



**RISKS**  
Discussed

## RISKS AND UNCERTAINTIES



Prospective purchasers of CIRCE tokens should carefully consider and evaluate all risks and uncertainties associated with CIRCE and their respective businesses and operations, the tokens, and the CIRCE ICO, all information set out in the white paper prior to the purchase of tokens. If any such risks and uncertainties develop into actual events, the business, financial condition, results of operations and prospects of CIRCE could be materially and adversely affected. In such cases, you may lose all or a part of the value of the token.

In addition, the Company may not be held liable for any of the following:

- (a) use of services that are not compliant with the terms of the contract;
  - (b) non-performance, failure, malfunction or unavailability of the services due to a third party, the Buyer, a third-party product, or the Buyer's breach of its obligations;
  - (c) indirect damages such as business loss or disturbance, loss of orders, operating loss, infringement of the trade mark, loss of profits or clients (e.g. improper disclosure of confidential information concerning said clients due to failure or piracy of the system, third-party proceedings against The Buyer, etc.) loss, disclosure or unlawful or fraudulent use of user sign-ons by the Buyer or third parties;
  - (d) suspension of access or temporary or permanent suspension of services (in particular, arising from a request issued by an appropriate administrative or judicial authority, or notification received from a third-party);
  - (e) loss, alteration or destruction of all or part of the content (information, data, applications, files or other items) hosted on the infrastructure, insofar as the Company is not responsible for managing the continuity of client activities, and data backups in particular;
  - (f) mismatch between the services and the Buyer's needs (in particular, with regard to the sensitivity of the relevant data), security incidents relating to use of the Internet, concerning in particular the loss, alteration, destruction, disclosure or unauthorized access to the Buyer's data or details on or via the Internet;
  - (g) damage to systems, applications and other items installed by the Buyer on the infrastructure
- In participating to the Token Sale, the Buyer is made aware of the following risks. Those risks are explicitly accepted by the Buyer when participating to the Token Sale. The Company expressly disclaims any liability for any direct or indirect loss or damage of any kind arising directly or indirectly from the realization of any of those risks.

### **We may not reach the target amount and not have sufficient funds to complete the ecosystem, and,**

- There are macro trends that may influence the blockchain token digital currency market severely depreciating it,
- We may not successfully complete our smartchain,
- The project may be completed but not work to the satisfaction of all parties,
- We may not have enough money,
- We can expect competition with from larger firms, with more money, that are better,
- Technology change can affect the project,
- There may be unforeseen developments,
- International laws may render parts of the project impossible,
- Government institutions may place CIRCE tokens under scrutiny,

- Regulation may occur that affects blockchains and tokens,
- CIRCE token ownership may fall under new and unpredicted taxation laws that will erode benefits,
- The CIRCE ecosystem may not succeed in creating the necessary momentum and scale which may result in low acceptance and usage,
- Blockchain technology changes,
- Token sales and ICO's have been known to come under attack from hackers that results in theft, which may inflict massive losses on the company or customers,
- The performance may be an issue,
- RFID is a maturing technology and may not be ready.
- We may have personnel changes or loss,
- There can be no guarantee that our technology managers and contractors perform well, and there may be turnover,
- Natural hazards may occur.
- Blockchain technology may have unforeseen limitations
- There may be a need to create a hybrid client server, blockchain system based on experience and testing.
- We may change from the ERC token standard
- We may change from Ethereum blockchain

**BY PURCHASING CIRCE TOKENS, THE BUYER EXPRESSLY ACKNOWLEDGES AND ASSUMES THESE RISKS.**

**• Software Risks**

CIRCE software features are currently under development. Accordingly, the Buyer accepts that the development is not guaranteed to succeed, that the platform is subject to software and technical risks and that said items and features may never be deployed on the platform should unexpected technical obstacles be identified in the course of the product development.

**• Risk of loss of access to a CIRCE TOKEN due to loss of credentials**

In the context of their use of the Company's services, the Buyer's TOKENS may be linked to a CIRCE account. The Buyer can only access the CIRCE account using their credentials. The loss of these credentials will result in the loss of the TOKENS. Good practices advise the Buyer to store their credentials securely in one or more backup locations that are geographically separated from the work location.

