



Accelerating Investment

Tokenomics v2.0

<https://aivia.io>

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AIVIA, Ltd.

**Marketplace for
transparent Investments
in Crypto Portfolios**

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION, WHETHER IN THE UNITED STATES, BVI OR OTHERWISE WHERE IT IS UNLAWFUL TO DO SO. THE TOKENS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES

LAWS OF ANY STATE OR OTHER JURISDICTION, NO PROSPECTUS WILL BE ISSUED AND THE TOKENS MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE ACQUISITION AND TRANSFER OF THE TOKENS ARE SUBJECT TO ADDITIONAL RESTRICTIONS DESCRIBED IN A FINAL PRIVATE PLACEMENT MEMORANDUM TO BE DISTRIBUTED BY THE COMPANY, PURSUANT TO WHICH THE TOKENS WILL BE SOLD.

THE COMPANY HAS USED REASONABLE ENDEAVOURS TO APPROACH THE TOKEN GENERATING EVENT IN A RESPONSIBLE AND SENSIBLE MANNER. GIVEN THE UNCERTAIN LEGAL STATUS OF DISTRIBUTED LEDGER TECHNOLOGIES, BUSINESSES AND ACTIVITIES AS WELL AS CRYPTOCURRENCIES AND CRYPTOCURRENCY-RELATED BUSINESSES AND ACTIVITIES IN A NUMBER OF JURISDICTIONS, THE COMPANY HAS SPENT TIME AND RESOURCES TO CONSIDER ITS BUSINESS APPROACH AND WHERE IT PROPOSES TO OPERATE NOW AND IN THE FUTURE. IT IS POSSIBLE THAT THE COMPANY'S TOKENS DESCRIBED IN THIS WHITEPAPER AND WHICH ARE THE SUBJECT OF THE TOKEN GENERATING EVENT MAY COMPRISE A SECURITY IN CERTAIN JURISDICTIONS OR THE OFFER FOR SALE BY THE COMPANY OF THE TOKENS IN CERTAIN JURISDICTIONS MAY BE A REGULATED OR PROHIBITED ACTIVITY. IN ADDITION, THE TOKENS ARE NOT BEING OFFERED OR SOLD AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN BVI, EXCEPT AS PERMITTED BY THE SECURITIES AND OTHER LAWS AND REGULATIONS OF BVI. THE COMPANY ACCEPTS NO RESPONSIBILITY OR LIABILITY TO YOU IN THESE OR ANY OTHER CIRCUMSTANCES. YOU ARE STRONGLY ADVISED TO TAKE INDEPENDENT LEGAL ADVICE IN RESPECT OF THE LEGALITY IN YOUR JURISDICTION OF YOUR PARTICIPATION IN THE TOKEN GENERATING EVENT AND PURCHASE OF TOKENS.

THE COMPANY WILL USE REASONABLE COMMERCIAL ENDEAVOURS TO COMPLY WITH ALL BVI REGULATIONS AND, TO THE EXTENT REASONABLY PRACTICABLE WITH THE REGULATIONS OF OTHER JURISDICTIONS. DUE TO THE CURRENT UNCERTAIN STATE OF REGULATION RELATING TO DISTRIBUTED LEDGER TECHNOLOGY AND TOKEN SALES ACROSS THE WORLD, THE COMPANY CANNOT GUARANTEE THE LEGALITY OF THE TOKEN GENERATING EVENT OR THE AIVIA PLATFORM ECOSYSTEM TO BE DEVELOPED AS ENVISAGED BY THE AVAILABLE INFORMATION OR THE COMPANY'S ABILITY TO DEVELOP, STRUCTURE AND LICENSE ANY FUTURE TOKEN FUNCTIONALITY IN EVERY JURISDICTION BUT THE COMPANY WILL USE REASONABLE COMMERCIAL ENDEAVOURS TO BE RESPONSIVE AND COMPLIANT IN THE FACE OF ANY REGULATORY INQUIRY.

THE PURCHASE OF TOKENS WILL NOT ENTITLE YOU TO ANY EQUITY, GOVERNANCE, VOTING, ANY CONTROL OVER THE MANAGEMENT OF THE COMPANY WHATSOEVER OR SIMILAR RIGHT OR ENTITLEMENT IN THE COMPANY OR IN ANY OF ITS AFFILIATED COMPANIES AND WILL NOT EVIDENCE INTERESTS IN OR REPRESENT AN ARRANGEMENT WITH RESPECT TO POOLED PROPERTY OR THE RIGHT TO PARTICIPATE IN OR RECEIVE PROFITS OR INCOME ARISING FROM THE ACQUISITION, MANAGEMENT OR DISPOSAL OF POOLED PROPERTY OR SUMS PAID OUT OF SUCH PROFITS OR INCOME. THE COMPANY RECOMMENDS THAT ANY PROSPECTIVE PURCHASER OF TOKENS HAS PRIOR EXPERIENCE

