



CRYPTO ARTIFICIAL INTELLIGENCE FUND

White Paper 2021



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EXECUTIVE SUMMARY

In a little more than a decade after bitcoin's inception, the cryptocurrency market cap has surpassed the \$2 trillion mark. What was once a space reserved for individuals with specific interests in blockchain technology, are now attracting demand from governments, corporate players, institutional and retail investors. As momentum and interest surges beyond Bitcoin and Ethereum, the growing cryptocurrency markets are outperforming the traditional asset classes by a huge margin. The entry of global companies and institutions such as: Tesla Inc, Blackrock, BNY Mellon, have further brought cryptocurrencies a giant step closer into the mainstream spotlight.



CAI ETF PORTFOLIO SEEKS A BALANCE BETWEEN RISKS AND REWARDS BY INVESTING IN ASSETS AT BOTH ENDS OF THE RISK SPECTRUM

Tremendous as the growth may be within these few short years, it is incredibly challenging for financial advisors, family offices, and institutional investors to enter and explore this nascent space.

In a little more than a decade after bitcoin's inception, the cryptocurrency market cap has surpassed the \$2 trillion mark. What was once a space reserved for individuals with specific interests in blockchain technology, are now attracting demand from governments, corporate players, institutional and retail investors. As momentum and interest surges beyond Bitcoin and Ethereum, the growing



cryptocurrency markets are outperforming the traditional asset classes by a huge margin. The entry of global companies and institutions such as: Tesla Inc, Blackrock, BNY Mellon, have further brought cryptocurrencies a giant step closer into the mainstream spotlight. As the cryptocurrency asset classes continue to mature, the volatility of the market coupled with the lack of regulatory framework keeps many potential investors at bay.

Price volatility in cryptocurrency may be welcomed or even desired by short-term trades. However, it can be a deterrence to long-term investors looking for stability. With that in mind, CAI Hedge Fund ETF applies the Barbell strategy - maintaining an investment portfolio strategy with exposures to two ends of the risk spectrum, with little in between.

CAI ETF portfolio seeks a balance between risks and rewards by investing in assets at both ends of the risk spectrum, while avoiding assets classified under the middle of the spectrum. Through historical data records, it is shown that adopting such a strategy has allowed investors to gain greater-than-average returns during periods of market volatility. The “SAFE” half of the strategy consists of exposures to Fiat-Collateralized Stablecoins.





The Stablecoins maintain a fiat currency reserve, like the U.S. dollar, as collateral to issue a suitable number of cryptocurrency coins. Take for example: Binance USD (BUSD) is a 1:1 USD-backed stablecoin approved by the New York State Department of Financial Services (NYDFS), issued in partnership with Paxos. The “BIG PAYOFF” half of the strategy consists of exposures to other cryptocurrencies that can be traded on a short-term basis, typically less than a week. Each trade order is exposed to a maximum risk of 7% to 9% losses, with a higher potential of 5% to 30% profits.

Launched in 2021 – at the peak of Bitcoin and Ethereum’s rally – CAI ETF offers an alternative to pricey Hedge funds that dominate the fledgling cryptocurrency fund sector. It is an all-in-one solution for investors keen on the volatile cryptocurrency asset classes without sacrificing stability.

The total value of the CAI ETF is represented by issued CAI tokens.

$$\text{NAV per token} = \frac{\text{Fund Assets} - \text{Fund Liabilities}}{\text{Number of Issued Tokens}}$$

(Net Asset Value)

There may be differences between the exchange price for the CAI ETF and the NAV per CAI token. In order to maintain balance between the CAI ETF's market value and NAV value, CAI Investment Management LLC may issue new tokens to over-the-counter (OTC) buyers.

Interested OTC buyers will contact CAI Investment Management LLC using telegram or email to indicate interest. The price must be higher than the latest listed CAI Token NAV. The OTC purchase process will be considered complete after buyer accepted price offered, paid



and takes possession of the new tokens. If the exchange price is trading higher as compared to the NAV, the Company can intervene by buying the ETF's underlying crypto assets, while simultaneously selling CAI ETF tokens on the exchanges. All profits will go into the fund assets.

If the ETF is trading lower as compared to Token NAV, the company can snap up undervalued tokens in the exchanges and redeem them for the underlying crypto assets, which can be resold. Through the purchase of undervalued ETF Tokens, the company pushes the price of the ETF back toward fair value while making a profit simultaneously.