**• Risks associated with the Ethereum protocol**

Both TOKENS and the CIRCE network are based on the Ethereum protocol. Therefore, any malfunction, unplanned function or unexpected operation of the Ethereum protocol may cause the CIRCE network or TOKENS to malfunction or operate in a way that is not expected. Ether, the native Ethereum Protocol account unit may itself lose value in a similar way to CIRCE TOKENS, and also in other ways. For more information on the Ethereum protocol, see <http://www.ethereum.org>

**• Risks associated with the buyer's credentials**

Any third party that obtains access to the Buyer's credentials or private keys may be able to use the Buyer's TOKENS. To minimize this risk, the Buyer must protect itself against people gaining unauthorized access to their electronic devices.

- **Legal risk and risk of adverse regulatory intervention in one or more jurisdictions**

Blockchain technologies have been reviewed by various regulatory bodies around the world, including within the European Union. The Token Sale has been structured to comply with law applicable at the time of the offer. Operations of the CIRCE network and of TOKENS may be impacted by the passing of restrictive laws, the publication of restrictive or negative opinions, the issuing of injunctions by national regulators, the initiation of regulatory actions or investigations, including but not limited to restrictions on the use or ownership of digital tokens such as CIRCE TOKENS, which may prevent or limit development of the CIRCE network and, therefore, impact the uses or potential value of TOKENS. Given the lack of cryptocurrency legal qualifications in most countries, each buyer is strongly advised to carry out a legal and tax analysis concerning the purchase and ownership of TOKENS according to their nationality and place of residence. Moreover, the legal and regulatory diligences necessary for the development of the CIRCE network and services in different jurisdictions have not yet been conducted, including the legal and regulatory diligences relating to labor laws. There is a risk that adverse laws or regulation in those jurisdictions might prevent or limit the development of the CIRCE network and, therefore, impact the uses or potential value of the TOKENS.

- **Risk of a lack of interest in the CIRCE network or distributed applications**

There is a possibility that the CIRCE applications may not be used by a large number of companies, individuals and other organizations, and that there may be limited public interest in the creation and development of distributed applications. Such a lack of interest could impact on the development of the CIRCE network and, therefore, on the uses or potential value of CIRCE TOKENS.

- **Risk that the CIRCE network, as developed, does not meet buyer expectations**

The CIRCE network is currently under development and may undergo significant redesign prior to its launch. For a number of reasons, not all Buyer's expectations concerning the CIRCE network or TOKENS form and functions may be met on the launch date, including changes in design, implementation and execution of the CIRCE network.

- **Risk of theft and piracy**

Hackers or other malicious or criminal groups or organizations may attempt to interfere with the Token Sale, the CIRCE network or the availability of TOKENS in several ways including, but not limited to, denial of service attacks, Sybil attacks, mystification, phishing, attacks, smurfing, malware attacks, or consensus-based attacks.

- **Risk of security weaknesses in the CIRCE network's core infrastructure software**

The CIRCE's core software is based on open source software. There is a risk that the CIRCE team, or other third parties, may intentionally or unintentionally introduce weaknesses or bugs into the core infrastructure elements of the CIRCE network, by interfering with the use of or causing loss of CIRCE TOKENS.

- **Risk of weakness or exploitable breakthrough in the field of cryptography**

Advances in cryptography, or technical advances such as the development of quantum computers, may present risks for crypto-currencies and the CIRCE platform, which could result in the theft or loss of CIRCE TOKENS

- **Risk of a mining attack**

As with other decentralized cryptographic tokens and crypto-currencies, the blockchain used for the CIRCE network is vulnerable to mining attacks, including but not limited to, dual-expense attacks, powerful mining attacks, selfish mining attacks, and critical competition attacks. Any successful attack poses a risk to the CIRCE software and the expected performance and sequencing of contract calculations. Despite the best efforts of the CIRCE team, the risk of known or new mining attacks exists.

- **Risk of the CIRCE network failing to be used or adopted**

While CIRCE TOKENs should not be considered an investment, their value is bound to change over time. This value may be limited if the CIRCE network is not sufficiently developed, used or adopted. In such a case, there could be few or no markets at the platform launch, which would limit the value and liquidity of CIRCE TOKENs.

- **Risk of a tight market for CIRCE TOKENS**

There are currently no exchanges or trading facilities on which CIRCE TOKENs can be traded. If such exchanges or trading facilities do develop, they will probably be relatively new and subject to poorly understood regulatory oversight. They may therefore be more vulnerable to fraud and default than the established and regulated exchanges that exist for other products. Should exchanges or trading facilities that represent a substantial part of the CIRCE TOKENs trading volume be involved in fraud, security failures or other operational problems, the failures of such exchanges or trading facilities may limit the CIRCE TOKENs value or liquidity.

- **Risk of an uninsured loss**

Unlike bank accounts or accounts in other regulated financial institutions, funds held through the CIRCE network or Ethereum network are generally uninsured. At present, there are no public or private insurance agents providing buyers with coverage against a loss of CIRCE TOKENs or a loss of value.

- **Risk of winding-up of the CIRCE project**

For a number of reasons including, but not limited to, an unfavorable fluctuation in cryptocurrencies value, an unfavorable fluctuation in CIRCE TOKENs value, the failure of business relationships or competing intellectual property claims, the CIRCE project may no longer be a viable activity and may be dissolved or simply not launched.

- **Risk of malfunction in the CIRCE network**

The CIRCE network may be impacted by an adverse malfunction including, but not limited to, a malfunction that results in the loss of CIRCE TOKENs or market information.

- **Unforeseen risks**

Crypto-currencies and cryptographic tokens are a cutting-edge, untested technology. In addition to the risks stipulated above, there are other risks that the CIRCE team cannot predict. Risks may also occur as unanticipated combinations or as changes in the

## **INTELLECTUAL PROPERTY, REFERENCE**

The Buyer acknowledges that the Company retains sole and exclusive ownership of all intellectual, industrial and expertise rights (documents, data, etc.) relating to CIRCE TOKENs. The technical and technological resources and expertise used to design both CIRCE TOKENs and documents of any nature shall remain the exclusive property of the Company, regardless of whether they are

protected under an intellectual property clause. Therefore, any document, listing, database, etc., in their entirety, are communicated to the Buyer in return for payment or free of charge solely for use that exclusively enables them to make their Order, whether or not under a separate availability and/or non-disclosure agreement that forms an integral part of these terms and conditions, and may not be used by the Buyer for any other purpose without incurring their liability.

## **FORCE MAJEURE**

Force majeure is deemed any event beyond the parties' control, which they cannot reasonably foresee or reasonably avoid or overcome, provided that its occurrence makes it impossible to fulfill the obligations and adversely affects Order execution (e.g. natural cataclysm, variation in blockchain fees, armed conflicts, labor disputes, changes in regulations, subcontractor failure, blockchain breakdown, etc.). The most diligent Party shall promptly notify the other Party by any means, and the Parties will then agree to negotiate in good faith any changes required to ensure the continuity of contract obligations. If, however, such impossibility exceeds three months, the most diligent Party may terminate the contract in writing without incurring its liability and without entitling the other party to claim any right of recourse or compensation, with the Company retaining previously collected amounts, which are irrevocably acquired.

The Parties shall not be held liable for any consequences of a force majeure event as defined above.

## **COMPLETENESS OF TERMS, CONTRACT, DISCLAIMERS, WAIVER INTERPRETATION**

This constitutes the entire agreement between the Buyer and the Company with respect to the Operation and supersedes all other oral and written representations, understandings or agreements relating thereto.

Should any provision be declared null and void or deemed unwritten, all other provisions shall remain in full force and effect. The Company's decision not to avail itself of any one of these provisions shall not be construed as a waiver of its right to apply the same provision at a later date. The interpretation and assessment of the validity of any contract is understood in accordance with the following documents, in descending order in the hierarchy of norms: terms and conditions, order acknowledgment of receipt, invoice, and delivery notification.

## **CHANGE OF LAW**

The Buyer acknowledges and accepts that the Token Sale is taking place within a legal environment that is still under development. New laws or rules may subsequently frame, modify or clarify the practice of such operations. Where necessary, should legislative changes conflict with all or part of these documents, the Company reserves the right to amend the terms of the operation as appropriate, retroactively if necessary, in order to ensure that the operation remains legal and compliant with the various regulatory bodies.

The Company will answer to any request issued via regular legal process aimed at obtaining specific information about the operation or its clients, specifically regarding anti-money laundering legislations.