares of Series A Preferred Stock shall not be entitled to be converted into shares of Common Stock in order to participate in any Distribution, or series of Distributions, as shares of Common Stock, without first forgoing participation in the Distribution, or series of Distributions, as shares of Series A Preferred Stock.</p> <p>A “<i>Deemed Liquidation Event</i>” shall be deemed to be occasioned by, or to include, (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is party (including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any sale of stock for capital raising purposes) other</p>

	<p>than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, as a result of shares in the Company held by such holders prior to such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent); (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Company; or (iii) any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. The treatment of any transaction or series of related transactions as a Deemed Liquidation Event pursuant to clause (i) or (ii) of the preceding sentence may be waived with respect to any series of Preferred Stock by the consent or vote of a majority of the outstanding shares of such series.</p>
<p>Conversion Rights</p>	<p>Each share of Series A Preferred Stock is convertible, at the option of the holder thereof, into such number of fully paid and non-assessable shares of Class C Common Stock as is determined by dividing the Original Issue Price of the Series A Preferred Stock (as appropriately adjusted for stock splits, stock dividends, recapitalizations and the like) by the then applicable Conversion Price for a share of Series A Preferred Stock. The Original Issue Price per share of Series A Preferred Stock is \$6.90 and the Conversion Price per share of Series A Preferred Stock is currently \$6.90, however, is subject to adjustment from time to time, as provided in the Amended and Restated Certificate of Incorporation.</p> <p>Each share of Series A Preferred Stock shall automatically be converted into fully-paid, non-assessable shares of Class C Common Stock at the then effective Conversion Rate for such share (i) immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the “Securities Act”), covering the offer and sale of the Company’s Common Stock, provided that the aggregate gross proceeds to the Company are not less than \$15,000,000 (before payment of underwriters commissions and expenses), or (ii) upon the receipt by the Company of a written request for such conversion from the holders of a majority of the Series A Preferred Stock then outstanding (voting as a single class and on an</p>

	as-converted basis), or, if later, the effective date for conversion specified in such requests.
Voting Rights	Neither the Series A Preferred Stock, nor the Class C Common Stock into which the Series A Preferred Stock are convertible, have voting rights.

RISK FACTORS

An investment in the Series A Preferred Stock (the “Series A Preferred Stock”) being offered by us, is highly speculative and subject to a high degree of risk. Therefore, only those who can bear the risk of losing their entire investment should participate in this Offering. In evaluating the Company and an investment in our Series A Preferred Stock, careful consideration should be given to the following risk factors, in addition to the other information included in this Private Placement Memorandum. Each of these risk factors could materially adversely affect our business, operating results or financial condition, as well as adversely affect the value of an investment in our Series A Preferred Stock. The following is a summary of the risk factors that we currently believe make this offering speculative or substantially risky. We are still subject to all the same risks faced by all companies in our industry, and to which all such companies in the economy are exposed. These include risks relating to economic downturns, political and economic events and technological developments (such as cyber-security). Additionally, early-stage companies are inherently riskier than more developed companies. You should consider general risks as well as specific risks when deciding whether to invest.

If we cannot raise sufficient funds, we may not succeed.

We are offering Series A Preferred Stock in the amount of up to \$9,999,997.50 in this offering, but may sell much less. Even if the maximum amount is raised, we may need additional funds in the future in order to grow, and if we cannot raise those funds for whatever reason, including reasons outside our control, such as another significant downturn in the economy, we may not survive. If we do not sell all of the Series A Preferred Stock we are offering, we may have to find other sources of funding in order to develop our business.

This Offering is being conducted on a “best efforts” basis and does not require a minimum amount to be raised. As a result, we may not be able to raise enough funds to fully implement our business plan and our investors may lose their entire investment.

The Offering is being conducted on a “best efforts” basis and does not require a minimum amount to be raised. If we are not able to raise sufficient funds, we may not be able to fund our operations as planned, and our growth opportunities may be materially adversely affected. This could increase the likelihood that an investor may lose their entire investment.

We have a limited operating history and have yet to earn a substantial profit or substantial operating revenue, which makes it difficult to accurately evaluate our business prospects.

We have limited assets, a limited operating history, and minimal operating revenue to date. We are still working on developing various features of our platform. Thus, our proposed business is subject to all the risks inherent in new business ventures. The likelihood of success must be considered in light of the expenses, complications, and delays frequently encountered with the start-up of new businesses and the competitive environment in which start-up companies operate.

Terms of subsequent financings may, adversely impact your investment.

Even if we are successful in this Offering, we may need to engage in common equity, debt, preferred stock or token financings in the future. Your rights and the value of your investment in the Series A Preferred Stock could be reduced. Interest on debt securities could increase costs and negatively impact operating

results. Preferred stock or preferred tokens could be issued in series from time to time with such designations, rights, preferences, and limitations as needed to raise capital. The terms of preferred stock or preferred tokens could be more advantageous to those investors than to the holders of Series A Preferred Stock. In addition, if we need to raise more equity capital from the sale of equity securities, institutional or other investors may negotiate terms at least as, and possibly more, favorable than the terms of your investment. Series A Preferred Stock which we sell could be sold into any market which develops, which could adversely affect the market price of Series A Preferred Stock.

Because no public trading market for our shares currently exists, it will be difficult for you to sell your shares and, if you are able to sell your shares, you will likely sell them at a substantial discount to the public offering price.

There is no public market for our shares and we currently have no plans to list our shares on a stock exchange or other trading market. Until our shares are listed, if ever, you may not sell your shares unless the buyer meets the applicable suitability and minimum purchase standards. Therefore, it will be difficult for you to sell your shares promptly or at all. If you are able to sell your shares, you would likely have to sell them at a substantial discount to their public offering price.

Risks of borrowing.

We may have to seek loans from financial institutions. Typical loan agreements might contain restrictive covenants which may impair our operating flexibility. A default under any loan agreement could result in a charging order that would have a material adverse effect on our business, results of operations or financial condition.

The regulatory regime governing blockchain technologies, cryptocurrencies, GAB Tokens and coin offerings is uncertain, and new regulations or policies may materially adversely affect us.

In November 2018, we closed a Regulation CF offering of GAB Tokens, in which we sold 251,040 GAB Tokens for aggregate consideration of \$1,002,304. The regulation of tokens, including GAB Tokens, token offerings, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, related to token offerings and cryptocurrencies. Failure by us or the holders of GAB Tokens to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines on us.

As blockchain networks and blockchain assets have grown in popularity and in market size, federal and state agencies have begun to take interest in, and in some cases, regulate, their use and operation. In the case of virtual currencies, state regulators like the New York Department of Financial Services have created new regulatory frameworks. Others, as in Texas, have published guidance on how their existing regulatory regimes apply to virtual currencies. Some states, like New Hampshire, North Carolina, and Washington, have amended their state's statutes to include virtual currencies into existing licensing regimes. Treatment of virtual currencies continues to evolve under federal law as well. The Department of the Treasury, the Securities Exchange Commission, and the Commodity Futures Trading Commission (“CFTC”), for example, have published guidance on the treatment of virtual currencies. The IRS released guidance treating

virtual currency as property that is not currency for US federal income tax purposes, although there is no indication yet whether other courts or federal or state regulators will follow this classification. Both federal and state agencies have instituted enforcement actions against those violating their interpretation of existing laws.

If we are unable to satisfy data protection, security, privacy, and other government- and industry-specific requirements, our growth could be harmed.

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

The value of any cryptocurrencies the Company may receive and hold could decrease before the date on which the Company exchanges the cryptocurrencies for fiat currency.

In addition to US dollars and Euro, prospective purchasers may purchase Series A Preferred Stock with Bitcoin or other cryptocurrencies which we may accept. We intend to convert into fiat currencies any cryptocurrencies received in this Offering as soon as reasonably practicable thereafter. However, prices of such cryptocurrencies are known to fluctuate dramatically within short periods of time. Any such fluctuations could reduce dramatically the amount of fiat currency that we receive in exchange for the cryptocurrencies paid by purchasers, which would, in turn (1) reduce the amount of Series A Preferred Stock issuable to the respective purchaser(s), and (2) cause us to receive less fiat currency than anticipated or no fiat currency at all, which would have an adverse effect on our operations. Potential purchasers should carefully consider the risk that any purchase price paid by them in cryptocurrencies may decrease in value prior to the time at which we exchange such cryptocurrencies for fiat currency, which could significantly reduce the number of Tokens issuable to them.