CAI ETF is an BEP20 token based on the Binance Smart Chain. We have selected BSC due to its scalability, transaction speed, low costs, as well as security. Investors are free to sell their CAI tokens in listed exchanges at any time without exit or broker fees. A diversified exposure to Stablecoins and renowned cryptocurrencies allow CAI tokens to maintain accountability and stability within its exchange prices.

In short, CAI ETF can be summarized as a union of a traditional investment vehicle to the crypto-native factors surrounding liquidity, security, regulatory status, market representation, network distributions. CAI ETF is offering to institutional and retail investors an opportunity to explore and capture a new and very promising asset class.

INDUSTRY BACKGROUND

Based on the data from CoinMarketCap, as of Jan 2021, there are nearly 1400 cryptocurrencies that can be traded for crypto and fiat currencies. However, this abundance in investment options creates even more hurdles and confusion for entry among institutional and retail investors. The existence of multiple exchanges, intermediaries and associated fees



can also translate to rather unfeasible transactions from crypto to fiat and vice versa. As the pace of progress accelerates, so do the risks involved in cryptocurrency investment.

CRYPTOCURRENCY CHALLENGES

Cryptocurrencies and tokens on the blockchain are taking over market shares of the global financial market at a frightening pace. However, research has shown that potential investors face two main challenges entering this alternative investment filled with immense opportunities. These challenges are:

Volatility

Nearly all cryptocurrencies on the market exhibit relatively high volatility. According to a study published by Skidmore College, this may change over time, but anywhere soon. Volatility remains one of the main problems with cryptocurrencies, which is attributed to their illiquidity. It is not uncommon to see a \$25k investment plunge to \$8k within a day due to market fluctuations – a risk not many investors are willing to accept.

By 2021, Bitcoin's rate of volatility—had spiked beyond 90% in February, before dropping to 86% in March. The six-month metric has also levelled out at around 73%. While many financial experts expect for cryptocurrencies to eventually level out to a rate similar to fiat currencies, it is important to note that digital assets do not fall under the same central control that fiat currencies do. As such, cryptocurrencies will likely fluctuate. The situation worsens for cryptocurrencies with a smaller market capitalization. Their price swings are far greater and more frequent. Even minor events can trigger fluctuations. Due to price volatility, the majority of people are cautious towards cryptocurrency investments.



Correlation

Potential investors face strong positive correlation between the values of cryptocurrencies. Few crypto assets are negatively correlated. At current, it is difficult to manage a crypto asset portfolio and expect stable gains due to the values of the majority of cryptocurrencies in the market being strongly correlated. Take for example: when the price of bitcoin fluctuates, the majority of the other crypto assets follow accordingly. They share similar characteristics, and as such, are exposed to similar risks. Bitcoin's dominance is roughly 50% of the crypto market cap; and its use as payment method for trading other cryptocurrencies, or altcoins, are amongst contributing factors to its strong positive correlation.

CAI ETF – THE SOLUTION

Our solution to both challenges is to merge cryptocurrencies with the traditional model of an index fund. This new asset will include the best of what the physical and digital worlds can offer, while simultaneously downplay their weaknesses.

CAI ETF, through its product and tokens, is positioned to solve the shortcomings of the traditional economic system and achieve a high degree of adoption and liquidity. By embracing elements from both models, CAI ETF will revolutionize an ecosystem that permit investors to realize their earnings in a way that guarantees:

Security

CAI ETF is built on the Binance Smart Chain – a decentralized platform for applications that run exactly as programmed without any chance of fraud, censorship or third-party interference. It is also backed by blockchain technology and a clear, rules-based and transparent process



that involves measures surrounding liquidity, capital controls, trading venue stability, custody limitations, and other factors in a rules-based manner.

Popularity

As more governments and businesses embrace cryptocurrency, as well as the investment sectors seeking financial systems on blockchain technology, cryptocurrency's appeal as an alternative investment will continue to march on.

Cryptocurrencies are rising rapidly in popularity among users and community members. On the other hand, exchanged-traded funds are the investment of choice for cautious investors. A cryptocurrency exchange-traded fund index fund is the marriage between the innovative technologies and the traditional, risk-averse investment. CAI ETF indeed holds a unique position of its own.

BENEFITS OF A CRYPTO ETF

CAI ETF carves a new frontier in the evolution of money and alternative investments. It transcends the simple functionality of the digital currency and the role of exchange-traded funds in traditional markets. The amalgamation of crypto assets and the traditional model of an exchange-traded fund brings several key benefits to investors – Stability, Diversification, High Liquidity.