WITH CRYPTOGRAPHIC TOKENS, BLOCKCHAIN-BASED SOFTWARE AND DISTRIBUTED LEDGER TECHNOLOGY AND HAS TAKEN INDEPENDENT PROFESSIONAL ADVICE.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Whitepaper contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this Whitepaper regarding our strategy, future operations, regulatory process, future financial position, future revenue, projected costs, prospects, plans, strategic relationships, joint venture relationships, objectives of management and expected market growth are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements in this Whitepaper include, among other things, statements about:

- our ability to develop a decentralized ecosystem of fund investment opportunities and that, in turn, enables growth without massive volatility, and that offers a value proposition to society;
- our ability to aggregate value from multiple token holders to satisfy minimum high-value investment thresholds to provide favourable access terms to the service of any business partners to its token holders, regardless of where they land on the socioeconomic scale;
- whether the AIVIA Ecosystem will successfully generate revenue;++
- our ability to reduce friction costs and exchange rates wherever possible in the AIVIA Ecosystem;
- our ability to charge fees for our various service offerings that are at or below rates charged by current or future providers of similar services; and
- our ability to engage investors and fund sponsors to adopt the AIVIA Ecosystem.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and readers of this Whitepaper are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their respective dates. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have included important factors in the cautionary statements included in this Whitepaper, particularly the factors described in the “Risk Factors” section of this Whitepaper, that could cause actual results or events to differ materially from the forward-looking statements that we make. Our forward-looking statements do not reflect the

potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments that we may make.

We undertake no obligation to update or revise any forward-looking statements contained in this Whitepaper, whether as a result of new information, future events, a change in our views or expectations or otherwise, except as required by applicable law. New factors emerge from time to time, and it is not possible for us to predict all of these factors. Further, we cannot assess the impact of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement.

PRELIMINARY DRAFT AS OF SEP 12, 2018; TO BE SUPERSEDED BY FINAL DRAFT

Information contained in this Draft Confidential Whitepaper is subject to completion or amendment. The tokens described in this Draft Confidential Whitepaper may not be sold prior to delivery of a final Whitepaper. This Draft Confidential Whitepaper shall not constitute an offer to sell or the solicitation of any offer to buy the tokens nor shall there be any sale of such tokens in any jurisdiction in which such offer, solicitation or sale would be unlawful. This Draft Confidential Whitepaper supersedes in its entirety any other prior marketing materials or other communications concerning any tokens heretofore delivered to prospective purchasers.

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1. AIVIA Platform Utility Token (AIV) Distribution

Upon completion of the AIVIA platform technology and launch of the platform, AIVIA platform will make AIV (utility) tokens available to subscribers.

Symbol	AIV
Maximum supply	2,000,000,000
Supply Available for Sale	1,000,000,000
Minimum transaction amount	See IEO conditions
Soft Cap	\$ 1,000,000
Hard Cap	\$ 15,000,000

1.1 Tokens Distribution

50 %	Will be sold during IEOs on different Crypto Exchanges
20 %	Will be retained by AIVIA platform. Grants, Future Releases
20 %	Founders
5 %	Advisors
3 %	AIVIA Community
2 %	Will Be Used As a Reserve Supply

Token Distribution will happen not later than 21 days after the token sale ends on all Crypto Exchanges. Distribution will be splitted in four batches:

1st Batch: 40% on or before the 15th day after token sale ended

2nd Batch: 30% on or before the 7th day after listing date

3rd Batch: 20% on or before the 14th day after listing date

Final Batch: 10% on 21th day after listing date

1.2 Bonuses

AIVIA Token Sale will be available on Crypto Exchanges. AIVIA will use certain amount of AIV Tokens as Bonuses for an Exchange. Detailed Information of Bonuses will be provided on initial exchange event.

1.3 Vesting Period

Founders: 3 month lockup after IEO ends, then 50% will be released until the end of year 1, then 25% each year.

Advisors: 3 month lockup after IEO ends, then 50% will be released until the end of year 1, then 25% each year.

Future Releases: Tokens used as rewards for the community will be awarded no earlier than 12 months after IEO. Releases will take place over a period of up to 5 years, but not more than a third in any one year.

1.4 Reserves, Grants and Partnerships

AIV tokens held as Reserves are intended to be deployed in connection with integration with exchanges.

Similarly, AIV tokens may be used in connection with establishing or solidifying strategic partnerships with joint ventures or strategically aligned firms (such as Bancor).

AIV tokens are anticipated to be issued as grants to key team members in connection with specific projects that AIVIA platform believes will provide opportunities for expansion of the AIVIA platform ecosystem or enhancements to AIVIA platform's revenue or net income.

2. Utility of the AIV Token

2.1 Investing in project's portfolio

Funds and projects deployed on the AIVIA platform will be accepting AIV tokens as a method of payment and investment.

2.2 Transaction Fee Savings

Using AIV tokens on the platform saves users up to 50% on the transaction fees.

2.3 Transaction commission on the AIVIA platform

Transaction fees on the platform are always charged in AIV tokens. It is recommended to have a sufficient amount of AIV tokens in your account to conduct transactions.