We are subject to the risk of possibly becoming an investment company under the Investment Company Act.

The Investment Company Act regulates certain companies that invest in, hold or trade securities. Because a portion of our assets consist of cryptocurrencies, such as Ether (“ETH”) and Bitcoin (“BTC”), if ETH or BTC are deemed to be securities, we run the risk of inadvertently becoming an investment company, which would require us to register under the Investment Company Act. Registered investment companies are subject to extensive, restrictive and potentially adverse regulations relating to, among other things, operating methods, leverage, management, capital structure, dividends and transactions with affiliates. In addition, we may structure transactions in a less advantageous manner than if we were not subject to such Investment Company Act risks, or we may avoid otherwise economically desirable transactions due to this risk. In addition, events beyond our control, including significant appreciation or depreciation in the market value of certain of our holdings, could result in us inadvertently becoming an investment company. If it were established that we were an investment company, there would be a risk, among other material adverse consequences, that we could become subject to monetary penalties or injunctive relief, or both, in an action brought by the SEC. If it were established that we were an investment company, it would have a material adverse effect on our business and financial operations and our ability to continue as a going concern. To avoid becoming and registering as an investment company under the Investment Company Act, we intend

to monitor the value of our securities holdings and exchange any cryptocurrencies or cryptosecurities into US dollars prior to such time as the value of those assets exceeds 35% of our total assets.

It may be illegal now, or in the future, to acquire, own, hold, sell or use BTC, ETH, or other cryptocurrencies, participate in the blockchain or utilize similar digital assets in one or more countries.

Although currently BTC, ETH, and other cryptocurrencies, the blockchain and digital assets generally are not regulated or are lightly regulated in most countries, including the United States, one or more countries may take regulatory actions in the future that could severely restrict the right to acquire, own, hold, sell or use these digital assets. Our failure to comply with existing or future regulations, including federal securities laws that apply to GAB Tokens or our subsequent sale of tokens, including transfers on trading platforms that may be operating without compliance with applicable federal securities laws, could result in an enforcement action against us by the SEC, the criminal liability of our principals or civil liabilities being imposed against us, which could result in our requirement to pay substantial penalties or damages, or otherwise have a material adverse effect on our business.

Our financial statements include a going concern note.

Our ability to continue as a going concern for the next twelve months is dependent upon our ability to generate sufficient cash flows from operations to meet our obligations, and/or to obtain additional capital financing from our investors and/or third parties. No assurance can be given that we will be successful in these efforts. These factors, among others, raise substantial doubt about our ability to continue as a going concern for a reasonable period of time.

Product improvements.

In order to compete, we need to rapidly make updates to and enhance our product offerings as the market demands. The development of such updates and enhancements to our platform will require capital funding, expertise of management and time and effort in order to be successful. It is possible that one or more of these contemplated updates or enhancements may never be developed or released. Even if successfully developed and released, such updates or enhancements may not be successful and may not result in an increase in revenue.

Government regulation, legislation, and censorship.

We are subject to local and international laws and regulations. Changes in current or future regulation or legislation could significantly increase the cost of operation, or even preclude it. An increase in government censorship of the internet could have a negative impact on our business.

We depend on certain third party providers, including web hosting providers, domain name registrars and payment processors, which have the right to terminate their services at any time. We have recently experienced service terminations which have adversely effected our business, and have experienced difficulties finding alternative providers. We could experience additional service disruptions in the future and may have difficulty finding alternative providers.

We rely on third-party service providers to operate our business, including, third party hosting services, domain name registrars, and payment processors which may terminate services at any time. Any interruption, downtime or cancelation of such third-party services, could have a negative impact on our

ability to operate our business. We previously relied on Microsoft Azure as our hosting platform, however on September 30, 2018, we mutually agreed to terminate our hosting contract with Microsoft, after Microsoft demanded that we remove first amendment protected speech or face service termination. We previously relied on Stripe to provide us with payment processing services. Stripe terminated their relationship with us after it alleged that we did not meet Stripe's standards for preventing adult content from being sold on the platform, although we do not allow adult content to be sold on our platform.

Although we were able to secure alternative hosting and payment platforms, on October 28, 2018, as a result of certain postings on our platform related to the shooting in a Pittsburgh Synagogue, our hosting platforms terminated our service agreements. Although we were able to secure a new hosting platform from Sibyl, our website was down for six days. As a result of the same incident, on October 27, 2018 and November 7, 2018, two of our payment processors terminated their services with us, and we were unable to secure a new payment processor until January 16, 2019, and had to rely on receiving subscription fees in the form of checks and money orders from our customers, which resulted in a 90% decline in payments for our subscription services. On or about February 22, 2019, we believe a third party attempted to process a large number of unauthorized credit card transactions through our online payments portal, resulting in the termination of our processing account by our acquiring bank. We believe we were erroneously terminated and are working to restore our processing services. We are also working with our payment processor, to find a new acquiring bank for our payment processing. If we are unable to restore our payment processing, our options for merchant processing for the foreseeable future will be limited to processing facilities that specialize in high-risk merchant payment processing, which may materially increase the cost of our payment processing services. If we are unable to find a high risk payment processor it would mean we could not process credit card payments online and would need to accept subscription fees by check, money order and/or cryptocurrency.

The inability to secure and maintain webhosting platforms and payment processing, could lead to downtime of our website and applications and impact our ability to collect subscription fees from our customers, either of which could harm relationships with our customers and materially adversely affect our business, prospects and operating results. Unless we become completely independent of third-party services, we remain subject to the risk that third-party providers will be unable to meet our needs. We have a plan to establish our own hosting platform, to mitigate potential downtime from the cancellation of services from third party hosting platforms, however, we may be unable to do so at prices or costs that are favorable to us.

On October 28, 2018, our domain registrar canceled our service for what it claimed to be a breach of their terms of service. On November 3, 2018, we secured Epik.com as our new domain registrar and did not experience any downtime of our website as a result of the cancellation. The future cancellation of domain name registration services and our inability to promptly secure a new registrar could result in future downtime of our website, which would have an adverse impact on our business.

Breaches of our systems.

Any breach of our systems, databases, or other information may have a significant legal and monetary impact on our business and reputation.

App store rejections.

We have been repeatedly rejected and eventually removed from Apple’s App Store for what Apple deems to be “objectionable content.” We were removed from Google’s Play Store for mobile devices for what Google deems to be “hate speech.” The impact of these actions by third-parties has had an impact on our ability to grow our community and business. Customers that desire to access our platform on iOS devices must use their mobile web browser which is currently less user-friendly than an in-store mobile application. If we are unable to get our web applications or Dissenter browser on the Google Play Store or the Apple Store, it could have a negative impact on our ability to grow our business and user base.

We depend on certain key personnel and must attract and retain additional talent.

Our future success depends on the efforts of key personnel and consultants, especially our founder, Andrew Torba, and the need to attract and retain additional talent. The loss of services of any key personnel, or the inability to attract and retain additional talent, may have an adverse effect on us. As a result of the controversial nature of our platform, we may have a difficult time attracting and retaining additional personnel, as such personnel may become the subject of personal harassment from activists and the mainstream media. On October 28, 2018, our former Chief Technology Officer, who resides in Turkey, resigned from his position after two years of mainstream press attacks on Gab took a toll on him personally. Effective March 1st, 2019, the company hired a new Chief Technology Officer, Robert Colbert, to lead the technological development of Gab AI Inc. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

We are particularly susceptible to negative press.

Due to the controversial nature of our free speech platform, we are particularly susceptible to negative publicity. For example, as a result of postings on our platform by the alleged shooter in the tragic Synagogue shooting in Pittsburgh on October 27, 2018, we and our founder received a significant amount of negative press. The negative press resulting from this incident and any negative press resulting from any future activities on our platform, could have a material adverse impact on our business, including, but not limited to, a decrease in subscribers, potential bans of our platform in foreign jurisdictions, the loss of third party service providers such as web hosting services and payment services, on which the operation of our platform depends and the inability to attract and retain talent. ***See Risk Factors – Third Party Providers.***

Our CEO has voting control.