Stability

CAI tokens are less likely to suffer the huge volatility prevalent in the crypto market. Investors can benefit from the exponential growth of a novel asset class in a secure and steady manner.



Diversification

CAI tokens have lower correlation with other crypto assets due to the composition of its backing assets. This makes it the perfect portfolio diversifier.

High Liquidity

CAI tokens commands that high liquidity native to Cryptocurrencies which have evolved into globally recognized digital assets. CAI ETF is an excellent hedging and long-term investment alternative for investors who wish to diversify their portfolio. Further backed by blockchain technology, CAI ETF provides an excellent balance of technology and asset allocation to gain the best of both worlds.

CAI FUND PROJECT ECONOMICS

Planned Token Supply: 18, 888 , 888

ICO Price: \$1.00

ICO Token Supply: 80, 000

Token Standard: BEP20

CAI FUND PROJECT TIMELINE

CAI ETF Token ICO

- March to September 2021 : CAI ICO Round
- October 2021 : Public Launch on Defi Exchange



ICO FUNDS UTILIZATION

Tokens can be acquired at the Initial Coin Offering (ICO). These tokens represent an investor's share of the portfolio. 98% of the total amount raised will go into cryptocurrencies purchase. 0.5% will go towards legal fees to ensure that CAI ETF is compliant with regulations upon exchange trading. 1.5% will be allocated as a marketing budget. Any unused funds from the 2% operating expense allocation will be utilized in a discretionary capacity once CAI ETF tokens has commenced exchange trading.

TRADING STRATEGY

CAI ETF runs proprietary artificial intelligence (AI) bots via API integration with multiple exchanges. These AI bots scan crypto tokens prices and perform pattern-matching against the historic chart patterns in the system. After a certain pattern has been matched, the bots will place a buy order for the cryptocurrency. Backend calls to exchange API services will be utilized to find optimum routes on different trading pairs in order to obtain the best possible entry prices, competitive rates and exchange fees.

After the buy order is executed, the bots create a One Cancels the Other (OCO) order with a Stop-Loss Limit (91% to 93% of the "Buy" price) and a target Take-Profit (105% to 130% of the "Buy" Price).

An OCO (One Cancels the Other) order combines a limit order and a stop-limit order, but only executes one of the two. As soon as one of the orders gets partially or fully executed, the remaining one is automatically cancelled. Cancelling any one of the orders will result in the cancellation of the other.



SECURITY & TRANSPARENCY

The Company has implemented security industry best practices for defence against attacks and bad actors in cooperation with our team of expert advisors. Strong identity verification and authentication procedures will ensure secure operations.

The smart contract code has been thoroughly audited by Kaspersky Lab (<https://www.kaspersky.com/>) for vulnerabilities, confirmation of operation as described in this White Paper, static and manual analysis of the smart contract, gas analysis and verification of the deployment procedure.

The company will do a monthly update of the token NAV on our website.

REPORTING

Accounting standards for cryptocurrencies remain unclear. The International Accounting Standards Board (IASB) will either create a new standard or amend existing standards to address accounting for investments in intangible assets, including digital currencies. The IASB might take years to develop and implement a new standard – considering all possibilities early that CAI ETF may set a benchmark and exemplify token credibility as an alternative investment vehicle.

The Company has conducted an analysis into the audit and accounts requirements to best comply with existing legislation. CAI ETF will



operate on a quarterly reporting basis with annual accounts. The quarterly reports include information on governmental risk and legislation, risk/return analysis, portfolio performance and end of year predictive market analysis. Financial reports will include the following:

- A balance sheet and a statement of the portfolio's total investment value
- An income statement for the period covered
- A list of the portfolio's amounts and the balance sheet issuance date
- A statement of salaries or any other monies paid to the directors, advisory board and officers
- Total amounts of crypto purchases and sales

The information will be made available on the investor portal of the CAI ETF website.

CONCLUSION

A Barbell Strategy portfolio consisting of 50% Fiat-Collateralized Stablecoins and 50% diversified short term crypto assets, with a weekly rebalancing produces a balance of broad market exposure and acceptable turnover. CAI ETF holds a unique position of its own and is undoubtedly poised to carve a new frontier for cryptocurrency investments. It aims to bring minimal-fee, broad market exposure crypto investment to the mainstream with a single token offering.