2.4 Method of Payment for Services

The AIV token will be used as an internal method of payment for additional functions and tools of the AIVIA Platform and AIVIA Terminal. It will offer advanced functionality in comparison to the basic free version. Other types of services will be added such as SaaS-models, various types of expertise, and a compliance layer for projects deployed on AIVIA platform.

2.5 PoS Features

Most of the services will be available completely free of charge to holders of AIV tokens. In addition a lot of rewards will be available as part of Proof-of-Stake options regarding operations of AIVIA platform.

2.6 FIAT payments and Merchant integration

AIVIA Platform will integrate a FIAT pay-in/pay-out option. AIV tokens will be available for purchase and sale using FIAT currencies. Use of AIV tokens will save the amount of commissions associated with those transactions.

3. Risk Factors

A purchase of AIV Tokens involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Whitepaper, before making a decision to purchase. The following risks entail circumstances under which, AIVIA Ltd's business, financial condition, results of operations and prospects could suffer.

Participation in coin offerings, including the AIV Token offering, involves a high degree of risk.

Financial and operating risks confronting financial and technology companies AIVIA Ltd may be significant. The financial and payment processing industries are highly competitive and the percentage of companies that survive and prosper may be limited. Unexpected problems in the areas of product development, marketing, financing and general management, among others, that cannot be solved may arise.

We may not be successful in developing our proprietary blockchain and/or the technology upon which AIV Tokens are expected to be based.

If we are unable to successfully develop this proprietary platform, we may not be able to issue AIV Tokens, and you may lose the entirety of your investment. Even if we develop such proprietary technology, such development may be delayed or become subject to the adverse intellectual property claims of others. In such an event, our ability to utilize our to be developed proprietary technology may be limited or delayed, and your ability to acquire AIV Tokens, if ever, may be delayed.

General risks associated with the business of AIVIA Ltd.

AIVIA Ltd proposes to offer highly complex services and products and faces competition that may result in low market share and/or profitability. AIVIA Ltd expects the marketplace to continue to be highly competitive as new products develop, industry standards become well known and other competitors attempt to enter these markets. Some competitors may have longer operating histories, and larger customer bases and significantly greater financial, sales and marketing, manufacturing, distribution, technical and other capabilities than AIVIA Ltd. These competitors may be able to adapt more quickly to new or emerging technological

requirements and changes in customer and/or regulatory requirements. They may also be able to devote greater resources to the promotion and sale of their products and services. Competition from newly established competitors may also enter the marketplace and further materially adversely affect AIVIA Ltd. Existing or new competitors may develop products, technologies or services that more effectively address AIVIA Ltd's markets with enhanced features and functionality, greater levels of integration and/or lower cost. Additionally, changes or developments in technology could render AIVIA Ltd's products and services dated or obsolete or cause them to lose market acceptance, which could have a material adverse impact on business performance. As the technological sophistication of its competitors and the size of the market increase, competing low-cost producers could emerge and grow stronger.

Our reliance on third parties and agreements with collaboration partners may require us to share our trade secrets, which increases the possibility that a competitor may discover them or that our trade secrets will be misappropriated or disclosed.

Our reliance on third party contractors to develop and manufacture our products and services is based upon agreements that limit the rights of the third parties to use or disclose our confidential information, including our trade secrets and know-how. Despite the contractual provisions, the need to share trade secrets and other confidential information increases the risk that such trade secrets and information are disclosed or used, even if unintentionally, in violation of these agreements. In the highly competitive markets in which our products and services are expected to compete, protecting our trade secrets, including our strategies for addressing competing products and services, is imperative, and any unauthorized use or disclosure could impair our competitive position and may have a material adverse effect on our business and operations. In addition, our partners may be larger and more complex organizations than ours and the risk of inadvertent disclosure of our proprietary information may be increased despite internal procedures and contractual obligations in place with our collaboration partners. Despite our efforts to protect our trade secrets and other confidential information, a competitor's discovery of such trade secrets and information could impair our competitive position and have an adverse impact on our business.

Risks associated with financial reporting.

There may be material weaknesses in our internal control over financial reporting as well as significant deficiencies in our disclosure controls and procedures, and we may identify material weaknesses in internal controls or significant deficiencies in our disclosure controls and procedures in the future. If we fail to remediate any identified material weaknesses, or if we otherwise fail to maintain effective internal control over financial reporting and disclosure controls and procedures, we may not be able to accurately report our financial results, or detect or prevent fraud in a timely manner, which may, among other adverse consequences, cause our customers to lose confidence. A “material weakness” is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Interruptions in IT systems could materially adversely affect business performance.