As of the date of this Private Placement Memorandum, Andrew Torba, our sole officer and director, owns over 84% of the shares of our issued and outstanding Common Stock, and controls over 85% of our voting power. In addition, neither the Series A Preferred Stock, nor the Class C Common Stock into which the Series A Preferred Stock are convertible, have voting rights.. Therefore, Mr. Torba is able control our management and affairs and most matters requiring stockholder approval, including, but not limited to, the election of directors and approval of significant corporate transactions. This concentration of ownership and voting power may have the effect of delaying or preventing a change in control, which may not be in the best interest of our other stockholders.

Management discretion as to use of proceeds.

Our success will be substantially dependent upon the discretion and judgment of our management team with respect to the application and allocation of the proceeds of this Offering. The use of proceeds described below is an estimate based on our current business plan. We, however, may find it necessary or advisable to re-allocate portions of the net proceeds reserved for one category to another, and we will have broad discretion in doing so.

Foreign securities laws.

Prior to accepting any subscriptions from residents of foreign jurisdictions, we intend to consult with local counsel to ensure we accept any such subscription in compliance with local law. In addition, under our Subscription Agreement, foreign investors are responsible for ensuring that their purchase of Series A Preferred Stock complies with the applicable securities laws of the jurisdiction in which they reside or are domiciled, and shall agree to indemnify us to the extent such laws are violated. Therefore, if we accept any subscriptions and fail to comply with local law, it may subject us or the investor, to regulatory actions in such foreign jurisdictions, and may subject the investor to indemnification liability.

We have been served a subpoena from the Attorney General of Pennsylvania.

On November 5, 2018, we were served with a document subpoena from the Attorney General of the Commonwealth of Pennsylvania issued under the authority of 71 P.S. § 307-3, which provides the Bureau of Consumer Protection authority to investigate matters relating to commercial and trade practices, which subpoena we responded to on November 19, 2018. We do not believe we have violated any laws, however, if we are deemed to have violated any laws, the same could result in fines and penalties, or an order for us to cease operating our business. Even if we are not found to have violated any laws, such investigation could be time consuming and divert management attention from administering our core business, and the continuation of the same could result in significant legal costs. We may also in the future become involved in other investigations or lawsuits which could divert management's attention from operations and cost substantial sums of money to prosecute or defend.

DESCRIPTION OF BUSINESS

Gab AI Inc. is a social networking platform. We offer telecommunications and social networking services, namely, providing online chat rooms, comment sections, and electronic bulletin boards for the transmission of messages among users in the field of general interest. As of June 1, 2019, we had over 978,000 cumulative registered accounts from around the world.

Our mission is to protect free speech online, and accordingly we adopt a content moderation policy that seeks to mirror the First Amendment of the U.S. Constitution as closely as possible. We empower creators, support free speech and defend the free flow of information online. We stand for bringing folks together of all races, religions, and creeds who share in the common ideals of Western values, individual liberty and the free exchange and flow of information. Our mission is to provide people with the tools they need to create and shape their own experience.

According to a report from PageFair, ad blocker usage grew 30% in 2016. There were 615 million devices blocking ads worldwide by the end of 2016, 62% (308 million) being on mobile devices. Recognizing this existential threat, Facebook and other giants began fighting back by blocking ad blockers. This launched an all-out war between ad blocking companies and social media giants, in return only creating more consumer awareness of ad blocking.

Many content creators and publishers rely on advertising as their core business model. Unfortunately, with the rise of ad blocking and the backlash of creator demonetization on other platforms, it has become difficult for content creators to generate an income. Many content creators feel that they can no longer trust establishment social networks. As platforms like Twitch.tv and Patreon.com have proven, both tipping and paid subscriptions for premium content are models that work at scale for content creators.

Gab Chat Rooms

Our GAB chat rooms are private forums through which our users can establish chat rooms with up to 50 participants to engage in topical discussions.

Gab Groups

Our Gab Group feature allows users to connect around shared interests. GabPro members can create and moderate groups.

GabPro

In March 2017, we launched our online, premium-user subscription program - "GabPro". We collect subscription fees primarily from credit cards at the beginning of the subscription period. Subscription revenues are recognized ratably over the subscription period, ranging from one month to one year, net of estimated cancellations. *See Risk Factors - We depend on certain third party providers, including web hosting providers, domain name registrars and payment processors, which have the right to terminate their services at any time. We have recently experienced service terminations which have adversely effected our business, and have experienced difficulties finding alternative providers. We could experience additional service disruptions in the future and may have difficulty finding alternative providers.*

Dissenter Commenting Platform

Dissenter is Gab's commenting system platform and browser extension. Gab users can sign into Dissenter with their Gab account and leave comments across the web using the Dissenter browser extension and dissenter.com website. Dissenter creates a unique comment section around every URL online and allows any Gab user to join in on a discussion around URLs. The browser extension is supported by all major browsers including Google Chrome, Brave, Firefox, Opera, Safari, and Chromium.

Our Market and Industry

We welcome all people to speak freely. To defend themselves and promote their causes, the oppressed need voices, and if one is to adopt an objective principle that defends the free speech and privacy rights of any oppressed group, one has defended all oppressed groups, whether our management agrees with these groups' beliefs or not.

As censorship undertaken by and at the behest of major platforms like Twitter and Facebook grows, marginalized people from every background – and the interesting conversations they have – need a safe place to engage in public, and where necessary anonymous, expression.

We, by choosing American rules as our own, are in a unique position to extend crucial civil liberties protections that other countries lack to marginalized people all over the planet, including journalists, members of religious minorities, LGBTQ+ persons, and politically exposed persons or viewpoints.

We also see a unique opportunity to carve a niche in a massively underserved and unrepresented market. We estimate that there are over 50 million conservative, liberal, libertarian, nationalist, and populist internet users from around the world who are seeking an alternative to the current social networking ecosystems. These users are also actively seeking alternative media platforms like Breitbart.com, DrudgeReport.com, Infowars.com, and others. As mainstream social networks continue to crack down on "objectionable content," remove or heavily moderate online comment sections, and censor dissenting views, we believe the need for alternative platforms will only continue to rise. We believe the trend of "cutting the cord" will continue as the popularity of streaming content over the internet increases. We believe this will also begin a fragmentation process of the social networking ecosystem into smaller niche communities with shared values and ideals.

Our Accomplishments

We launched into private invite-only beta in August 2016. As of June 18, 2019, we had over 978,000 cumulative registered accounts from around the world. We believe that the vast majority of those accounts are unique users based on confirmed email addresses and unique IP addresses. However, there may be some users who register accounts with different e-mail addresses or switch IP addresses using a VPN, which we cannot account for in our data.

Competition

Our competition includes various social networking platforms such as Facebook, Twitter, Snapchat, and other established communication platforms. We also face competition from alternative and new social networking platforms as Minds.

Legal Proceedings

We are currently not involved in any legal proceedings, however, on November 5, 2018, we were served with and responded to a subpoena from the Attorney General of the Commonwealth of Pennsylvania issued under the authority of 71 P.S. § 307-3, which provides the Bureau of Consumer Protection authority to investigate matters relating to commercial and trade practices. We do not believe we have violated any laws or that the investigation will have any adverse effects on us.

DIRECTORS AND MANAGEMENT

The following table sets forth information about our executive officers and directors.

<u>Name</u>	<u>Position</u>	<u>Age</u>	<u>Term of Office</u>
Andrew Torba	Chief Executive Officer, Chief Financial Officer, Secretary and Director	28	September 9, 2016 – Present
Robert Colbert	Chief Technology Officer	46	March 1, 2019 – Present

There are no arrangements or understandings between our executive officers and directors and any other persons pursuant to which the executive officer or director was selected to act as such. There are no family relationships between any director or executive officer.

Andrew Torba has served as our Chief Executive Officer, Chief Financial Officer, Secretary and sole director since our inception in September 2016. He leads our product and company vision, marketing, operations, and monetization. Prior to founding us, Mr. Torba co-founded AutomateAds.com (Kuhcoon Inc.), a social media advertising technology startup, serving as the CEO between October 2011 and August 2016 and led the company through Y Combinator in 2015 as well as seed stage financing.