As a transparent, secure and asset-linked 'token-as-a-portfolio', CAI ETF is an excellent hedging and long-term investment alternative.

DISCLAIMER OF LIABILITY

In no event shall the Company or any current or former employees, officers, directors, partners, trustees, representative, agents, advisors, contractors, or volunteers of the Company (hereinafter the "Company Representatives") be responsible or accountable or liable in any way whatsoever to any purchaser of Tokens for any loss of profits or otherwise or for any lost savings or for any incidental direct indirect special or consequential damages in each case arising out of or from or in connection with:

- a) any failure by the Company or any of its affiliated companies to deliver or realise all or any part of the project or the platform or the membership network or the Token features described in or envisaged by the Available Information;
- b) the breach of any of these Terms by the Company or by the Company Representatives or by you or by any third party;
- c) any security risk or security breach or security threat or security attack or any theft or loss of data including but not limited to hacker attacks, losses of password, losses of private keys, or anything similar;
- d) mistakes or errors in code, text, or images involved in the Token Sale or in any of the Available Information; or
- e) any information contained in or omitted from the Available Information;



- f) any expectation promise representation or warranty arising (or purportedly arising) from the Available Information;
- g) the volatility in pricing of Tokens in any countries and/or on any exchange or market (regulated, unregulated, primary, secondary or otherwise);
- h) the purchase use sale resale redemption or otherwise of the Tokens;
or
- i) your failure to properly secure any private key to a wallet containing Tokens, (collectively, the “Excluded Liability Matters”).

The Available Information (including the Website and the White Paper) and the Tokens are provided on an “as is” basis and without any representations or warranties of any kind, either express or implied. You assume all responsibility and risk with respect to your use of the Available Information and purchasing of any amount of Tokens and their use. If applicable law does not allow all or any part of the above limitation of liability to apply to you, the limitations will apply to you only to the maximum extent permitted by applicable law.

To the maximum extent permitted by applicable law, you hereby irrevocably and unconditionally waive:

- (i) all and any claims (whether actual or contingent and whether as an employee, office holder, trustee, agent, principal or in any other capacity whatsoever or howsoever arising) including, without limitation, claims for or relating to the Excluded Liability Matters, any payment or repayment of monies, indemnity or otherwise that you may have against the Company or against any of the Company Representatives;



(ii) release and discharge the Company and all of the Company Representatives from any and all liability (of whatsoever nature or howsoever arising) it or they may have to you. If for any reason you hereafter bring or commence any action or legal proceeding in respect of any claim purported to be released and discharged pursuant to this paragraph or these Terms, or otherwise attempt to pursue any such claim against the Company or any Company Representative then you hereby irrevocably and unconditionally undertake to indemnify, and keep indemnified the Company and all Company Representatives fully on demand from and against:

- all liabilities or losses suffered by the Company or any Company Representative;
- all reasonable costs, charges and reasonable expenses (including without limitation reasonable legal costs and expenses) reasonably and properly incurred by the Company or any Company Representative, in each case by reason of or in connection with the bringing or commencement of such action or pursuit of such claim by you.

NO REPRESENTATIONS AND WARRANTIES

The Company does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in this White Paper.



REPRESENTATIONS AND WARRANTIES BY YOU

By howsoever accessing and / or accepting possession or communication of all or any part of the Available Information, you represent and warrant (and shall be deemed to represent and warrant) to the Company on the date of such access or on the latest date on which you retain possession of all or any part of the Available Information as follows:

- a) you are over 18 (eighteen) years of age;
- b) you agree and acknowledge that the Tokens do not constitute shares or equities or securities or financial instruments or investments in any form in any jurisdiction;
- c) you agree and acknowledge that the Available Information (including the White Paper and the Website) does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of the Available Information;
- d) you agree and acknowledge that no regulatory authority has examined or approved of the Available Information, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of all or any part of the Available Information to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;



e) you agree and acknowledge that the Available Information, the undertaking and/or the completion of the Token Sale, or future trading of the Tokens on any exchange or market (regulated, unregulated, primary, secondary or otherwise), shall not be construed, interpreted or deemed by you as an indication of the merits of the Company, the Tokens, the Token Sale or the Available Information;

f) the distribution or dissemination of the Available Information any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to the Company;

g) you agree and acknowledge that in the case where you wish to purchase any Tokens, the Tokens are not to be construed, interpreted, classified or treated as: h) you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology;

i) you are fully aware and understand that in the case where you wish to purchase any CAI ETF tokens, there are risks associated with the Company and its respective business and operations, the CAI ETF tokens, CAI ETF token sale and the underlying assets (each as referred to in the White Paper);

j) you agree and acknowledge that the Company is not liable for any direct indirect special incidental consequential or other losses of any



kind in tort contract or otherwise (including but not limited to loss of revenue income or profits or loss of use or data or loss of reputation or loss of any economic or other opportunity of whatsoever nature or howsoever arising) arising out of or in connection with any acceptance of or reliance on the Available Information or any part thereof by you;

k) all of the above representations and warranties are true, complete, accurate and not misleading from the time of your last access to and/or possession of (as the case may be) the Available Information.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this White Paper, statements made in press releases or in any place accessible by the public and oral statements that may be made by the Company or any of the CAI ETF Team on behalf of the Company, that are not statements of historical fact, constitute forward-looking statements. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Company’s financial position, business strategies, plans and prospects and the future prospects of the industry which the Company is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Company’s revenue profitability and growth, expected revenue profitability and growth,



prospects, future plans, other expected industry trends and other matters discussed in the Available Information regarding the Company are matters that are not historic facts, but only estimations and predictions.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results, performance or achievements of funds, cryptocurrencies, or the Company to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, amongst others:

- (a) changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Company conducts its respective businesses and operations;
- (b) the risk that the Company may be unable to execute or implement their respective business strategies and future plans;
- (c) changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- (d) changes in the anticipated growth strategies and expected internal growth of the Company;
- (e) changes in the availability and fees payable to the Company in connection with their respective businesses and operations;
- (f) changes in the availability and salaries of employees who are required by the Company to operate their respective businesses and operations;



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- (c) changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- (d) changes in the anticipated growth strategies and expected internal growth of the Company;
- (e) changes in the availability and fees payable to the Company in connection with their respective businesses and operations;
- (f) changes in the availability and salaries of employees who are required by the Company to operate their respective businesses and operations;
- (g) changes in preferences of customers of the Company;



- (h) changes in competitive conditions under which the Company operate, and the ability of the Company to compete under such conditions;
- (i) changes in the future capital needs of the Company and the availability of financing and capital to fund such needs;
- (j) war or acts of international or domestic terrorism;
- (k) occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Company;
- (l) other factors beyond the control of the Company;
- (m) any risk and uncertainties associated with the Company and its business and operations, the CAI ETF tokens, the CAI ETF IEO and the underlying assets (each as referred to in the White Paper).

All forward-looking statements made by or attributable to the Company or Company Representatives are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of the Company to be materially different from that expected, expressed or implied by the forward-looking statements in the Available Information, undue reliance must not be placed on these statements.

These forward-looking statements are applicable only as of the later of the date of publication of the White Paper and the latest date that the Website has been updated. Neither the Company nor the Company Representatives nor any other person represents, warrants and/or undertakes that the actual future results, performance or achievements of the Company will be as discussed in those forward-looking



statements. The actual results, performance or achievements of the Company may differ materially from those anticipated in these forward-looking statements. Nothing contained in the Available Information is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Company.

Further, the Company disclaims any responsibility to update any of those forward looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

TERMS USED

To facilitate a better understanding of the CAI ETF tokens being offered for purchase by the Company, and the businesses and operations of the Company, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage. Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

NO ADVICE

No information in this White Paper should be considered to be business, legal, financial or tax advice regarding the Company, the CAI ETF tokens



Crypto Artificial Intelligence

No Further Information or Update •
Restrictions on Distribution and Dissemination

and CAI ETF IEO sale and the underlying assets (each as referred to in the White Paper). You should consult your own legal, financial, tax or other professional adviser regarding the Company and its business and operations, the CAI ETF tokens, the CAI ETF IEO token sale and the underlying assets (each as referred to in the White Paper). You should be aware that you may be required to bear the financial risk of any purchase of Crypto20 tokens for an indefinite period of time.

NO FURTHER INFORMATION OR UPDATE

No person has been or is authorised to give any information or representation not contained in this White Paper in connection with the Company and its business and operations, the CAI ETF tokens, the CAI ETF token sale and the underlying assets (each as referred to in the White Paper) and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of the Company. CAI ETF token sale (as referred to in the White Paper) shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of CAI ETF or in any statement of fact or information contained in this White Paper since the date hereof.

RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION

The distribution or dissemination of this White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements



and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this White Paper or such part thereof (as the case may be) at your own expense and without liability to the Company or any member of the CAI ETF Team. Persons to whom a copy of this White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

NO OFFER OF SECURITIES OR REGISTRATION

This White Paper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. No person is bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this White Paper. Any agreement in relation to any sale and purchase of CAI ETF tokens (as referred to in this White Paper) is to be governed by only the Terms of such agreement and no other document. In the event of any inconsistencies between the T&Cs and this White Paper, the former shall prevail. No regulatory authority has examined or approved of any of the information set out in this White Paper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this White Paper does not imply that the applicable laws, regulatory requirements or rules have been complied with.



RISKS AND UNCERTAINTIES

You should carefully consider and evaluate each of the following risk factors and all other information contained in these Terms before deciding to participate in the Token Sale. To the best of the Company's knowledge and belief, all risk factors which are material to you in making an informed judgment to participate in the Token Sale have been set out below. If any of the following considerations, uncertainties or material risks develops into actual events, the business, financial position and/or results of operations of the Company and the maintenance and level of usage of the Tokens could be materially and adversely affected. In such cases, the trading price of Tokens (in the case where they are listed on an exchange or market (regulated, unregulated, primary, secondary or otherwise) could decline due to any of these considerations, uncertainties or material risks, and you may lose all or part of your Tokens or the economic value thereof.

Prior to the IEO Token Sale, there has been no public market for the Tokens. In the event that the Company ever decides to seek the approval for availability of the Tokens for trading on a cryptocurrency exchange or market, there is no assurance that such approval will be obtained. Furthermore, even if such approval is granted by a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the Tokens will develop, or if developed, will be sustained after the Tokens have been made available for trading on such market. There is also no assurance that the market price of the Tokens will not decline below the original or issue price (the "Issued Price"). The Purchase Price may not be indicative of the market price of the Tokens after they have been made available for trading on a market.

A Token is not a currency issued by any central bank or national, supra-national or quasi-national organisation, nor is it backed by any



hard assets or other credit nor is it a commodity in the traditional sense of that word. The Company is not responsible for, nor does it pursue, the circulation and trading of Tokens on any market. Trading of Tokens will merely depend on the consensus on its value between the relevant market participants. No one is obliged to purchase any Token from any holder of the Token, including the purchasers, nor does anyone guarantee the liquidity or market price of Tokens to any extent at any time. Furthermore, Tokens may not be resold to purchasers who are citizens, nationals, residents (tax or otherwise) and/or green card holders of Restricted Jurisdictions or to Restricted Persons or to purchasers in any other jurisdiction where the purchase of Tokens may be in violation of applicable laws. Accordingly, the Company cannot ensure that there will be any demand or market for Tokens, or that the Purchase Price is indicative of the market price of Tokens after they have been made available for trading on any cryptocurrency exchange or market.

Negative publicity involving the Company, the Company's that is yet to be developed, the Tokens or any of the key personnel of the Company and/or regulation of distributed ledger technologies, cryptocurrencies and/or crowdsales of tokens in any jurisdiction, may materially and adversely affect the market perception or market price of the Tokens, whether or not it is justified.

The prices of cryptographic tokens in general tend to be relatively volatile, and can fluctuate significantly over short periods of time. The demand for, and the corresponding market price of, the Tokens may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the control of the Company:

a) new technical innovations;



- b) analysts' speculations, recommendations, perceptions or estimates of the Token's market price or the Company's financial and business performance;
- c) changes in market valuations and token prices of entities with businesses similar to that of the Company that may be listed on the same cryptocurrency exchanges or markets as the Tokens;
- d) fluctuations in market prices and trading volume of cryptocurrencies on cryptocurrency exchanges or markets;
- e) additions or departures of key personnel of the Company;
- f) success or failure of the Company's management in implementing business and growth strategies; and/or
- g) changes in conditions affecting the blockchain or financial technology industry, the general economic conditions or market sentiments, or other events or factors.

The Company will make every effort to ensure that the funds received from the Token Sale will be securely held in an escrow wallet, which is a multi-signature address with access thereto by private keys held by reputable and trusted parties. Further, the Company may make every effort to ensure that the funds received by it from Token Sale will be securely held through the implementation of security measures. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the Token Sale website, in the smart contract(s) on which the escrow wallet and the Token Sale relies, on the Ethereum blockchain or any other blockchain, or otherwise. Such events



may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such event, even if the Token Sale is completed, the Company may not be able to receive the cryptocurrencies raised and the Company may not be able to use such funds for the development of the Company's business platform. In such case, the launch of the Company's business platform might be temporarily or permanently curtailed. As such, distributed Tokens may hold little worth or value and this would impact their trading price.