AIVIA Ltd is entirely dependent on the secure operation of its websites and systems as well as the operation of the Internet generally. Its business involves the storage and transmission of customers’ proprietary information, and security breaches could expose AIVIA Ltd to a risk of loss or misuse of this information, and to resulting claims and litigation. A number of large companies have suffered security breaches, many of which have involved intentional attacks. From time to time AIVIA Ltd and many other businesses also experience denial of service attacks in which attackers attempt to block customers’ access to any or all of its product, software and platforms, including but not limited to its website. If AIVIA Ltd is unable to avert a denial of service attack for any significant period, it could sustain substantial revenue loss from lost sales and customer dissatisfaction. AIVIA Ltd may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Cyber-attacks may target AIVIA Ltd, its customers, its suppliers, banks, credit card processors, delivery services, e-commerce in general or the communication infrastructure on which it depends or which it operates. If an actual or perceived attack or breach of its security occurs, customer and/or supplier perception of the effectiveness of its security measures could be harmed and AIVIA Ltd could lose customers, suppliers or both. Actual or anticipated attacks and risks may cause AIVIA Ltd to incur increasing costs,

including costs to deploy additional personnel and protection technologies, train employees, and engage third party experts and consultants. A person who is able to circumvent security measures might be able to misappropriate its or its customers' proprietary information, cause interruption in operations, damage computers or those of customers, or otherwise damage reputation and business. Any compromise of security could result in a violation of applicable privacy, banking, consumer protection and other laws, significant legal and financial exposure, damage to its reputation, and a loss of confidence in security measures, which could harm AIVIA Ltd's business. Any significant interruption to the efficient and uninterrupted operation of AIVIA Ltd's information technology applications, systems and networks, including, but not limited to, new system implementations, facility issues or energy blackouts, could have a material adverse impact on AIVIA Ltd's operations and operating results. The protective measures adopted to avoid system or network disruptions may be insufficient to prevent or limit the damage from any future disruptions, and any such disruption could have an adverse effect on AIVIA Ltd's business, financial condition and results of operations.

Risks associated with intellectual property.

We may in the future be subject to intellectual property or other claims, which are costly to defend, could result in significant damage awards, and could limit our ability to use certain technologies in the future. In the future we may have patent, copyright, and trademark infringement lawsuits filed against us claiming that certain of our products, services, and technologies infringe the intellectual property rights of others. Adverse results in any of these lawsuits may include awards of substantial monetary damages, costly royalty or licensing agreements (if licenses are available at all), or orders preventing us from offering certain features, functionalities, products, or services, and may also cause us to change our business practices, and require development of non-infringing products or technologies, which could result in a loss of revenues for us and otherwise harm our business. Intellectual property claims are often time consuming, expensive to litigate or settle, and cause significant diversion of management attention. To the extent such intellectual property infringement claims are successful, they may have an adverse effect on our business. Our intellectual property rights are valuable, and any inability to protect them could reduce the value of our products and services. Our intellectual property rights are important assets for us. Various events outside of our control pose a threat to our intellectual property rights, as

well as to our products, services and technologies. For example, effective intellectual property protection may not be available in every country in which our products and services are distributed or made available. Also, the efforts we have taken to protect our proprietary rights may not be sufficient or effective. We also seek to maintain certain intellectual property as trade secrets. The secrecy could be compromised by outside parties, or by our employees, which could cause us to lose the competitive advantage resulting from these trade secrets. Any significant impairment of our intellectual property rights could harm our business and our ability to compete.

Risks associated with legal proceedings.

AIVIA Ltd undertakes global business operations and may be involved from time to time in disputes, including lawsuits and other legal proceedings, and investigations by relevant authorities. It is possible that such cases may arise in the future. Due to the differences in judicial systems and the uncertainties inherent in such proceedings, AIVIA Ltd may be subject to a ruling requiring payment of amounts far exceeding its expectations. Any judgment or decision unfavorable to AIVIA Ltd could also have a material adverse effect on AIVIA Ltd's business. In addition, due to various circumstances, there can be no assurance that lawsuits involving claims for large sums will not be brought, even if the possibility of receiving orders for such payment is quite low.

Risks associated with international operations.

AIVIA Ltd is subject to numerous evolving and complex laws and regulations which apply, among other things, to financial reporting standards, corporate governance, data privacy, tax, competitive practices and regulations in each jurisdiction in which it operates. In the jurisdictions in which it operates, AIVIA Ltd would need to comply with various standards and practices of different regulatory, tax, judicial and administrative bodies. There are a number of risks associated with international business operations, including political instability (e.g., the threat of war, terrorist attacks or civil unrest), inconsistent regulations across jurisdictions, unanticipated changes in the regulatory environment, and import and export restrictions. Any of these events may affect its employees, reputation, business or financial results as well as its ability to meet its objectives, including the following international business risks:

- negative economic developments in economies around the world and the instability of governments, or the downgrades in the debt ratings of certain major economies;
- social and political instability;
- complex regulations governing certain of its products;
- potential terrorist attacks;
- adverse changes in governmental policies, especially those affecting trade and investment;
- foreign currency exchange; and
- threats that its operations or property could be subject to nationalization and expropriation.

