

BITXOXO ICO “XOXO” RISK DISCLOSURE DOCUMENT

RISKS – TOKEN GENERATION EVENT AND XOXO TOKENS

There are risks associated with the use of blockchain token technology for the XOXO token sale process, and the purchase of XOXO tokens generally.

WARNING: DO NOT PURCHASE XOXO TOKENS IF YOU ARE NOT AN EXPERT IN DEALING WITH CRYPTOGRAPHIC TOKENS AND BLOCKCHAIN-BASED SOFTWARE SYSTEMS.

Purchases of XOXO tokens should only be undertaken by individuals or entities that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, like Bitcoin (BTC), Litecoin (LTC), Doge coin (DOGE), Bitcoin Cash (BCH) and Ether (ETH), and other blockchain-based software systems. You should have functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While Bitxoxo may be available to assist in the purchase of XOXO tokens during and after the sale, in no way is Bitxoxo offering advice and Bitxoxo will not be responsible for lost BTC, LTC, DOGE, BCH, ETH, XOXO tokens or cash resulting from actions taken by, or omitted by you.

WARNING: THE PURCHASE OF XOXO TOKENS ENTAILS A NUMBER OF RISKS.

The purchase of XOXO tokens carries with it a number of risks. You should carefully consider all risks involved, including, but not limited to, those listed below and, to the extent necessary, consult an appropriate lawyer, accountant, or tax professional. If any of the following risks are unacceptable to you, then you should not purchase XOXO tokens.

By purchasing XOXO tokens, to the extent permitted by law, you acknowledge and agree that there are risks associated with purchasing, holding and using XOXO tokens. You expressly acknowledge and assume all risks and agree not to hold any of Bitxoxo or any related party of Bitxoxo liable for any loss, damage, cost or expense (including or any special, incidental, or consequential damages) arising from, or in any way connected, to the sale of XOXO tokens, including, but not limited to, any loss associated with the risks set out below. The order of the risks set out below is not intended to have any bearing on the likelihood of such risk arising, or importance of any such risk to any particular person.

1. RISKS ASSOCIATED WITH THE DEVELOPMENT AND MAINTENANCE OF THE PLATFORM

Platform here in referred as new platform as per the roadmap “BCH market place and supported applications thereon”

You recognise that the Platform is going to be develop and may undergo significant changes before release and over time, including a change in direction at Bitxoxo’s discretion. Bitxoxo may have to make changes to the specifications of XOXO tokens or the Platform for any number of legitimate reasons including, but not limited to, a change in the design, implementation plans and execution of the implementation of the Platform for global release. This could create the risk that the Platform or XOXO tokens, as further developed and maintained, may not meet your expectations at the time of purchase of the XOXO token.

Furthermore, despite Bitxoxo’s efforts to develop and maintain the Platform, it is still possible that the Platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Platform and XOXO tokens. You understand that while Bitxoxo will make reasonable efforts to complete the Platform software for global release, due to circumstances beyond Bitxoxo’s control it is possible that an official completed global version of the Platform may not be released globally, a limited release occurs, or, in the worst case, a functioning operational global Platform may not be created at all.

2. RISK OF LOSING ACCESS TO XOXO TOKEN DUE TO LOSS OF PRIVATE KEY(S)

XOXO tokens may be stored in a wallet or vault, which can only be accessed with a password selected by you. The wallet will hold a private key, or a combination of private keys, required to control and dispose of the XOXO tokens stored in your digital wallet or vault. Any loss of requisite private key(s) associated with your digital wallet or vault storing XOXO tokens, will result in loss of such XOXO tokens. If you do not maintain an accurate record of your private key or password used to access your private key, this may lead to the loss of your XOXO tokens. You must safely store your password in one or more backup locations that are well separated from the primary location. If you do not have such experience or expertise, then you should not participate or purchase XOXO tokens. Any third party that gains access to your private key may be able to gain access to your XOXO tokens. You must take care not to respond to any inquiry regarding your purchase of XOXO tokens, including but not limited to, email requests purportedly coming from Bitxoxo Website or a similar looking domain. The loss, destruction, loss of access or data loss relating to a private key by Bitxoxo used to access a XOXO token, may be irreversible and could adversely affect the value of the Platform and overall XOXO tokens. Bitxoxo disclaims all responsibility for loss, destruction, loss of access or data loss relating to a private key or its related XOXO token.