Robert Colbert has served as our Chief Technology Officer for Gab AI Inc since March 2019. Between November 2018, and March 2019, he served as an Independent Contractor for Gab AI, Inc., where he was responsible for creating several products and migrating Gab to the HYDRA software architecture. Between June 2018, and November 2018, he served as Lead Developer for theSCOREX, Inc., (contract) where he was responsible for architecting, implementing, and supporting the server systems for theSCOREX. Between June 2017, and June 2018, he served as Chief Technology Officer for pontemedium.com, (partner) where he was responsible for building proprietary social media solutions focused on news, Twitter, and social media analytics. Between May 2017, and July 2017, he served as CTO/Platform Architect for Disobedient Media, (contract) where he was responsible for optimizing the company's publishing tools and building custom news publishing solutions. Between August 2014, and October 2014, he served as AngularJS Developer/SME for Pinnacle Group, Inc., (contract) where he was responsible for building custom AngularJS components and tools for ADP benefits selection and enrollment services. Between June 2014, and July 2014, he served as Senior Web Developer for Computer Enterprises, Inc., (contract) where he was responsible for building and integrating real-time remote diagnostics solutions for the University of Pittsburgh Medical Center Technology Development Center. Between November 2013, and February 2014, he served as Senior Web Developer for SciQuest:Jaggaer, where he was responsible for updating an aging Python-based application to Node.js, AngularJS, and other modern tools and technologies. Between February 2013, and May 2013, he served as Senior Application Developer for NoWait, Inc., (contract) where he was responsible for refactoring the NoWait back-end into a parallel-processed service-oriented architecture, optimizing their SMS transmission processes, and tuning their production data and database. Between June 2012, and September 2012, he served as Applications Architect for Google, where he was responsible for research and development into a rapid application development tool leveraging Google products and services to automate the creation of basic business applications. Between September 2011, and February 2012, he served as Senior MTS III for VMware, Inc., where he was responsible for research and development on AppBlast, an application remoting technology that lets customers run desktop apps on mobile devices in a browser. Between November 2012, and October

2017, he served as sole proprietor of Decentralized Open Platform (OpenPlatform.us/OPUS) where he developed a new web application development framework now used in many commercial products.

CAPITALIZATION OF THE COMPANY

Our authorized capital stock consists of 14,000,000 shares of common stock, consisting of 11,725,000 shares of voting common stock, \$0.0001 par value per share designated as “Class A Voting Common Stock” (“**Class A Common Stock**”), 275,000 shares of non-voting common stock, \$0.0001 par value per token, designated as “GAB Tokens,” (“**GAB Tokens**”), and 2,000,000 shares of non-voting common stock, par value \$0.0001 per share, designated as “*Class C Common Stock*” (the “**Class C Common Stock**”), and sometimes together with the Class A Common Stock and the GAB Tokens, the “**Common Stock**”), and 4,000,000 shares of preferred stock, 1,500,000 shares of which are designated as “Series A Preferred Stock” (“**Series A Preferred Stock**,” and sometimes together with the Common Stock, the “**Capital Stock**”). As of June 1, 2019, we had 6,995,641 shares of Class A Common Stock outstanding, 251,040 GAB Tokens outstanding and no shares of Class C Common Stock or Series A Preferred Stock outstanding. We also have an outstanding warrant to purchase 50,000 shares of Class A Common Stock having an exercise price of \$2.09 per share, and outstanding options to purchase 572,486 shares of Class A Common Stock having an exercise price of \$0.157 per share.

The table below sets forth (a) as of the date of this Memorandum, and excluding options and warrants, the aggregate number of shares of capital stock outstanding, and (b) the number of shares of Common Stock and Preferred Stock that would be outstanding assuming this Offering is fully subscribed, and no additional shares are issued between the date of the Memorandum and the date of the closing of this Offering:

Holder	Pre-Offering				Post-Offering				
	Class A Common Stock Outstanding	GAB Tokens (Class B Common Stock)	Total Common Stock Outstanding	Percent of Outstanding Common Stock	Class A Common Stock Outstanding	GAB Tokens (Class B Common Stock)	Series A Preferred Stock	Total Common Stock Outstanding (Fully Diluted)	Percent of Outstanding Common Stock
Andrew Torba	6,000,000	0	6,000,000	85.77%	6,000,000	0	0	6,000,000	69.00%
Other Common Stock Holders	995,641	251,040	1,246,681	14.23%	995,641	251,040	0	1,246,681	14.34%
Series A Preferred Stock	0	0	0	0.00%	0	0	1,449,336.00	1,449,336	16.67%
Total Shares Outstanding:	6,995,641	251,040	7,246,681	100.00%	6,995,641	251,040	1,449,336.00	8,696,017	100.00%

The following summarizes the rights of holders of our Capital Stock as provided in our Amended and Restated Certificate of Incorporation.

Voting Rights

The holders of Class A Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. The holders of GAB Tokens, Class C Common Stock and Series A Preferred Stock have no voting rights.

Dividend Rights

Any dividends (other than dividends on Common Stock payable solely in Common Stock) set aside or paid in any fiscal year shall be set aside or paid on a *pro rata, pari passu* basis among the holders of Common Stock and Series A Preferred Stock then outstanding, in proportion to the greatest whole number of shares of Common Stock which would be held by each such holder, if all shares of Series A Preferred Stock were converted at the then-effective Conversion Rate (as defined below).

Liquidation Rights

In the event of any Deemed Liquidation Event (as defined below), the holders of Series A Preferred Stock shall be entitled to receive, on a *pari passu* basis, and prior and in preference to any distribution of any of the assets of the Company to the holders of Common Stock by reason of their ownership of such stock, an amount per share for each share of Series A Preferred Stock held by them equal to the sum of (i) \$6.90, is subject to adjustment from time to time as provided in the Amended and Restated Certificate of Incorporation, and (ii) all declared but unpaid dividends (if any) on such share of Series A Preferred Stock, or such lesser amount as may be approved by the holders of the majority of the outstanding shares of Series A Preferred Stock. If upon the Deemed Liquidation Event, the assets of the Company legally available for distribution to the holders of the Series A Preferred Stock are insufficient to permit the payment to such holders of the full amounts specified above, then the entire assets of the Company legally available for distribution shall be distributed with equal priority and *pro rata* among the holders of the Series A Preferred Stock in proportion to the full amounts they would otherwise be entitled to receive pursuant to the above. Shares of Series A Preferred Stock shall not be entitled to be converted into shares of Common Stock in order to participate in any Distribution, or series of Distributions, as shares of Common Stock, without first forgoing participation in the Distribution, or series of Distributions, as shares of Series A Preferred Stock.

A “**Deemed Liquidation Event**” shall be deemed to be occasioned by, or to include, (i) the acquisition of the Company by another entity by means of any transaction or series of related transactions to which the Company is party (including, without limitation, any stock acquisition, reorganization, merger or consolidation but excluding any sale of stock for capital raising purposes) other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, as a result of shares in the Company held by such holders prior to such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity (or if the Company or such other surviving or resulting entity is a wholly-owned subsidiary immediately following such acquisition, its parent); (ii) a sale, lease or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole by means of any transaction or series of related transactions, except where such sale, lease or other disposition is to a wholly-owned subsidiary of the Company; or (iii) any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. The treatment of any transaction or series of related transactions as a Deemed Liquidation Event pursuant to clause (i) or (ii) of the preceding sentence may be waived with respect to any series of Preferred Stock by the consent or vote of a majority of the outstanding shares of such series

Conversion Rights

Each share of Series A Preferred Stock is convertible, at any time, at the option of the holder thereof, into such number of fully paid and non-assessable shares of Class C Common Stock as is determined by dividing the Original Issue Price of the Series A Preferred Stock (as appropriately adjusted for stock splits, stock dividends, recapitalizations and the like) by the then applicable Conversion Price for a share of Series A Preferred Stock. The Original Issue Price per share of Series A Preferred Stock is \$6.90 and the Conversion Price per share of Series A Preferred Stock is currently \$6.90, however, is subject to adjustment from time to time as provided in the Amended and Restated

Certificate of Incorporation.