AIVIA Ltd may not be in full compliance at all times with the laws and regulations to which it is subject. Likewise, AIVIA Ltd may not have obtained or may not be able to obtain the permits and other authorizations or licenses that it would need. If AIVIA Ltd violates or fails to comply with laws, regulations, permits, health and safety regulations or other authorizations or licenses, it could be fined or otherwise sanctioned by regulators. In such a case, or if any of these international business risks were to materialize, the business, financial condition and results of operations, and thus the value of the AIV Token, could be adversely affected.

AIVIA Ltd may be forced to cease operations or take actions that result in a dissolution event.

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of cryptographic and fiat currencies, the inability by AIVIA Ltd to establish the AIV Token, the failure of commercial relationships, intellectual property ownership challenges, inability to service debt or meet obligations as they come due in the ordinary course of business or governmental or regulatory actions or proceedings, AIVIA Ltd may no longer be viable to operate and may dissolve or take actions that result in a dissolution event.

The loss of key personnel or any inability to attract and retain additional personnel could affect AIVIA Ltd's ability to successfully grow its business.

AIVIA Ltd's performance is substantially dependent on the continued services and on the performance of its senior management and other key personnel. The loss of the services, of any such person for any reason, including due to pending or future legal proceedings, could harm AIVIA Ltd's business. AIVIA Ltd's future success also depends on its ability to identify, attract, hire, train, retain and motivate other highly skilled technical, managerial, editorial, merchandising, marketing and customer service personnel. Competition for such personnel is intense. The failure to retain and attract the necessary technical, managerial, editorial, merchandising, marketing and customer service personnel could harm AIVIA Ltd's business.

The regulatory regime governing blockchain technologies, cryptocurrencies, tokens and token sales such as AIV Tokens is uncertain or nonexistent in many jurisdictions, and new regulations or policies may materially adversely affect the development of AIVIA Ltd's AIV Token.

As blockchain networks and blockchain assets have grown in popularity and in market size, US federal and state agencies and regulatory authorities in other jurisdictions have begun to take interest in, and in some cases regulate, tokens and token sales and blockchains and their use and operation. Regulation of tokens and token sales such as this, cryptocurrencies, blockchain technologies and cryptocurrency exchanges is largely undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty in legal and regulatory interpretation and enforcement. Various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may materially adversely affect or otherwise severely impact the development and growth of AIVIA Ltd and the adoption of AIV Tokens. Failure of any party 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 criminal and civil penalties, suspension of trading and fines.

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, including but not limited to New Hampshire, North Carolina, Illinois, Hawaii, California, Florida and Washington, have amended or are in discussions to amend their state's statutes to address licensing, exchange and other regulatory matters. Treatment of virtual currencies continues to evolve under United States federal law as well. In the US, the Department of the Treasury, the Securities Exchange Commission and the Commodity Futures Trading Commission, 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. The regulation of non-currency use of blockchain assets is also uncertain. The SEC has issued a public report stating federal securities laws require treating some blockchain assets as securities. To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a blockchain network or cryptocurrency asset, including but not limited to the ways set forth in this Whitepaper, AIVIA Ltd and the ability of purchasers to negotiate AIV Tokens may be materially and adversely affected. Under applicable law the regulatory interpretation of the business to be conducted by AIVIA Ltd is by no means certain and is open to challenge. No licences or authorisations have been sought or applied for from the BVI financial regulators to conduct the business in the BVI. Given the uncertainty of the regulatory status of the AIV Token and the distributed ledger technology, added to which are the developments in applicable regulations, there is a real risk that the regulators may or could in the future dispute the regulatory interpretation currently being applied to the business and the AIV Token which could materially and negatively affect the viability of the Company and could lead it to cease operating.

The effort to develop code for the purposes of facilitating the creation of certain of the programs and platforms set forth herein may be an area in which AIVIA Ltd has limited experience, may be expensive, and subject to the resolution of significant technical constraints.

AIVIA Ltd is working to develop code for the purposes of facilitating the creation of certain of the programs and platforms set forth herein. Although AIVIA Ltd has hired and will hire employees with significant experience in the technical workings of blockchain, Ethereum and other cryptocurrencies, AIVIA Ltd has limited experience with such types of projects. These projects may be expensive, and are subject to substantial risk that they may ultimately be unsuccessful. Further, the creation thereof would be subject to the future resolution of numerous significant technical challenges, which may be insurmountable.

The issuance of AIV Tokens may constitute the issuance of a “Security” under U.S. Federal laws and may constitute the issuance of a security under the laws of non-US jurisdictions.