3. RISKS ASSOCIATED WITH THE ETH, LTC, DOGE, BCH and BTC PROTOCOL

As XOXO and the Platform are based on cryptocurrency protocols, any malfunction, unexpected functioning, forking, breakdown or abandonment of the supported cryptocurrency protocol may have a material adverse effect on XOXO or the Platform, including, but not limited to, impacting your

ability to transfer or securely hold XOXO. Such impact could adversely affect the value of XOXO. Advances in cryptography, or technical advances such as the development of quantum computing, could present risks to XOXO and the Platform by rendering ineffective the cryptographic consensus mechanism, that underpins the cryptocurrency protocols.

4. RISK OF HACKING, CYBER THREATS AND SECURITY WEAKNESSES

Hackers, individuals, other malicious groups or organizations may attempt to interfere with the Platform or XOXO 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. Hackers, individuals, other groups or organizations may attempt to steal the BTC, LTC, DOGE, BCH and ETH cryptocurrency from the Token Generation Event, thus potentially impacting the ability of Bitxoxo to promote the Platform. To account for this risk, Bitxoxo has and will continue to implement comprehensive security precautions to safeguard these cryptocurrencies obtained from the sale of XOXO tokens. Multi-factor security measures will be taken to protect the cryptocurrency and XOXO, including, but not limited to, physical elements, multi-signature keys, splitting of funds, hot and cold wallet partitioning and diversification. Moreover, regular security audits of multi signature hot and cold wallets will be conducted by internal and external teams. Advances in code cracking, or technical advances such as the development of quantum computers, could present risks to cryptographic tokens and the Platform, which could result in the theft or loss of XOXO tokens. To the extent possible, Bitxoxo intends to update the protocol underlying the Platform to account for any advances in cryptography and to incorporate additional security measures, but it cannot predict the future of cryptography or the success of any future security updates.

5. RISK ASSOCIATED WITH MARKETS FOR XOXO

The XOXO tokens are intended to be used solely within the Platform and as Bitxoxo is using the ERC20 protocol, Bitxoxo cannot control the actions of Purchasers of XOXO tokens. Even if secondary trading of XOXO tokens is facilitated by third party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third parties do ascribe an external exchange value to XOXO tokens (e.g. as denominated in a digital or fiat currency), such value may be extremely volatile and diminish to zero. If you chose to use XOXO tokens on exchanges it is at your own risk. Exchanges are independent of and not operated by Bitxoxo.

6. RISK OF EXCHANGES

Cryptocurrency exchanges on which XOXO tokens may trade may be relatively new and largely unregulated and may therefore be more exposed to fraud and failure than established regulated exchanges. To the extent that the cryptocurrency exchanges representing a substantial portion of

the volume in XOXO token trading are involved in fraud or experience security failures or other operational issues, such cryptocurrency exchange failures may result in a reduction in the price and can adversely affect the value of XOXO tokens. A lack of stability in the cryptocurrency exchanges and the closure or temporary shutdown of cryptocurrency exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the Platform and result in greater volatility in the price of XOXO tokens.

8. RISK OF UNINSURED AND TRANSACTION LOSSES

Unlike cash reserves held in bank accounts or accounts at some other financial institutions, XOXO tokens are uninsured unless you specifically obtain private insurance to insure those held by you. In the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Bitxoxo to offer recourse to you. XOXO token transactions are irrevocable. If XOXO tokens are stolen or incorrectly transferred, such transfer may be irreversible. As a result, any incorrectly executed XOXO token transactions could adversely affect the value of XOXO tokens. Cryptographic token transactions are not reversible without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the processing power on the host blockchain platform. Once a transaction has been verified and recorded in a data block that is added to the blockchain, an incorrect transfer of a XOXO token or a theft of a XOXO token generally will not be reversible and there may be no compensation for any such transfer or theft. Such loss could adversely affect the value of XOXO tokens generally.

9. RISKS ASSOCIATED WITH UNCERTAIN REGULATIONS, ENFORCEMENT ACTIONS AND GEOPOLITICAL EVENTS

The regulatory status of the cryptographic tokens, blockchain and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Platform and XOXO tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting blockchain and distributed ledger technology and its applications, including the Platform and XOXO tokens. Regulatory actions could negatively impact the Platform and XOXO tokens in various ways, including, for purposes of illustration only, through a determination that XOXO tokens are a regulated financial product or instrument that attracts registration or licensing

requirements. Bitxoxo may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. The Platform and Bitxoxo could be impacted by one or more regulatory enquiries or regulatory action, which could impede or limit the ability of Bitxoxo to continue to develop the Platform. Political or economic crises may motivate large-scale sales of XOXO tokens, which could result in a reduction in the price and adversely affect the value of XOXO. Cryptographic tokens such as XOXO tokens, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralised means of transacting, and it is unclear how such supply and demand will

be impacted by geopolitical events. Large-scale sales of XOXO tokens would result in a reduction in the liquidity of such tokens.

10. RISKS ARISING FROM TAXATION

The tax characterization of XOXO tokens is uncertain in many jurisdictions. You must seek your own tax advice in connection with purchasing XOXO tokens, which may result in adverse tax consequences to you, including but not limited to withholding taxes, income taxes and tax reporting requirements. You bear the sole responsibility for any taxation requirements, in purchasing, using and holding XOXO tokens.

11. RISK OF ALTERNATIVE PLATFORMS

It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying the Platform and attempt to facilitate services that are materially similar to those intended to be delivered through the Platform. The Platform may be in competition with these alternative platforms, which could negatively impact the Platform and XOXO tokens.

12. RISK OF INSUFFICIENT INTEREST IN THE PLATFORM

It is possible that the Platform will not be used by a large number of external businesses, individuals, and other organisations and that there will be limited public interest in the use of XOXO tokens. Such a lack of interest could impact the development of the Platform for global release. Bitxoxo cannot predict the success of its own marketing efforts or the efforts of other third parties. It is possible that, due to any number of reasons, including without limitation, the failure of business relationships or marketing strategies, that the Bitxoxo Platform and all subsequent marketing of the sale of XOXO tokens from Bitxoxo, may fail to achieve success.

13. RISK OF AN UNFAVOURABLE FLUCTUATION OF ETHER AND OTHER CURRENCY VALUE

Bitxoxo intends to use the proceeds from selling XOXO tokens to fund the future projects as provided in white paper. The proceeds of the XOXO sale will be denominated in BTC, LTC, DOGE, BCH or ETH, and can be converted into other cryptographic and fiat currencies. In addition, some sales of XOXO may also be denominated in fiat currencies. If the value of BTC, ETH or other currencies fluctuates unfavourably during or after the Sale Period, Bitxoxo may not be able to fund the projects, or may not be able to work on the projects in the manner that it intended.

14. RISK OF DISSOLUTION OF BITXOXO

It is possible, due to any number of reasons including, but not limited to, an unfavourable fluctuation in the value of Ether (or other cryptographic and fiat currencies), decrease in the Platform's utility, the failure of commercial relationships, or intellectual property ownership challenges, that the Platform may no longer be viable to operate and Bitxoxo may dissolve or be wound up or face an uncertain or changing regulatory regime.

15. RISKS ARISING FROM LACK OF GOVERNANCE RIGHTS

As ownership of a XOXO token confers no governance rights of any kind with respect to the Platform or Bitxoxo, all decisions involving the Platform or Bitxoxo will be made by Bitxoxo at its sole discretion, including, but not limited to, decisions to discontinue the Platform, to create and sell more XOXO tokens for use in the Platform, or to sell or liquidate Bitxoxo. These decisions could adversely affect the Platform and any XOXO tokens you hold.

16. RISKS INVOLVING CLOUD STORAGE

As Bitxoxo uses a cloud storage service to host the Platform and related Applications, the Platform is susceptible to a number of risks related to the storage of data in the cloud. Such data may include large amounts of sensitive and or proprietary information, which may be compromised in the event of a cyber-attack or other malicious activity. Similarly, the Platform may be interrupted, and files may become temporarily unavailable in the event of such an attack or malicious activity. As users can use a variety of hardware and software that may interface with the Platform, there is the risk that the Platform may become unavailable or interrupted, based on a failure of interoperability or an inability to integrate these third-party systems and devices that Bitxoxo does not control with the Platform. The risk that the Platform may face increasing interruptions and additional security vulnerabilities could adversely affect the Platform, and therefore the future utility of any XOXO tokens that you hold.

17. CRYPTOGRAPHIC TOKENS MAY EXPERIENCE RISK OF EXTREME PRICE VOLATILITY

As noted above, XOXO tokens are not intended to represent any formal or legally binding investment. Cryptographic tokens that possess value in public markets, such as ETH, BTC, and others have demonstrated extreme fluctuations in price over short periods of time on a regular basis. You should be prepared to expect similar fluctuations, both down and up, in the price of XOXO denominated in ETC, BTC or USD, or other cryptocurrencies or currencies of other jurisdictions. Such fluctuations are due to market forces and represent changes in the balance of supply and demand. As mentioned, exchanges are independent of and not operated by Bitxoxo, therefore use of

exchanges is at your own risk and Bitxoxo cannot and does not guarantee market liquidity for XOXO tokens and therefore there may be periods of time in which XOXO tokens are difficult to buy or sell.

Additionally, due to different regulatory requirements in different jurisdictions and the inability of citizens of certain countries to open accounts at exchanges located anywhere in the world, the liquidity of XOXO tokens may be markedly different in different countries and this would likely be reflected in significant price discrepancies. By purchasing XOXO tokens, you expressly acknowledge and represent that you fully understand that XOXO tokens may experience volatility in pricing and will not seek to hold any of Bitxoxo, its directors, officers, agents and advisors liable for any losses or any special, incidental, or consequential damages arising from, or in any way connected to, the sale of XOXO tokens. It is also possible that the value of BTC, ETH or other cryptocurrencies will drop significantly in the future, depriving Bitxoxo of sufficient resources to continue to operate. It is possible that a competing cryptographic token other than XOXO tokens could have features that make it more desirable to a material portion of the cryptographic token user base, resulting in a reduction in demand for XOXO tokens, which could have a negative impact on the use and price of XOXO tokens generally. It is possible that a comparable product could become materially popular due to either a perceived or exposed shortcoming of the Platform that is not immediately addressed by Bitxoxo, or a perceived advantage of a comparable product that includes features not incorporated into the Platform. If this product obtains significant market share, it could have a negative impact on the demand for, and price of XOXO tokens. The Platform and other projects are a new product, thus contributing to price volatility that could adversely affect the value of XOXO tokens. There are many factors affecting the further development of the cryptographic token industry, as discussed throughout this section. These risks can include, but is not limited to, continued worldwide growth in the adoption and use of XOXO tokens and other tokens; changes in consumer demographics, public tastes and preferences; general economic conditions; and the regulatory environment relating to the Platform, XOXO tokens and other tokens.

18. RISK OF INTELLECTUAL PROPERTY RIGHTS CLAIMS

Intellectual property rights claims may adversely affect the operation of the Platform. Third parties may assert intellectual property ownership claims relating to the holding and transfer of cryptographic tokens and their source code. Regardless of the merit of any intellectual property claim or other legal action, any threatened action that reduces confidence in the Platform's long-term viability or the ability of end-users to hold and transfer XOXO tokens, may adversely affect the value of XOXO. Additionally, a meritorious intellectual property claim could prevent you from accessing the Platform, holding or transferring your XOXO tokens.

19. UNANTICIPATED RISKS

Cryptographic tokens such as the XOXO tokens are a new and relatively untested technology. In addition to the risks noted above, there are other risks associated with your purchase, holding and use of XOXO tokens, including those that Bitxoxo cannot anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks set out above.