Each share of Series A Preferred Stock shall automatically be converted into fully-paid, non-assessable shares of Class C Common Stock at the then effective Conversion Rate for such share (i) immediately prior to the closing of a firm commitment underwritten initial public offering pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the “**Securities Act**”), covering the offer and sale of the Company’s Common Stock, provided that the aggregate gross proceeds to the Company are not less than \$15,000,000 (before payment of underwriters commissions and expenses), or (ii) upon the receipt by the Company of a written request for such conversion from the holders of a majority of the Series A Preferred Stock then outstanding (voting as a single class and on an as-converted basis), or, if later, the effective date for conversion specified in such requests.

Absence of Other Rights of Common Stock

Holders of Common Stock have no preferential, preemptive, conversion or exchange rights. There are no redemption or sinking fund provisions applicable to the Common Stock. When issued in accordance with our certificate of incorporation and Delaware General Corporation Law, shares of our Common Stock and Series A Preferred Stock will be fully paid and not liable to further calls or assessments by us. The Class A Common Stock, the GAB Tokens and the Class C Common Stock, have the same rights, except, the GAB Tokens and the Class C Common Stock have no voting rights.

Creation of Additional Classes of Preferred Stock

The board of directors may divide the remaining shares of Preferred Stock into any number of series, and fix the designation and number of shares of each such series. The board may determine and alter the rights, preferences, privileges and restrictions granted to and imposed upon any wholly unissued series of the Preferred Stock, including, but not limited to, voting rights, redemption rights, liquidation rights, conversion rights, dividend rights and participation rights. The board of directors (within the limits and restrictions of any resolution adopted by it, originally fixing the number of shares of any series) may increase or decrease the number of shares of any such series after the issue of shares of that series, but not below the number of then outstanding shares of such series.

USE OF PROCEEDS

We estimate that, at a per share price of \$6.90, the net proceeds from the sale of the 1,449,275 shares of Series A Preferred Stock in this Offering will be approximately \$9,485,000, after deducting the estimated offering expenses of approximately \$515,000 (including, payment to our third party crowdfunding platform provider and other offering expenses).

The table below sets forth the manner in which we intend to use the net proceeds we receive from this offering, assuming the sale of 25%, 50%, 75% and 100% of the Series A Preferred Stock we are offering. All amounts listed below are estimates.

	25%	50%	75%	100%
R&D and Production	\$500,000	\$1,000,000	\$1,000,000	\$1,500,000
Marketing	\$300,000	\$1,500,000	\$2,500,000	\$3,500,000
Working Capital	\$1,571,250	\$2,242,500	\$3,613,750	\$4,485,500
TOTAL	\$2,371,250	\$4,742,500	\$7,113,750	\$9,485,000

We reserve the right to change the above use of proceeds if management believes it is in our best interests.

The allocation of the net proceeds of the offering set forth above represents our estimates based upon our current plans, assumptions we have made regarding the industry, general economic conditions and our future revenues (if any) and expenditures.

Investors are cautioned that expenditures may vary substantially from the estimates above. Investors will be relying on the judgment of our management, who will have broad discretion regarding the application of the proceeds from this offering. The amounts and timing of our actual expenditures will depend upon numerous factors, including market conditions, cash generated by our operations (if any), business developments and the rate of our growth. We may find it necessary or advisable to use portions of the proceeds from this offering for other purposes.

In the event that we do not raise the entire amount we are seeking, then we may attempt to raise additional funds through private offerings of our securities or by borrowing funds. We do not have any committed sources of financing.

PLAN OF DISTRIBUTION

Purchaser Qualifications

Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Series A Preferred Stock offered hereby because (i) an investment in the Series A Preferred Stock involves a number of significant risks (see “**Risk Factors**”); and (ii) no market for the Series A Preferred Stock currently exists, and none is likely to develop in the reasonably foreseeable future. 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 U.S. persons that are accredited investors as defined in Regulation D under the Securities Act, meaning only those persons or entities coming within any one or more of the following categories:

- a. Any bank, as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; any broker-dealer registered pursuant to Section 15 of the Exchange Act; any insurance company, as defined in Section 2(13) of the Securities Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; and any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, that is either a bank, savings and loan association, insurance company or registered investment advisor, if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by person(s) that are accredited investor(s);
- b. Any private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940;
- c. Any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, any corporation, Massachusetts or similar business trust, or company, not formed for the specific purpose of acquiring the Series A Preferred Stock, with total assets in excess of \$5,000,000;
- d. Any director or executive officer of the Company;
- e. Any natural person whose individual net worth, or joint net worth with that person’s spouse, exclusive of the value of the person’s primary residence net of any mortgage debt and other liens, at the time of his or her purchase exceeds \$1,000,000;
- f. Any natural person who had an individual income in excess of \$200,000, or joint income with that person’s spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year;

- g. Any trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Series A Preferred Stock, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D; or
- h. Any entity all of whose equity owners are accredited investors.

The term “net worth” means the excess of total assets at fair market value (including personal and real property, but excluding the estimated fair market value of a person’s primary home) over total liabilities. Total liabilities excludes any mortgage on the primary home in an amount of up to the home’s estimated fair market value as long as the mortgage was incurred more than 60 days before the Series A Preferred Stock is purchased by the applicable purchaser, but includes (i) any mortgage amount in excess of the home’s fair market value and (ii) any mortgage amount that was borrowed during the 60-day period before the Series A Preferred Stock is purchased by the applicable purchaser. In determining income, each purchaser should add to his or her adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depreciation, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains had been reduced in arriving at adjusted gross income.

Each purchaser will be required to represent to the Company in writing that the purchaser is an accredited investor under Regulation D, as described above, and may also be required to provide certain documentation in support of such representation. In addition to the foregoing requirement, each purchaser must also represent in writing that the purchaser is acquiring the Series A Preferred Stock for the purchaser’s own account and not for the account of others and not with a view to resell or distribute such securities. Each purchaser shall also be required to represent and warrant that they are acquiring the Series A Preferred Stock in compliance with all applicable laws, rules, regulations and other legal requirements applicable to the purchaser including, without limitation, the legal requirements of jurisdictions in which such purchaser is resident and in which such acquisition is being consummated.

Other Requirements

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</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 our 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>

with some information about money laundering and the Company's efforts to help implement the USA PATRIOT Act.		
What the Company is required to do to help eliminate money laundering?		
Under new rules required by the USA PATRIOT Act, the Company's anti-money laundering program must designate a special compliance officer, set up employee training, conduct independent audits and establish policies and procedures designed to detect and report suspicious transaction and ensure compliance with the new laws and rules.	As part of the Company's required program, it may ask you to provide various identification documents or other information. Until you provide the information or documents that the Company needs, it may not be able to affect any transactions for you.	

Each purchaser should check the Office of Foreign Assets Control (the “OFAC”) website at <http://www.treas.gov/ofac> before making the following representations in the Series A Preferred Stock: Each purchaser will be required to represent that the amounts invested by the purchaser 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.

- a. Each purchaser will be required to represent and warrant in the Subscription Agreement that none of: (i) the purchaser; (ii) any person controlling or controlled by the purchaser; (iii) if the purchaser is a privately-held entity, any person having a beneficial interest in the purchaser; or (iv) any person for whom the purchaser is acting as agent or nominee in connection with such purchaser's purchase of the Series A Preferred Stock, 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 purchaser cannot make the representation set forth in the preceding sentence. Each purchaser is required to promptly notify the Company should the purchaser become aware of any change in the information set forth in any of these representations. The purchaser is advised that, by law, the Company may be obligated to “freeze the 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;

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

- b. Each purchaser will be required to represent and warrant in the Subscription Agreement that none of: (i) the purchaser; (ii) any person controlling or controlled by the purchaser; (iii) if the purchaser is a privately-held entity, any person having a beneficial interest in the purchaser; or (iv) any person for whom the purchaser is acting as agent or nominee in connection with the purchaser's purchase of the Series A Preferred Stock, is a senior foreign political figure², or any immediate family³ member or close associate⁴ of a senior foreign political figure, as such terms are defined in the footnotes below.
- c. If the purchaser is affiliated with a non-U.S. banking institution (a "**Foreign Bank**"), or if the purchaser receives deposits from, makes payments on behalf of, or handles other financial transactions related to a Foreign Bank, the purchaser will be required to represent and warrant in the Subscription Agreement to the Company that: (i) 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; (ii) the Foreign Bank maintains operating records related to its banking activities; (iii) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and (iv) 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.

How to Invest

To participate in this Offering, purchasers will need to (a) notify the Company that they wish to invest and (b) provide additional materials and documents which will prove the investor is accredited. The process requires evidence of accreditation status pursuant to Section 506(c) of the Securities Act, which can be satisfied by completing the accreditation process required after following the link received by electronic mail after having notified the Company in one of two manners: (i) submitting evidence proving asset worth or (ii) providing the contact information for their lawyer or CPA to attest on the purchaser's behalf. Additionally, purchasers will need to provide investment entity information, such as address and social security number or tax ID number, to pass KYC (Know Your Customer) and AML (Anti Money Laundering) checks.

Once accreditation and KYC/AML steps are complete, purchasers must complete, execute and deliver the following to the Company: (i) a signature page evidencing such prospective purchaser's execution of the Subscription Agreement and (ii) the investment amount by transfer of bitcoin (BTC) or such other cryptocurrency as the Company may in its sole discretion accept, from purchaser's digital wallet to the

² 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.

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

⁴ 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.

digital wallet address provided by the Company or by transfer of cash by wire transfer or certified check to the Company, the details of which shall be provided by the Company.

Subject to applicable laws, no purchaser may revoke any subscription that the purchaser delivers to the Company. If a subscription is wholly or partially rejected, subscription funds in the amount rejected will be returned to such purchaser, without interest, deduction or offset.

CERTAIN FOREIGN SECURITIES LAWS NOTICES

NOTICE TO RESIDENTS OF CANADA

THE SERIES A PREFERRED STOCK MAY BE SOLD ONLY TO PURCHASERS PURCHASING AS PRINCIPAL THAT ARE BOTH “ACCREDITED INVESTORS” AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS AND REGISTRATION EXEMPTIONS AND “PERMITTED CLIENTS” AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE SERIES A PREFERRED STOCK MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM THE PROSPECTUS REQUIREMENTS AND IN COMPLIANCE WITH THE REGISTRATION REQUIREMENTS OF APPLICABLE SECURITIES LAWS.

NOTICE TO RESIDENTS OF CHINA

THE SERIES A PREFERRED STOCK IS NOT BEING, AND MAY NOT BE, OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE PEOPLE’S REPUBLIC OF CHINA (FOR SUCH PURPOSES, NOT INCLUDING THE HONG KONG AND MACAU SPECIAL ADMINISTRATIVE REGIONS OR TAIWAN, THE “**PRC**”), EXCEPT AS PERMITTED BY THE SECURITIES AND OTHER LAWS AND REGULATIONS OF THE PEOPLE’S REPUBLIC OF CHINA. THE SERIES A PREFERRED STOCK MAY ONLY BE OFFERED OR SOLD TO PRC PURCHASERS THAT ARE AUTHORIZED TO ENGAGE IN THE PURCHASE OF INSTRUMENTS OF THE TYPE BEING OFFERED OR SOLD. PRC PURCHASERS ARE RESPONSIBLE FOR OBTAINING ALL RELEVANT GOVERNMENT REGULATORY APPROVALS AND LICENSES, VERIFICATION AND/OR REGISTRATION THEMSELVES, AND COMPLYING WITH ALL RELEVANT PRC REGULATIONS, INCLUDING ANY RELEVANT FOREIGN EXCHANGE AND OVERSEAS INVESTMENT REGULATIONS.

NOTICE TO RESIDENTS OF HONG KONG

SERIES A PREFERRED STOCK MAY NOT BE OFFERED OR SOLD IN HONG KONG BY MEANS OF ANY DOCUMENT OTHER THAN (I) IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE ANY OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE (CAP. 32 OF THE LAWS OF HONG KONG) (THE “**CWUMP ORDINANCE**”) OR WHICH DO NOT CONSTITUTE AN INVITATION TO THE PUBLIC WITHIN THE MEANING OF THE SECURITIES AND FUTURES ORDINANCE (CAP. 571 OF THE LAWS OF HONG KONG) (“**SECURITIES AND FUTURES ORDINANCE**”), OR (II) TO “PROFESSIONAL INVESTORS” AS DEFINED IN THE SECURITIES AND FUTURES ORDINANCE AND ANY RULES MADE THEREUNDER, OR (III) IN OTHER CIRCUMSTANCES WHICH DO NOT RESULT IN THIS MEMORANDUM BEING A “PROSPECTUS” AS DEFINED IN THE CWUMP ORDINANCE, AND NO ADVERTISEMENT, INVITATION OR DOCUMENT RELATING TO THE SERIES A PREFERRED STOCK MAY BE ISSUED OR MAY BE IN THE POSSESSION OF ANY PERSON FOR THE PURPOSE OF ISSUE (IN EACH CASE WHETHER IN HONG KONG OR ELSEWHERE), 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 INSTRUMENTS WHICH ARE OR ARE INTENDED TO BE DISPOSED OF ONLY TO PERSONS OUTSIDE OF HONG KONG OR ONLY TO “PROFESSIONAL INVESTORS” IN HONG KONG AS

DEFINED IN THE SECURITIES AND FUTURES ORDINANCE AND ANY RULES MADE THEREUNDER.

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

IN RELATION TO EACH MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A “**RELEVANT MEMBER STATE**”), THE SERIES A PREFERRED STOCK AND ANY RELATED DOCUMENTS ARE BEING DISTRIBUTED ONLY TO, AND DIRECTED ONLY AT (AND ANY RELATED PURCHASE ACTIVITY WILL BE ENGAGED ONLY WITH) (A) A LEGAL ENTITY THAT IS A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS DIRECTIVE, (B) FEWER THAN 150 NATURAL OR LEGAL PERSONS (OTHER THAN QUALIFIED INVESTORS AS DEFINED IN THE PROSPECTUS DIRECTIVE), SUBJECT TO OBTAINING THE PRIOR CONSENT OF ANY REPRESENTATIVE FOR ANY SUCH OFFER; OR (C) PERSON THE SALES TO WHOM WOULD BE IN ANY OTHER CIRCUMSTANCE FALLING WITHIN ARTICLE 3(2) OF THE PROSPECTUS DIRECTIVE; PROVIDED THAT NO SUCH TRANSACTION MAY RESULT IN A REQUIREMENT FOR THE PUBLICATION BY THE COMPANY OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE. THE EXPRESSION “PROSPECTUS DIRECTIVE” MEANS DIRECTIVE 2003/71/EC (AS AMENDED), INCLUDING BY DIRECTIVE 2010/73/EU, AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE. THIS EUROPEAN ECONOMIC AREA SELLING RESTRICTION IS IN ADDITION TO ANY OTHER APPLICABLE SELLING RESTRICTIONS SET FORTH HEREIN.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

IN THE UNITED KINGDOM THE SERIES A PREFERRED STOCK IS BEING DISTRIBUTED ONLY TO, AND ARE DIRECTED ONLY AT (AND ANY PURCHASE ACTIVITY TO WHICH THEY RELATE WILL BE ENGAGED ONLY WITH) (I) INVESTMENT PROFESSIONALS (WITHIN THE MEANING OF ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE “**FPO**”)); (II) PERSONS OR ENTITIES OF A KIND DESCRIBED IN ARTICLE 49 OF THE FPO; (III) CERTIFIED SOPHISTICATED INVESTORS (WITHIN THE MEANING OF ARTICLE 50(1) OF THE FPO); AND (IV) OTHER PERSONS TO WHOM THEY MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). PERSONS WHO ARE NOT RELEVANT PERSONS SHOULD NOT TAKE ANY ACTION IN CONNECTION WITH THE SERIES A PREFERRED STOCK OR BASED UPON ANY DOCUMENTS USED IN CONNECTION THEREWITH. IT IS A CONDITION OF THE PURCHASER’S ACQUISITION OF THE SERIES A PREFERRED STOCK THAT THE PURCHASER WARRANT TO THE COMPANY, ITS DIRECTORS, AND ITS OFFICERS THAT THE PURCHASER IS A RELEVANT PERSON. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH HAVE NOT BEEN APPROVED BY ANY AUTHORIZED PERSON.

NOTICE TO RESIDENTS OF JAPAN

THE SERIES A PREFERRED STOCK IS BEING OFFERED TO A LIMITED NUMBER OF QUALIFIED INSTITUTIONAL INVESTORS (TEKIKAKU KIKAN TOSHIKA, AS DEFINED IN THE SECURITIES EXCHANGE LAW OF JAPAN (LAW NO. 25 OF 1948, AS AMENDED)) AND/OR A SMALL NUMBER OF INVESTORS, IN ALL CASES UNDER CIRCUMSTANCES THAT WILL FALL WITHIN THE PRIVATE PLACEMENT EXEMPTION FROM THE REGISTRATION

REQUIREMENTS OF THE SECURITIES EXCHANGE LAW AND OTHER RELEVANT LAWS AND REGULATIONS OF JAPAN. AS SUCH, THE SERIES A PREFERRED STOCK HAS NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE SECURITIES EXCHANGE LAW OF JAPAN. PURCHASERS OF THE SERIES A PREFERRED STOCK AGREE NOT TO RE-TRANSFER OR RE-ASSIGN THE SERIES A PREFERRED STOCK TO ANYONE OTHER THAN NON-RESIDENTS OF JAPAN EXCEPT PURSUANT TO A PRIVATE PLACEMENT EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF, AND OTHERWISE IN COMPLIANCE WITH, THE SECURITIES EXCHANGE LAW AND OTHER RELEVANT LAWS AND REGULATIONS OF JAPAN.

NOTICE TO THE RESIDENTS OF THE RUSSIAN FEDERATION

THE SERIES A PREFERRED STOCK AND ANY RELATED DOCUMENTS ARE NOT AN OFFER, OR AN INVITATION TO MAKE OFFERS, TO SELL, PURCHASE, EXCHANGE OR OTHERWISE TRANSFER SECURITIES OR FOREIGN FINANCIAL INSTRUMENTS TO OR FOR THE BENEFIT OF ANY PERSON OR ENTITY RESIDENT, INCORPORATED, ESTABLISHED OR HAVING THEIR USUAL RESIDENCE IN THE IN THE RUSSIAN FEDERATION, EXCEPT “QUALIFIED INVESTORS” (AS DEFINED UNDER RUSSIAN SECURITIES LAWS) TO THE EXTENT PERMITTED UNDER RUSSIAN SECURITIES LAWS. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH ARE NOT AN ADVERTISEMENT IN CONNECTION WITH THE “PLACEMENT” OR A “PUBLIC CIRCULATION” (AS BOTH TERMS ARE DEFINED UNDER RUSSIAN SECURITIES LAW) OF ANY SECURITIES, AND THE SERIES A PREFERRED STOCK IS NOT INTENDED FOR “PLACEMENT” OR “PUBLIC CIRCULATION” IN THE RUSSIAN FEDERATION, IN EACH CASE UNLESS OTHERWISE PERMITTED UNDER RUSSIAN SECURITIES LAWS. NEITHER THE SERIES A PREFERRED STOCK NOR A PROSPECTUS RELATING HERETO HAVE BEEN OR WILL BE REGISTERED WITH THE CENTRAL BANK OF THE RUSSIAN FEDERATION.

NOTICE TO RESIDENTS OF SINGAPORE

THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH HAVE NOT BEEN REGISTERED AS A PROSPECTUS WITH THE MONETARY AUTHORITY OF SINGAPORE UNDER THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE (“SFA”). ACCORDINGLY, THE SERIES A PREFERRED STOCK AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFER OR SALE, OR INVITATION FOR SUBSCRIPTION OR PURCHASE, THEREOF MAY NOT BE CIRCULATED OR DISTRIBUTED, NOR MAY IT 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 UNDER SECTION 274 OF THE SFA, (II) TO A RELEVANT PERSON PURSUANT TO SECTION 275(1), OR ANY PERSON PURSUANT TO SECTION 275(1A), 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 PROVISION OF THE SFA. WHERE ANY SERIES A PREFERRED STOCK IS SUBSCRIBED FOR OR PURCHASED UNDER SECTION 275 OF THE SFA BY A RELEVANT PERSON WHICH IS A TRUST (WHERE THE TRUSTEE IS NOT AN ACCREDITED INVESTOR (AS DEFINED IN SECTION 4A OF THE SFA)) WHOSE SOLE PURPOSE IS TO HOLD INVESTMENTS AND EACH BENEFICIARY OF THE TRUST IS AN ACCREDITED INVESTOR, THE BENEFICIARIES’ RIGHTS AND INTEREST (HOWSOEVER DESCRIBED) IN THAT TRUST SHALL NOT BE TRANSFERABLE FOR 6 MONTHS AFTER THAT TRUST HAS

ACQUIRED THE SHARES UNDER SECTION 275 OF THE SFA EXCEPT (I) TO AN INSTITUTIONAL INVESTOR UNDER SECTION 274 OF THE SFA OR TO A RELEVANT PERSON (AS DEFINED IN SECTION 275(2) OF THE SFA), (II) WHERE SUCH TRANSFER ARISES FROM AN OFFER THAT IS MADE ON TERMS THAT SUCH RIGHTS OR INTEREST ARE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S\$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION (WHETHER SUCH AMOUNT IS TO BE PAID FOR IN CASH OR BY EXCHANGE OF SECURITIES OR OTHER ASSETS), (III) WHERE NO CONSIDERATION IS OR WILL BE GIVEN FOR THE TRANSFER, (IV) WHERE THE TRANSFER IS BY OPERATION OF LAW, (V) AS SPECIFIED IN SECTION 276(7) OF THE SFA, OR (VI) AS SPECIFIED IN REGULATION 32.

NOTICE TO RESIDENTS OF SOUTH KOREA

THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH ARE NOT, AND UNDER NO CIRCUMSTANCES MAY BE CONSTRUED AS, A PUBLIC OFFERING OF SECURITIES IN SOUTH KOREA. NEITHER THE COMPANY NOR ANY PLACEMENT AGENT MAY MAKE ANY REPRESENTATION WITH RESPECT TO THE ELIGIBILITY OF ANY PERSON TO ACQUIRE A SERIES A PREFERRED STOCK UNDER THE LAWS OF SOUTH KOREA, INCLUDING, WITHOUT LIMITATION, INDIRECT INVESTMENT ASSET MANAGEMENT BUSINESS LAW, THE SECURITIES AND EXCHANGE ACT AND THE FOREIGN EXCHANGE TRANSACTION ACT AND REGULATIONS THEREUNDER. THE SERIES A PREFERRED STOCK HAS NOT BEEN REGISTERED UNDER THE SECURITIES AND EXCHANGE ACT, SECURITIES INVESTMENT TRUST BUSINESS ACT OR THE SECURITIES INVESTMENT COMPANY ACT OF SOUTH KOREA AND THE SERIES A PREFERRED STOCK MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, OR OFFERED OR SOLD TO ANY PERSON FOR REOFFERING OR RESALE, DIRECTLY OR INDIRECTLY, IN SOUTH KOREA OR TO ANY RESIDENT OF SOUTH KOREA, EXCEPT PURSUANT TO THE APPLICABLE LAWS AND REGULATIONS OF SOUTH KOREA.

NOTICE TO RESIDENTS OF SWITZERLAND

SERIES A PREFERRED STOCK MAY NOT BE PUBLICLY OFFERED IN SWITZERLAND AND WILL NOT BE LISTED ON THE SIX SWISS EXCHANGE (“**SIX**”) OR ON ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. SERIES A PREFERRED STOCK AND ANY RELATED DOCUMENTS HAVE BEEN PREPARED WITHOUT REGARD TO THE DISCLOSURE STANDARDS FOR ISSUANCE PROSPECTUSES UNDER ART. 652A OR ART. 1156 OF THE SWISS CODE OF OBLIGATIONS OR THE DISCLOSURE STANDARDS FOR LISTING PROSPECTUSES UNDER ART. 27 FF. OF THE SIX LISTING RULES OR THE LISTING RULES OF ANY OTHER STOCK EXCHANGE OR REGULATED TRADING FACILITY IN SWITZERLAND. NEITHER SERIES A PREFERRED STOCK NOR ANY RELATED MARKETING MATERIAL MAY BE PUBLICLY DISTRIBUTED OR OTHERWISE MADE PUBLICLY AVAILABLE IN SWITZERLAND. THE SERIES A PREFERRED STOCK AND ANY RELATED MARKETING MATERIALS HAVE NOT BEEN AND WILL NOT BE FILED WITH OR APPROVED BY ANY SWISS REGULATORY AUTHORITY, PARTICULARLY INCLUDING THE SWISS FINANCIAL MARKET SUPERVISORY AUTHORITY (“**FINMA**”), AND THEY HAVE NOT BEEN AUTHORIZED UNDER THE SWISS FEDERAL ACT ON COLLECTIVE INVESTMENT SCHEMES (“**CISA**”). THE PROTECTIONS AFFORDED TO ACQUIRERS OF INTERESTS IN COLLECTIVE INVESTMENT

SCHEMES UNDER THE CISA DOES NOT EXTEND TO ACQUIRERS OF SERIES A PREFERRED STOCK.

NOTICE TO RESIDENTS OF ISRAEL

THE COMPANY DOES NOT INTEND TO OFFER THE SERIES A PREFERRED STOCK TO THE PUBLIC IN ISRAEL WITHIN THE MEANING OF THE ISRAELI SECURITIES LAW, 1968, OR OFFER SERIES A PREFERRED STOCK, WITHIN ANY SPECIFIC YEAR, TO MORE THAN 35 OFFEREEES RESIDENT IN ISRAEL. EACH OFFEREE MUST AND HEREBY DOES WARRANT TO THE COMPANY THAT IT IS PURCHASING SERIES A PREFERRED STOCK FOR INVESTMENT PURPOSES ONLY AND NOT FOR PURPOSES OF RESALE.

NOTICE TO RESIDENTS OF UKRAINE

THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH DO NOT CONSTITUTE AN OFFER OF THE SERIES A PREFERRED STOCK IN THE UKRAINE. THE SERIES A PREFERRED STOCK HAS NOT BEEN OFFERED OR SOLD, AND WILL NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, IN THE UKRAINE, EXCEPT AS MAY BE PERMITTED BY LAW.

NOTICE TO RESIDENTS OF INDIA

THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH AND ANY RELATED DOCUMENTS DO NOT CONSTITUTE AN OFFER TO SELL TO OR AN OFFER TO BUY INTEREST FROM ANY PERSON OTHER THAN THE PERSON TO WHOM THIS MEMORANDUM HAS BEEN SENT BY THE COMPANY OR ITS AUTHORIZED AGENTS. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH SHOULD NOT BE CONSTRUED AS A PROSPECTUS. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH ARE NOT BEING OFFERED FOR SALE OR SUBSCRIPTION BUT ARE BEING PRIVATELY PLACED WITH A LIMITED NUMBER OF SOPHISTICATED INVESTORS, AND PROSPECTIVE INVESTORS MUST OBTAIN LEGAL ADVICE THAT THEY ARE ENTITLED TO SUBSCRIBE FOR THESE INSTRUMENTS AND MUST COMPLY WITH ALL RELEVANT INDIAN LAWS IN THIS RESPECT.

NOTICE TO RESIDENTS OF AUSTRALIA

NO SERIES A PREFERRED STOCK, PLACEMENT DOCUMENT, PROSPECTUS, PRODUCT DISCLOSURE STATEMENT OR OTHER DISCLOSURE DOCUMENT HAS BEEN LODGED WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION (ASIC), IN RELATION TO THIS OFFERING. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH AND ANY RELATED DOCUMENTS DO NOT CONSTITUTE A PROSPECTUS, PRODUCT DISCLOSURE STATEMENT OR OTHER DISCLOSURE DOCUMENT UNDER THE CORPORATIONS ACT 2001 (OR THE CORPORATIONS ACT) AND DO NOT PURPORT TO INCLUDE THE INFORMATION REQUIRED THEREFOR. ANY OFFER IN AUSTRALIA OF THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH MAY ONLY BE MADE TO “SOPHISTICATED INVESTORS” (WITHIN THE MEANING OF SECTION 708(8) OF THE CORPORATIONS ACT), “PROFESSIONAL INVESTORS” (WITHIN THE MEANING OF SECTION 708(11) OF THE CORPORATIONS ACT) OR OTHERWISE PURSUANT TO ONE OR MORE EXEMPTIONS CONTAINED IN SECTION 708 OF

THE CORPORATIONS ACT SO THAT IT IS LAWFUL TO OFFER THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH WITHOUT DISCLOSURE TO INVESTORS UNDER CHAPTER 6D OF THE CORPORATIONS ACT. THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH MUST NOT BE OFFERED FOR SALE IN AUSTRALIA IN THE PERIOD OF 12 MONTHS AFTER THE DATE OF ALLOTMENT UNDER THIS OFFERING, EXCEPT IN CIRCUMSTANCES (I) WHERE DISCLOSURE TO PURCHASERS UNDER CHAPTER 6D OF THE CORPORATIONS ACT WOULD NOT BE REQUIRED PURSUANT TO AN EXEMPTION UNDER SECTION 708 OF THE CORPORATIONS ACT OR OTHERWISE OR (II) WHERE THE OFFER IS PURSUANT TO A DISCLOSURE DOCUMENT WHICH COMPLIES WITH CHAPTER 6D OF THE CORPORATIONS ACT. ANY PERSON ACQUIRING THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH MUST OBSERVE SUCH AUSTRALIAN ON-SALE RESTRICTIONS.

NOTICE TO RESIDENTS OF THAILAND

THE SERIES A PREFERRED STOCK AND ANY DOCUMENTS USED IN CONNECTION THEREWITH HAVE NOT BE APPROVED BY THE OFFICE OF THE THAI SECURITIES EXCHANGE COMMISSION (“TSEC”), AND NO REGISTRATION STATEMENT AND DRAFT PROSPECTUS HAVE BEEN FILED WITH THE TSEC AND HAVE BECOME EFFECTIVE, IN RELIANCE ON APPLICABLE EXEMPTIONS FROM SUCH REQUIREMENTS, INCLUDING FOR OFFERS TO “INSTITUTIONAL INVESTORS” UNDER THE SECURITIES AND EXCHANGE ACT AND ANY RELATED ACT OR RULES.

NOTICE TO RESIDENTS OF BRAZIL

THE OFFER OF SERIES A PREFERRED STOCK HAS NOT BEEN AND WILL NOT BE ISSUED NOR PLACED, DISTRIBUTED, OFFERED OR NEGOTIATED IN THE BRAZILIAN CAPITAL MARKETS. NEITHER THE COMPANY NOR THE ISSUANCE OF SERIES A PREFERRED STOCK HAS BEEN OR WILL BE REGISTERED WITH THE BRAZILIAN SECURITIES AND EXCHANGE COMMISSION (COMISSÃO DE VALORES MOBILIÁRIOS, THE CVM). THEREFORE, NEITHER THE COMPANY NOR ANY OF ITS AGENTS HAS OFFERED OR SOLD, AND WILL NOT OFFER OR SELL, THE SERIES A PREFERRED STOCK IN BRAZIL, EXCEPT IN CIRCUMSTANCES WHICH DO NOT CONSTITUTE A PUBLIC OFFERING, PLACEMENT, DISTRIBUTION OR NEGOTIATION OF SECURITIES IN THE BRAZILIAN CAPITAL MARKETS REGULATED BY BRAZILIAN LEGISLATION.

NOTICE TO RESIDENTS OF ARGENTINA

THE SERIES A PREFERRED STOCK IS NOT AUTHORIZED FOR PUBLIC OFFERING IN ARGENTINA AND THEY MAY NOT BE SOLD PUBLICLY UNDER THE ARGENTINE CAPITAL MARKETS LAW NO. 26,831, AS AMENDED. THEREFORE, ANY SUCH TRANSACTION MUST BE MADE PRIVATELY.

NOTICE TO RESIDENTS OF ALL OTHER JURISDICTIONS

NO ACTION HAS BEEN TAKEN TO PERMIT THE OFFER, SALE, POSSESSION OR DISTRIBUTION OF THE SERIES A PREFERRED STOCK OR ANY RELATED DOCUMENTS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. THE PURCHASERS

ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE ANY RESTRICTIONS RELATING TO, THE SERIES A PREFERRED STOCK AND ANY RELATED DOCUMENTS IN THE PURCHASER'S JURISDICTION.