On July 25, 2017, the United States Securities and Exchange Commission (the “**Commission**”) issued a Report of Investigation under Section 21(a) of the Securities Exchange Act of 1934 (the “**Exchange Act**”) describing an SEC investigation of The DAO, a virtual organization, and its use of distributed ledger or blockchain technology to facilitate the offer and sale of DAO Tokens to raise capital. The Commission applied existing U.S. federal securities laws to this new paradigm, determining that DAO Tokens were securities. The Commission stressed that those who offer and sell securities in the U.S. are required to comply with federal securities laws, regardless of whether those securities are purchased with virtual currencies or distributed with blockchain technology. The Commission’s announcement, and the related Report, may be found here: <https://www.sec.gov/news/press-release/2017-131>. AIV Tokens may be deemed to be securities by other jurisdictions’ securities and exchange commissions or monetary authorities under applicable securities, banking or monetary laws and regulations, and might be similarly subject to registration requirements and/or civil and criminal investigations, proceedings and penalties, any of which might have a material adverse effect on AIVIA Ltd and purchasers’ ability to negotiate AIV Tokens, including but not limited to these recent events:

The People’s Republic of China has banned initial coin offerings in China: The People’s Bank of China announced on September 4, 2017, that initial coin offerings are banned inside the People’s Republic of China and that refunds would be sought with respect to prior offerings.¹ Digital token financing and trading platforms are prohibited from converting digital tokens to fiat currencies. As of November 1, 2017, cryptocurrency exchanges were no longer operating in the People’s Republic of China.² There is no certainty regarding how long this ban will be in effect.

This issuance of AIV Tokens may constitute the issuance of a “Security” under the Laws of Hong Kong and trading of AIV Tokens on secondary markets may be subject to applicable regulatory requirements: On September 5, 2017, the Hong Kong Securities and Futures Commission (the “**SFC**”) issued a statement advising that “depending on the facts and circumstances of a TGE, digital tokens that are offered or sold may be “securities” ... and subject to the securities laws of Hong Kong.”³ (emphasis in original). The SFC further noted that “Parties engaging in the secondary trading of such tokens (e.g., on cryptocurrency exchanges) may also be subject to the SFC’s licensing and conduct requirements.”⁴

Regulation of cryptocurrencies such as AIV Tokens is likely to change in Korea in the near term and may become stricter: On September 3, 2017, Korea’s Financial Supervisory Commission held a joint task force with digital currency-related regulators and other bodies, including the Korea Fair Trade Commission and the National Tax Service.⁵ Authorities intend to strengthen user authentication procedures, regulate domestic trading of digital currencies, increase consumer protections, and punish initial coin offerings that do not comply with Korean laws.⁶

¹ See L. Chen and J. Lee, “Bitcoin Tumbles as PBOC Declares Initial Coin Offerings Illegal” Bloomberg.com (Sept. 4, 2017), available at <https://www.bloomberg.com/news/articles/2017-09-04/china-central-bank-says-initial-coin-offerings-are-illegal>.

² See K. Rapoza, “Cryptocurrency Exchanges Officially Dead In China” Forbes.com (Nov. 2, 2017), available at <https://www.forbes.com/sites/kenrapoza/2017/11/02/cryptocurrency-exchanges-officially-dead-in-china/#3d38d89f2a83>

³ Sec. and Futures Comm’n., Statement on initial coin offerings (Sept. 5, 2017), available at <http://www.sfc.hk/edistributionWeb/gateway/EN/news-and-announcements/news/doc?refNo=17PR117>

⁴ See Id.

⁵ See Yoon Yung Sil, Regulating Bitcoin Trading Financial Authorities to Strengthen Regulations on Digital Currency Trading, BusinessKorea.co.kr (Sept. 4, 2017), available at <http://www.businesskorea.co.kr/english/news/money/19180-regulating-bitcoin-trading-financial-authorities-strengthen-regulations-digital>

⁶ See Id.

Secondary trading of AIV Tokens may be deemed subject to regulatory restrictions or even illegal by regulators subsequent to the publication of this Whitepaper: Other countries or regulatory jurisdictions may follow Hong Kong and deem the secondary trading of digital tokens potentially subject to regulatory requirements of local securities enforcement and regulatory bodies. It is possible some jurisdictions may ban secondary trading altogether. Laws and regulations applicable to digital tokens are evolving and there can be no certainty as to what any country, regulatory body, or other rule-making agency may determine. The effect of any future regulatory change is impossible to predict, but such change could be substantial and adverse to our business. Changes and developments in commercial and corporate laws may alter the nature of our business or the operation of a blockchain network upon which we rely in a manner that adversely affects our business. Blockchain networks face an uncertain regulatory landscape in many other jurisdictions such as the European Union, China and Russia. Various jurisdictions may, in the near future, adopt laws, regulations or directives that materially adversely affect or otherwise severely impact AIVIA Ltd. Such laws, regulations or directives may directly and negatively impact its business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of AIVIA Ltd and the adoption, utility and transferability of the AIV Token.

Regulations governing cryptocurrency, such as our Tokens, are unsettled and are likely to vary across different jurisdictions. We may not be in compliance with all applicable regulations, and you may lose the entirety of your investment.