The financial technology and cryptocurrency industries in which the Company competes have grown rapidly over the past few years and continue to evolve in response to new technological advances, changing business models, shifting regulations and other factors. As a result of this constantly changing environment, the Company may face operational difficulties in adjusting to the changes, and the sustainability of the Company will depend on its ability to manage its operations, ensure that it hires qualified and competent employees, and provides proper training for its personnel. As its business evolves, the Company must also expand and adapt its operational infrastructure. The Company's business will in part rely on its blockchain based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology. All of these systems, tools, and skillsets represent complex, costly, and rapidly changing technical infrastructure. In order to demonstrate continued ability to effectively manage technical support infrastructure for the Company's business platform that is yet to be developed and the future functionality of the Tokens, the Company will need to continue to upgrade and improve its data systems and other operational systems, procedures, and controls. These upgrades and improvements will require a dedication of resources and are likely to be complex and increasingly rely on hosted computer services from third parties that the Company does not or will not control. If the Company is



unable to adapt its systems and organisation in a timely, efficient, and cost-effective manner to accommodate changing circumstances, its business, financial condition and/or results of operations may be adversely affected. If the third parties whom the Company relies on are subject to a security breach or otherwise suffer disruptions that impact the services the Company uses, the integrity and availability of its internal information could be compromised, which may consequently cause the loss of confidential or proprietary information and/or economic loss. The loss of financial, labour or other resources, and any other adverse effect on the Company's business, financial condition and/or operations, would have a direct adverse effect on the Company's ability to develop maintain or operate the Company's business platform and/or to develop, structure and/or license the anticipated Token functionality. Any adverse effects affecting the Company business or technology are likely to also adversely impact the utility, liquidity, and trading price of the Tokens.

The Company is not able to anticipate when there would be occurrences of hacks, cyber-attacks, distributed denials of service or errors, vulnerabilities, in the smart contracts on which the Company or the Company's business platform relies, or on Ethereum or any other blockchain. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. The Company may not be able to detect such hacks, cyber-attacks, distributed denials of service errors, vulnerabilities or defects in a timely manner, and may not have sufficient resources to efficiently cope with multiple service incidents happening simultaneously or in rapid succession.

The Company's network or services could be disrupted by numerous events, including natural disasters, equipment breakdown, network connectivity downtime, power losses, or even intentional disruptions of



its services, such as disruptions caused by software viruses or attacks by unauthorized users, some of which are beyond the Company's control. There can be no assurance that cyber-attacks, such as distributed denials of service, will not be attempted in the future or that the Company's security measures will be effective. The Company may be prone to attacks on its infrastructure intended to steal information about its technology, financial data or user information or take other actions that would be damaging to the Company and/or holders of the Tokens. Any significant breach of the Company's security measures or other disruptions resulting in a compromise of the usability, stability, and security of the Company's business platform that is yet to be developed may adversely affect the utility, liquidity and/or trading price of the Tokens.

The Company could continue to be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time, contributed, and may continue to contribute, to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on the Company's business, operations and financial condition, including decreases in revenue and operating cash flows, and inability to attract future equity and/or debt financing on commercially reasonable terms. Additionally, in a down-cycle economic environment, the Company may experience the negative effects of a slowdown in trading and usage of the Company's business platform that is yet to be developed and may delay or cancel the development, structuring, licensing and/or launch of the anticipated Token functionality.

Distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities are generally unregulated worldwide, but numerous regulatory authorities across jurisdictions have been outspoken about



considering the implementation of regulatory regimes which govern distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities. The Company or the Tokens may be affected by newly implemented regulations relating to distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency related businesses and activities, including having to take measures to comply with such regulations, or having to deal with queries, notices, requests or enforcement actions by regulatory authorities, which may come at a substantial cost. Further, it is difficult to predict how or whether governments or regulatory authorities may implement any changes to laws and regulations affecting distributed ledger technology and its applications. Cryptographic tokens such as the Tokens are a relatively new and dynamic technology. In addition to the risks included in the above discussion of risk factors, there are other risks associated with your purchase, holding, and use of the Tokens, including those that the Company cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.