The landscape of cryptocurrency tokens and cryptocurrency token offerings is unsettled, and regulations are likely to vary across different jurisdictions. The Company has used reasonable endeavours to approach the Token Generating Event in a responsible and sensible manner. Given the legal uncertainty of distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities in a number of jurisdictions, the Company has spent time and resources to consider its business approach and where it proposes to operate now and in the future. It is possible that the Company's Tokens described in this Whitepaper and which are the subject of the Token Generating Event may comprise a security in your jurisdiction, or that the offer for sale by the Company of the Tokens in your

jurisdiction may be a regulated or prohibited activity. The Company accepts no responsibility or liability to you in these or in any circumstances. You are strongly advised to take independent legal advice in respect of the legality in your jurisdiction of you participating in the Token Generating Event and purchase of Tokens. If the offering is not compliant with regulations in your jurisdiction, you may lose the value of your entire investment.

Tokens do not represent equity ownership in AIVIA Ltd or an arrangement with respect to pooled property.

Tokens do not entitle you to any equity, governance, voting or control over the management of the Company whatsoever, or any similar right or entitlement in the Company or any of its affiliates. Tokens do not evidence interests in or represent an arrangement with respect to pooled property or the right to participate in or receive profits or income arising for their acquisition, management, or disposal of pooled property or sums paid out of such profits or income. We do not recommend that you purchase tokens unless you have prior experience with cryptographic tokens, blockchain-based software and distributed ledger technology and unless you have taken independent professional advice. Accordingly, your purchase of Tokens will not provide you with an opportunity to influence the conduct of AIVIA Ltd's business.

Purchasers of AIV Token will have no voting rights, consent rights or other control over or rights with respect to AIVIA Ltd.

Purchasers are not and will not be entitled to vote or be deemed the holder of capital stock of AIVIA Ltd for any purpose, nor will anything be construed to confer on the purchasers any of the rights of a stockholder of AIVIA Ltd or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise. AIV Tokens do not evidence interests in or represent an arrangement with respect to pooled property or the right to participate in or receive profits or income arising from the acquisition, management or disposal or pooled property or sums paid out of such profits or income.

Purchasers may lack information and/or access for monitoring AIVIA Ltd.

A purchaser of AIV Tokens may not be able to obtain all information it would want regarding or the AIV Tokens themselves on a timely basis or, as the case may be, in substantial part or at all. It is possible that purchasers may not be aware on a timely basis or at all of material adverse changes that have occurred with respect to AIVIA Ltd or with respect to the AIV Tokens.

AIV Tokens have no operating history.

AIV Tokens will be a newly formed token and have no operating history. Past performance of tokens or coins issued by any other person or entity, including without limitation Bitcoin or Ethereum, is not predictive of the value of the AIV Tokens in the future.

The further development and acceptance of blockchain networks, which are part of a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have a material adverse effect on the successful development and adoption of AIVIA Ltd's platforms and proposed projects, as well as the AIV Tokens themselves.

The growth of the blockchain industry in general, as well as the blockchain networks with which AIVIA Ltd will rely and interact, is subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency industry, as well as blockchain networks include, without limitation:

- Worldwide growth in the adoption and use of Bitcoin, Ethereum and other blockchain technologies;
- Government and quasi-government regulation of cryptocurrency and other blockchain assets and their use and exchangeability, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- The maintenance and development of the open-source software protocol of the Bitcoin networks;
- Changes in consumer demographics and public tastes and preferences;

- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- The nature and extent of cyberattacks, protocol forks and cryptocurrency co-participant fraud;
- General economic conditions and the regulatory environment relating to cryptocurrencies; and
- A decline in the popularity or acceptance of Bitcoin, Ethereum or other blockchain-based tokens and coins would adversely affect AIVIA Ltd.

The slowing or stoppage of the development, general acceptance and adoption and usage of blockchain networks and blockchain assets may deter or delay the acceptance and adoption of the AIV Tokens.

Risk of losing access to AIV Tokens due to loss of private key(s), custodial error or purchaser error.

A private key, or a combination of private keys, may be deemed a necessary element to control and, negotiate AIV Tokens stored in your digital wallet or vault. Accordingly, loss of requisite private key(s) associated with your digital wallet or vault storing AIV Tokens will result in loss of such Progressive Coins. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a digital wallet or vault service you use, may be able to misappropriate your AIV Tokens. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store AIV Tokens, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your AIV Tokens. Additionally, your failure to follow precisely the procedures specifically set forth for buying and receiving, or negotiating AIV Tokens, including, for instance, providing the wrong address for receiving AIV Tokens, may result in the loss of your AIV Tokens.

Risk of hacking and security weaknesses.

Hackers or other malicious groups or organizations may attempt to interfere with the AIV Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, there is a risk that a third party or a member of the AIVIA Ltd team may intentionally or unintentionally introduce weaknesses into the core

infrastructure of the AIV Tokens, which could negatively affect the AIV Tokens, including AIV Tokens' utility for obtaining services. The AIV Tokens and any related blockchain platforms, as well as AIVIA Ltd's technological platforms, may be the target of malicious cyber attacks or may contain exploitable flaws in its underlying code (such as distributed denial of service attacks, double-spend attacks, 51% attacks, or other malicious attacks), which may result in security breaches and the loss or theft of AIV Tokens. If cybersecurity is compromised or if the AIV Tokens and related platforms are subjected to attacks that frustrate or thwart its customers' ability to access or use their tokens, the purchasers of AIV Tokens may suffer losses in value or otherwise be materially adversely affected. On February 7, 2014, MtGox (a bitcoin exchange based in Japan) halted all bitcoin transactions and withdrawals due to the disappearance of hundreds of thousands of customer- and MtGox-owned bitcoins.⁷ All trading was suspended two weeks later following an internal investigation that pegged the loss at 744,408 bitcoins.⁸ According to Mark Karpeles, CEO of MtGox, MtGox was susceptible to theft because of a "defect or 'bug' in the bitcoin software algorithm, which was exploited by one or more persons who had 'hacked' the bitcoin network."⁹ Ultimately, customer losses totaled nearly 750,000 bitcoins, while MtGox losses were approximately 100,000 bitcoins. At the time, this represented approximately \$473 million and nearly 7% of the bitcoins then in existence.¹⁰ MtGox filed for bankruptcy protection in Japan on February 28, 2014. Following a proposed class action suit by traders alleging fraud against MtGox, the company sought recognition of the Japanese proceeding in U.S. bankruptcy court on March 9, 2014.¹¹ The Japanese proceeding converted to liquidation in April 2014. Another substantial theft of crypto-currency funds occurred in 2016 in connection with the TGE of The DAO, an unincorporated organization that was intended as a first generation "Decentralized Autonomous Organization." In exchange for ETH, participants received DAO Tokens, representing ownership interests and voting rights in The DAO. The holders of DAO Tokens stood to share in the anticipated earnings from these projects as a return on their investment in DAO Tokens by re-selling the tokens on a number of different web-based platforms that supported

⁷ See Declaration of Robert Marie Mark Karpeles, *In re MtGox Co., Ltd.* (a/k/a MtGox KK), No. 14-31229 (Bankr. N.D. Tex. Mar. 3, 2014) [Docket No. 3], at 4

⁸ See *Id.*

⁹ See *Id.*

¹⁰ See *Id.*

¹¹ See Tom Hals, "Mt. Gox Files U.S. Bankruptcy, Opponents Call It a Ruse," Reuters.Com, March 10, 2014, available at <https://www.reuters.com/article/us-bitcoin-mtgox-bankruptcy-idUSBREA290WU20140310>

secondary trading in the DAO Tokens. DAO founders envisioned projects and earnings distributions would be voted upon by all DAO Token holders, and that project proposals would be embodied in Ethereum blockchain contracts. DAO Token holders could exercise their voting rights by choosing to distribute earnings from prior projects back to DAO Token holders, or to reinvest those earnings on new project proposals submitted for voting. Approximately 1.15 billion DAO Tokens were sold for approximately 12 million ETH from April 30, 2016, to May 28, 2016. Approximately \$150 million USD was raised in the offering. On June 17, 2016, after the offering period ended, an unknown party exploited a software security vulnerability in The DAO and diverted 3.6 million ETH (worth approximately \$45 million, and representing one third of the ETH raised by The DAO offering). In response, Slock.it's cofounders (associated with the founding of The DAO) proposed a "Hard Fork" protocol (a process whereby the path of the blockchain is split, invalidating transactions confirmed by the nodes that have not been upgraded to the new version of the protocol software) to the Ethereum blockchain to restore DAO Token holders' investments. On July 20, 2016, following implementation of the "Hard Fork" protocol updates, all funds raised in the offering, including those stolen, were transferred to a recovery address, where DAO Token holders could exchange their DAO Tokens for ETH. Other initial coin offerings have been compromised by attacks. On July 17, 2017, \$7 million in ETH was stolen from purchasers trying to participate in social-trading startup CoinDash's initial coin offering.¹² Later that week, a well-known Ethereum wallet was hacked as well: on July 19, 2017, approximately 153,000 ether tokens worth roughly \$32 million were stolen by hackers exploiting security vulnerabilities in Parity's digital wallet.¹³

Risk of uninsured losses.

Unlike bank accounts or accounts at some other financial institutions, AIV Tokens are uninsured unless the purchaser is able to specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer, such as the Federal Deposit Insurance Corporation, or private insurance arranged by us, to offer recourse to you.

¹² See Alexandria Arnold, "CoinDash Says Hacker Stole \$7 Million at Initial Coin Offering," Bloomberg.com, July 17, 2017, available at <https://www.bloomberg.com/news/articles/2017-07-17/coindash-says-hacker-stole-7-million-at-initialcoin-offering>

¹³ See Luke Graham, "\$32 Million Worth of Digital Currency Ether Stolen by Hackers," CNBC.com, July 20, 2017, available at <https://www.cnbc.com/2017/07/20/32-million-worth-of-digital-currency-ether-stolen-by-hackers.html>

Risks arising from taxation.

The tax characterization of AIV Tokens is uncertain. You must seek your own tax advice in connection with purchasing AIV Tokens, which may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements.