



Farm Land Assets Inc.

Offering Memorandum For U.S. Residents (Reg D)

Date: February 2022

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SUMMARY

This Memorandum has been prepared by Farm Land Assets Inc., a South Carolina based corporation, having its business address at: 4739 National Drive, Myrtle Beach, SC 29579 (the “Company” or “FA”), for use by certain qualified potential purchasers (“Purchasers”) to whom the Company is offering (the “Offering”) the opportunity to purchase Company’s security tokens (the “Tokens” or “Securities”), smart contracts issued on the Ethereum blockchain network, each of which shall represent 1 share of Farm Land Assets Inc. Series B preferred stock, par value of USD \$0.30 per share. The purchase of tokens will be embodied in, and documented by, a Purchase Agreement with respect to the Tokens (as may be amended, restated and/or otherwise modified from time to time, a “STPA”) to be entered into between the Company and qualified purchasers purchasing such Securities in the Offering. The Company expects to enter into STPAs on an ongoing basis until on or about August 31, 2022 (as the same may be extended or earlier terminated, the “Expiration Date”). The Company may sell up to \$30,000,000 million USD in Tokens, subject to increase based on the Board decision.

The Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act. Accordingly, the Securities are being offered and sold only to the US residents who are “accredited investors” (as defined in Rule 501 of Regulation D under the Securities Act) in compliance with Rule 506(c) of Regulation D under the Securities Act.

None of the Securities and Exchange Commission (the “SEC”), any state securities commission, any foreign securities authority or any other federal, state or foreign regulatory authority has approved or disapproved of these Securities or determined if this Memorandum is truthful or complete. Investing in the Securities involves a high degree of risk. You should carefully consider the risks summarized under “Risk Factors” of this Memorandum for a discussion of important factors you should consider before purchasing Securities.

An investment in this Offering is highly speculative, and you should only invest if you are prepared to lose your entire investment. Unless the context requires otherwise, all dollar (\$) amounts set forth herein refer to United States dollars.

Blockchain Technology and Blockchain Assets

Blockchain technology is a digital record or ledger of transaction data that is permanently recorded in files called “blocks.” Each blockchain is founded upon software source code that establishes and governs its cryptographic system for verifying transactions.

In traditional blockchain networks, copies of the blockchain ledger are stored in a decentralized manner on computers across a peer-to-peer network. Users of the blockchain network maintain a copy of the ledger with all copies of the ledger synchronized through a consensus algorithm. Protocols included in the source code govern the rules, operations and communications of the underlying blockchain network, including the validation of new blocks that contain an updated ledger reflecting new transactions.

Blockchain assets are assets that utilize blockchain ledgers to record their creation, ownership and transfer of ownership. Blockchain assets have generally been created and used in two broad contexts: within blockchain protocol layers and within application layers. Blockchain assets used at the protocol layer are generally intended to create financial incentives that drive the underlying blockchain network to verify and authorize the creation of a new block to update the ledger of ownership. Network participants may receive a fee, generally paid in the protocol’s native blockchain asset, for validating the authenticity of new block. A blockchain asset used at the application layer is not designed to incentivize validation of new blocks on the blockchain. However, the ledger of ownership of an application blockchain asset, including the record of transfers of such blockchain asset, is recorded on blocks added to the underlying blockchain. For example, Bitcoin and Ether are protocol blockchain assets used on the Bitcoin and Ethereum blockchains, respectively. The Company’s Farm Land Assets (FLA) Token is an application blockchain asset that is recorded on the Ethereum blockchain.

Ownership of a blockchain asset is established by recording on the blockchain ledger the owner's unique identifier address, or "public address," and the amount of the asset held by such address. When a blockchain asset is transferred, the ledger records the sender's public address, the recipient's public address and the amount of digital assets transferred. Authorization of the transfer requires the sender's digital signature and a transfer fee.

Contact Information

For additional information, please contact:

Robert Smith bob@farmlandassets.com PH: 843-424-8940

Lyle Jensen lyle@farmlandassets.com PH: 515-468-9631

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DISCLAIMERS

By accepting this information, the recipient agrees that it, and its officers, directors and employees will use the information only to evaluate its potential interest in the Company and for no other purpose and will not divulge such information to any other party. Any reproduction of this information, in whole or in part, is prohibited. Any decision to invest in the Company should be made only in compliance with and subject to the limitations imposed by applicable laws applying to the ability to offer these securities to prospective investors in their relevant jurisdictions and after conducting investigations as deemed necessary by the investor and consulting the investor's own investment, legal, accounting and tax advisors in order to make an independent determination of the suitability and consequences of an investment in the securities. With the exception of approved Accredited Investors who have been approached under Rule 506 (c) of Regulation D of the United States Securities Act of 1933 the Company will not accept investments from any US person and this presentation is not for use by any US person other than those who have been specifically approved by the Company.

In consideration of these factors, we will take reasonable steps to verify that all purchasers of our Securities are accredited investors. We will objectively assess your eligibility in light of your particular facts and circumstances. We will use one of the following methods to verify your accredited investor status if you are a natural person:

- Income Verification – Two most recent years of tax returns filed with the IRS (including, without limitation, Form W-2, Form 1099, Schedule K-1 of Form 1065 and a copy of a filed Form 1040) showing your income (extraneous information may be redacted), together with your written representation that you have a reasonable expectation of reaching the necessary income level during the current year;
- Net Worth Verification – Third party statements, such as personal financial statements prepared by your certified public accountant, bank statements, brokerage statements, certificates of deposit,

tax assessments or appraisal reports, dated within the prior three months, identifying the value of your assets and liabilities (including a credit report form from at least one national agency dated within the last three months), together with your written representation that all of your liabilities necessary to determining your net worth have been disclosed; or

- Third Party Verification – A written confirmation from a registered broker-dealer, an SEC registered investment advisor, a licensed attorney or certified public accountant that such person has taken reasonable steps to verify and determine that, within the prior three months, the individual is an accredited investor.

No registration statement has been filed with the United States Securities and Exchange Commission or any U.S. State Securities Authority with respect to the Shares of the Company. None of the Shares in the Company have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"). Except as noted above none of the Shares in the Company may be offered, sold, transferred, assigned or delivered, directly or indirectly, in the United States of America, its territories and possessions, any State of the United States of America or the District of Columbia (the "United States"), or to any U.S. Person as defined herein. In addition, the Company has not been and will not be registered under the United States Investment Fund Act of 1940, as amended (the "1940 Act"). None of the Shares in the Company may be offered, sold, transferred, assigned or delivered, directly or indirectly, to any person in circumstances which might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantages which they might not otherwise incur or suffer, or would result in them being required to register under the 1940 Act. All performance and risk targets contained herein are subject to change without notice. There can be no assurance that the Company will achieve any targets or that there will be any return on capital. Historical returns are not predictive of future results. The Company is intended to be a specialist vehicle for investment in the early stage technology sector and digital assets. Investments in early stage technology and digital assets carry significantly greater risks and may be

considered high risk and volatile. There is a risk of total loss of the principal and interest invested – please refer to the respective chapter for a full list of risks.

THIS OFFERING IS LIMITED SOLELY TO US PERSONS WHO ARE ACCREDITED INVESTORS (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT) AND ONLY PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY WITH RESPECT TO THIS INVESTMENT SHOULD CONSIDER PURCHASING THE TOKENS OFFERED HEREBY PURSUANT TO A STPA BECAUSE: (I) AN INVESTMENT IN THE SECURITIES INVOLVES A NUMBER OF SIGNIFICANT RISKS (SEE “RISK FACTORS”); (II) NO MARKET FOR THE TOKENS EXISTS, AND A MARKET FOR THE TOKENS MAY NEVER DEVELOP.

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IMPORTANT INFORMATION FOR POTENTIAL INVESTORS

This Memorandum is directed only to qualified potential purchasers to whom it is made available or delivered by, or on behalf of, the Company, and it has been prepared solely for use by prospective purchasers of the Securities. By accepting this Memorandum, you agree to use this Memorandum and its contents solely in connection with your evaluation of a potential investment in the Securities. Any other use of this Memorandum is prohibited.

To receive Securities, each participating qualified purchaser is required to meet certain eligibility and investor suitability standards, execute an Accredited Investor Questionnaire and Verification in the form attached hereto and execute their own STPA in the form attached hereto. By executing the STPA and Accredited Investor Questionnaire and Verification, a purchaser makes certain representations and warranties, upon which the Company will rely in accepting payments. By executing the STPA and Accredited Investor Questionnaire and Verification and paying the total purchase price for our Securities, each purchaser agrees to be bound by all of their terms and attests that the purchaser meets the minimum income and net worth standards as described herein.. This Memorandum contains a summary of the material terms of the Offering. However, the summary of the Offering in this Memorandum does not purport to be complete and is subject to and qualified in its entirety by reference (i) in the case of the STPA, to the actual text of the STPA to be executed by each qualified purchaser. If any of the provisions of the STPA are inconsistent with or contrary to the descriptions or terms in this Memorandum, the terms of the STPA will prevail. Furthermore, certain material rights described in the summary, such as the dividends which may be declared with respect to the Tokens, are subject to the sole discretion of the Company's board of directors (the "Board"), in each case without the consent of holders of the Tokens.

The Company reserves the right in its sole discretion to reject any commitment in whole or in part by not executing a STPA. In the event that the Offering is terminated or withdrawn, all funds received in connection with the Offering will be promptly returned to the respective potential purchasers. Prior to the

Expiration Date, the Company reserves the right to modify the terms of the Offering described in this Memorandum in its sole discretion. If the Company amends the terms of the Offering in any material respect, it will provide potential purchasers that have previously funded their commitment at least 3 business days to withdraw from the Offering. Upon any such withdrawal by a purchaser, such withdrawing purchaser's STPA will terminate and all funds received in connection with the Offering from such purchaser will be promptly returned to such purchaser without interest. Such refund will be paid in the same currency and in the same amount, without interest, as paid by such Purchaser.

The Company will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the "Investment Company Act"). Consequently, purchasers are advised that they will not be afforded any of the protections of the Investment Company Act. See "Risk Factors—The Company is subject to the risk of possibly becoming an investment company under the Investment Company Act."

The Offering described in this Memorandum are subject to legal and contractual restrictions on transferability and resale. For more information on such restrictions, please see the section titled "Notice to Purchasers."

An investment in the Securities involves a high degree of risk, volatility and illiquidity. A prospective purchaser should thoroughly review the information contained herein and the terms of the Offering and carefully consider whether an investment in the Securities is suitable to the purchaser's financial situation and goals. Purchasers should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time and should be prepared to lose the full amount of their investment.

No person has been authorized to make any statement concerning the Company or the sale of the Securities discussed herein other than as set forth in this Memorandum, and any such statements, if made, must not be relied upon as having been authorized by the Company. Moreover, purchasers are

advised that they should rely solely on the information contained in this Memorandum in considering whether to invest in the Securities. The Company takes no responsibility for, and can provide no assurance as to the reliability of, any information that has been provided to potential purchasers outside of this Memorandum.

Purchasers should make their own investigations and evaluations of the Offering, including the merits and risks involved in an investment therein. Prior to any investment, the Company will give purchasers the opportunity to ask questions of, and receive answers and additional information from, the Company concerning the provisions of this Offering, the Securities and other relevant matters, to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Purchasers should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Securities, and as to the income and other tax consequences to them of such acquisition, holding and disposition.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Security in any jurisdiction in which it is unlawful to make such an offer or solicitation. Each prospective purchaser must comply with all applicable laws and regulations in force in any jurisdiction in which it receives, purchases, offers or sells the Securities and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales. The Company will not have any responsibility in connection with obtaining, or failing to obtain, any such consents, approvals or permissions. The Company is not making any representation to any purchaser regarding the legality of an investment in the Securities by such purchaser.

By their participation in the Offering, purchasers will be deemed to have agreed that their participation will constitute their representation, warranty, acknowledgement and agreement to all of the statements about purchasers under the section titled "Notice to Purchasers." Potential purchasers should carefully read that section of this Memorandum.

Prospective purchasers are not to construe this Memorandum as investment, legal, tax, regulatory, financial, accounting or other advice, and this Memorandum is not intended to provide the sole basis for any evaluation of an investment in the Securities. Prior to entering into a STPA, a prospective purchaser should consult with its own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of an investment in the Securities.

Amounts referenced in the STPA are denominated in United States dollars (\$) and purchasers may tender the purchase price payable in connection with the execution of a STPA in United States dollars, Euros, or USDT. Payments in USDT will be valued in U.S. dollars. Such currencies are subject to fluctuations in the rate of exchange and, in the case of digital assets, the exchange valuations. Such fluctuations may have an adverse effect on the number of tokens to be received, as well as the value, price or income of a purchaser's investment.

Cautionary statements regarding forward-looking statements

This Memorandum contains forward-looking statements, including statements relating to the Company's operations, financial results, business and products. Other statements in this Memorandum, including words such as "anticipate," "may," "believe," "could," "should," "estimate," "expect," "intend," "plan," "predict," "potential," "forecasts," "project," and other similar expressions, also are forward-looking statements. Forward-looking statements are made based upon management's current expectations and beliefs concerning future developments and their potential effects on the Company. Such forward-looking statements are not guaranties of future performance. The following important factors, and those important factors described elsewhere in this Offering Memorandum, including the matters set forth under the section entitled "Risk Factors," could affect (and in some cases have affected) the Company's actual results and could cause such results to differ materially from estimates or expectations reflected in such forward-looking statements:

- the Tokens will be subject to extensive legal and contractual transfer restrictions to comply with our regulatory obligations;

- the Company may not be able to pay dividends in its initial start-up years.;
- Token holders will not have access to any trading market and there is no guarantee that one may ever develop;
- the tax treatment of the Securities is uncertain;
- the potential application of U.S. laws regarding investment in securities to the Securities is unclear;
- Token transactions may be irreversible and losses due to fraudulent or accidental transactions may not be recoverable;
- there is no assurance that purchasers of the Securities will receive a return on or of their investment;
- the Company's management will have broad discretion over the use of the net proceeds from this Offering;
- purchasers may lack information for monitoring their investment;
- the Company may be forced to cease operations;
- the Securities have no history and will rank junior to the Company's debt obligations;
- the Company does not expect there to be any market makers to develop a trading market in the Tokens;
- only certain persons and entities are able to acquire Securities;
- there is uncertainty as to what regulatory regime will apply to the Tokens;
- the potential application of U.S. laws regarding virtual currencies and money transmission to the Tokens;
- the Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections;

- the regulatory regime governing blockchain technologies, cryptocurrencies, digital assets, and offerings of digital assets, such as the Securities, is uncertain;
- the slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of the Securities;
- the prices of blockchain assets are extremely volatile and fluctuations in the price of digital assets could materially and adversely affect the Company's business, and the Securities may also be subject to significant price volatility;
- technology relied upon by the Company for its operation may not function properly;
- dividends paid on the Tokens may detract from capital the Company could deploy to improve its business;
- a violation of privacy or data protection laws could have a material adverse effect on the Company and the value of the Token;
- the existing Company's business has been and will be reliant on the continued availability of certain key employees;

All forward-looking statements in this Memorandum speak only as of the date hereof. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in its expectation with regard thereto or any change in events, conditions, or circumstances on which any such statement is based.

NOTICE TO PURCHASERS

This Offering has not been registered or qualified under the securities laws of any jurisdiction anywhere in the world. The Tokens are being offered and sold only in jurisdictions where such registration or

qualification is not required, including pursuant to applicable exemptions that generally limit the purchasers who are eligible to purchase the Tokens and that restrict the Securities' resale. The Tokens may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of except as permitted under applicable securities laws and the additional restrictions imposed on the Tokens hereunder. In addition, Token holders will not be able to transfer their Tokens until the Company designates a Designated Exchange or notifies Token holders that peer-to-peer transfers will be permitted and provides holders with the requirements and conditions to effect peer-to-peer transfers. Furthermore, there can be no assurance that any Designated Exchange will be chosen or that all Token holders will have access to a Designated Exchange or that peer-to-peer transfers will ever be permitted.

Notice to Purchasers

Not registered under Securities Act and other securities laws

The Tokens have not been registered under the Securities Act or any securities laws of any state and, unless so registered, 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 and such other securities laws. Accordingly, the Tokens are being initially offered and sold only to the US persons who are "accredited investors" within the United States of America (as defined under Regulation D), in each case, in a private transaction in reliance on, and in compliance with, the exemption from the registration requirements of the Securities Act provided by Rule 506(c) of Regulation D under the Securities Act; The minimal investment amount for the accredited investors is USD \$15,000 (fifteen thousand US dollars).

Securities do not provide rights to affiliated products

The Tokens do not provide its Purchasers with any rights, titles or privileges, including the right to income from operations, in regards to the Company's or its affiliate's other products, including but not limited to

crypto exchange, NFT, operations with Token, etc, except to the products mentioned in the chapter “Company’s Business” herein.

Representations and Warranties of Purchasers

Each Purchaser that executes a STPA will be deemed to have acknowledged, represented and warranted to, and agreed with, the Company as follows:

1. It understands and acknowledges that (i) the Tokens have not been and will not be registered under the Securities Act or any other applicable securities law, unless required by applicable law, (ii) the Tokens will be transferred in transactions not requiring registration under the Securities Act or any other applicable U.S. state securities law, (iv) the Tokens may not be offered, sold or otherwise transferred or disposed of, except in compliance with the registration requirements of the Securities Act and any other applicable securities law, or pursuant to an exemption therefrom and, in compliance with the conditions for transfer set forth in paragraphs (4) and (8) below.
2. It acknowledges that this Memorandum relates to an offering that is exempt from registration under the Securities Act and may not comply in important respects with SEC rules that would apply to an offering document relating to a public offering of securities.
3. It has an “accredited investor” status (as defined in Regulation D). Acquiring the Tokens, it is aware that the Token being sold in reliance on an exemption from the registration requirements of the Securities Act.

The “accredited investors” who wish to purchase these Securities must meet the following suitability standards as defined by SEC Rules 501; 17 CFR 230.501(a) with amendments as of December 8, 2020:

- a) A natural person whose individual net worth or joint net worth with that person's spouse, at the time of the purchase of the Tokens, exceeds \$1,000,000, exclusive of primary residence;
or
- b) A natural person who had individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- c) A retirement fund, such as an Individual Retirement Account (IRA) or Self Employed Person (SEP) Retirement Account must have all of the beneficial owners meet one of the above standards. The beneficial owners may be either natural persons or other entities as long as each meet the definition of accredited to be deemed an Accredited Investor.
- d) A bank, insurance company, registered investment company, business development company, or small business investment company; or
- e) An employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of One Million Dollars (\$1,000,000); or
- f) A charitable organization, corporation, or partnership with assets exceeding One Million Dollars (\$1,000,000); or
- g) A director, executive officer, Manager or general partner of the company selling the securities;
or
- h) A business in which all the equity owners are accredited investors; or
- i) A trust with assets in excess of One Million Dollars (\$1,000,000) that was not formed to acquire these Tokens;
- j) Natural person holding professional certifications and designations or other credentials;
- k) Knowledgeable employee of Private Funds;

- l) Registered investment advisor;
 - m) Rural business investment company; or
 - n) Other entity meeting and Investment-Owned test.
4. In addition to all applicable transfer restrictions under applicable securities laws, it acknowledges and agrees that: (i) the Tokens may not be offered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of until such time as the Company (A) designates a Designated Exchange and notifies Token holders thereof or (B) notifies Token holders that peer-to-peer transfers will be permitted and provides holders with the requirements and conditions to effect peer-to-peer transfers.
5. It acknowledges that neither the Company, nor any of its representatives or affiliates, have made any statement, representation or warranty, express or implied, to it other than the information contained in this Memorandum, which has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Securities. It has had access to such financial and other information concerning the Company and the Securities as it has deemed necessary in connection with its decision to invest, including an opportunity to ask questions of and request information from the Company, and such information has been made available to it.
6. It is acquiring the Tokens for its own account, or for one or more purchaser accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any other applicable securities laws, subject to any requirement of law that the disposition of its property or the property of such purchaser account or accounts be at all times within its or their control and subject to its or their ability to resell the Tokens pursuant to Rule 144A or any other exemption from registration available under the Securities Act, in each case, subject to the conditions set forth in (9).

7. Each holder of the Securities acknowledges that the Company is not making any representations as to the availability of the exemption provided by Rule 144 for resale of the Tokens.
8. Each holder of a Token acknowledges that:

Each Token will contain a legend substantially to the following effect:

THIS SECURITY [i.e., the TOKENS], HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY, NOR ANY INTEREST OR PARTICIPATION HEREIN, MAYBE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES. EACH HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF REPRESENTS THAT IT IS AN "ACCREDITED INVESTOR" (AS DEFINED IN REGULATION D UNDER THE SECURITIES ACT)

THE HOLDER OF ANY TOKENS AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH TOKENS, PRIOR TO THE EXPIRATION OF THE APPLICABLE ONE-YEAR HOLDING PERIOD WITH RESPECT TO RESTRICTED SECURITIES SET FORTH IN RULE 144 UNDER THE SECURITIES ACT (THE "RESALE RESTRICTION TERMINATION DATE"), ONLY (A) TO THE COMPANY OR ANY OF THE COMPANY'S SUBSIDIARIES, (B) PURSUANT TO A COMPLIANT REGULATION S SALE, OR (C) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, SUBJECT, IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY APPLICABLE JURISDICTION.

HEDGING TRANSACTIONS INVOLVING THE TOKENS MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

IN ADDITION, AND INCLUDING FOLLOWING THE EXPIRATION OF RESALE RESTRICTION TERMINATION DATE, ANY AFFILIATE OF THE COMPANY (OR PERSON WHO HAS BEEN AN AFFILIATE OF THE COMPANY WITHIN THE IMMEDIATELY PRECEDING THREE MONTHS) SHALL OFFER, SELL OR OTHERWISE TRANSFER TOKENS ONLY (I) TO THE COMPANY OR ANY OF ITS SUBSIDIARIES, (II) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT OR (III) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (INCLUDING IN ACCORDANCE WITH RULE 144, IF AVAILABLE), SUBJECT IN EACH OF THE FOREGOING CASES, TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH PURCHASER ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE SECURITIES LAWS OF ANY U.S. STATE OR ANY OTHER APPLICABLE JURISDICTION. IN ADDITION, THE COMPANY WILL REQUIRE, PRIOR TO ANY OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (III), THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION OR OTHER INFORMATION SATISFACTORY TO THE COMPANY AND THE COMPANY'S TRANSFER AGENT, IF ANY.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (1) NO PORTION OF THE ASSETS USED BY SUCH HOLDER TO ACQUIRE OR HOLD THIS SECURITY CONSTITUTES THE ASSETS OF AN EMPLOYEE BENEFIT PLAN THAT IS SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), A PLAN TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") APPLIES (INCLUDING AN INDIVIDUAL RETIREMENT ACCOUNT), AN ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE PLAN ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN, OR PLAN, A GOVERNMENTAL PLAN (AS DEFINED IN SECTION 3(32) OF ERISA), A CHURCH PLAN (AS DEFINED IN SECTION 3(33) OF ERISA) THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN, OR (2) (A) THE HOLDER IS, OR IS USING, THE ASSETS OF A GOVERNMENTAL PLAN, A CHURCH

PLAN THAT HAS NOT MADE AN ELECTION UNDER SECTION 410(D) OF THE CODE, OR A NON-U.S. PLAN AND (B) THE ACQUISITION AND HOLDING OF THIS SECURITY OR TOKEN WILL NOT CONSTITUTE A VIOLATION UNDER ANY APPLICABLE PROVISIONS UNDER ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT REGULATE SUCH PLAN'S INVESTMENTS.

Each Purchaser of a Token acknowledges that by electing not to exercise withdrawal rights available, as described in this Memorandum, such purchaser agrees to be bound by the legends set forth in paragraph (4) and this paragraph (8) notwithstanding any differences appearing in the legend appearing on the Tokens previously delivered to such Purchaser. The legends set forth in this paragraph (8) shall be deemed to be set forth on any such Tokens delivered prior to the date of this Memorandum.

9. It agrees that it will not transfer Tokens unless it is given reasonable assurance that each person to whom it transfers Tokens receives notice of any restrictions on transfer of such Tokens.
10. It acknowledges that the Company or its Transfer Agent, if any, for the Tokens will not be required to accept for registration of transfer any Tokens, except upon presentation of evidence (including an opinion of counsel) satisfactory to the Company and the Transfer Agent, if any, that the restrictions set out therein have been complied with.
11. It understands that no action has been taken in any jurisdiction in the U.S. or elsewhere by the Company that would result in a public offering of the Securities or the possession, circulation or distribution of this Memorandum or any other material relating to the Company or the Securities in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Tokens will be subject to the transfer restrictions set forth under this "Notice to Purchasers."
12. It (a) is able to act on its own behalf in the transactions contemplated by this Memorandum, (b) has such knowledge and experience in financial and business matters as to be capable of evaluating

the merits and risks of its prospective investment in the Securities and (c) (or the account for which it is acting as a fiduciary or agent) has the ability to bear the economic risks of its prospective investment in the Securities, and can afford the complete loss of such investment.

13. It acknowledges that the Company will rely upon the truth and accuracy of the acknowledgements, representations, warranties and agreements set forth in this "Notice to Purchasers" section and agrees that, if any acknowledgements, representations, warranties and agreements deemed to have been made by its participation in the Offering are no longer accurate, it will promptly notify the Company.
14. If it is acquiring the Securities as a fiduciary or agent for one or more purchaser accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the acknowledgements, representations, warranties and agreements set forth in this "Notice to Purchasers" section on behalf of each such purchaser account.
15. Either (i) the Holder is not acquiring or holding such Securities or an interest therein with the assets of (A) an employee benefit plan that is subject to Part 4 of Subtitle B of Title I of ERISA, (B) a "plan" to which Section 4975 of the Code applies (including an individual retirement account), (C) an entity deemed to hold "plan assets" of any of the foregoing by reason of an employee benefit plans or plan's investment in such entity, (D) a governmental plan (as defined in Section 3(32) of ERISA), (E) a church plan (as defined in Section 3(33) of ERISA) that has not made an election under Section 410(d) of the Code, or (F) a non-U.S. plan, or (ii) the Holder is acquiring or holding such Securities or an interest therein with the assets of (A) a governmental plan, a church plan that has not made an election under Section 410(d) of the Code, or a non-U.S. plan and (B) the acquisition and holding of such Securities by the purchaser, throughout the period that it holds the Securities and the disposition of such Securities or an interest therein will not constitute or result in a violation of any provisions of any applicable United States federal, state or local laws or non-U.S. laws that regulate such plan's investments.

Selling Restrictions

No action may be taken in any jurisdiction that would permit a public offering of the Securities or the possession, circulation or distribution of this Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Tokens may not be offered or sold, directly or indirectly, and neither this Memorandum nor any other offering material or advertisements in connection with the Tokens may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

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COMPANY'S BUSINESS

Introduction

The purpose of this communication is to present the Farm Land Assets, Inc. Security Token Offering ("STO") Business Plan to secure adequate capital to profitably execute the strategic business vision.

Farm Land Assets, Inc.'s (the "Company" or "FA") business plan is to acquire prime agricultural farmland to manage & optimize investment returns by focusing on a profitable diversity of **Specialty Crop Products** grown on a diversity of **Proven Productive Farmland**. This dual diversity strategy (crops and land) is called FA's "**Cumulative Diversity Advantage**" and is intended to maximize cumulative net annual harvest profits in a variety of end markets while minimizing possible weather, drought, or disease risks of having all of the crops grown in one geographical region.

Land is one of the oldest historical investment classes in existence that has produced tremendous wealth and power over multiple generations. We believe farmland represents an attractive, long-term investment while providing capital protection during times of economic turmoil, climate threats, and global pandemic disruptions. Even billionaire Microsoft Bill Gates sees significant value of owning farmland and has created a portfolio of 242,000 acres of farmland and nearly 27,000 acres of other land across 19 states in the U.S. according to The Land Report, a magazine for land investors that tracks the nation's biggest landowners.

A noted advantage for the FA Token investor is they do not personally need millions or billions of dollars to share in the short-term and long-term benefits of agricultural land and crops. For a relatively small proportional investment, each FA Token holder will have the opportunity to experience multiple benefits from crops grown on the several thousand acres of farmland that will be under FA management:

- Projected annual dividends from cumulative net harvest or farm rental cash profits.
- Farm Land Assets will manage and do the required work to realize the harvest profits.
- The documented stable and long-term land value appreciation over the past 50 years.
- Opportunity for FA Token appreciation due to increasing valuations of land and larger harvests.
- Food security or the ability to access quality food sources in cases of global crisis, pandemic and natural catastrophes is becoming more critical every year. Each FA investor can enjoy the peace of mind knowing, in a crisis, FA management has the ability to change their model and grow sustaining food for its FA Token Holders and their families.

Why Invest In Farmland?

Increasing Demand:

It is estimated that by 2050, the world population will grow to over 10 billion people. Of that total, an additional 3 billion people will enter the middle-class causing food demand to skyrocket. With the demand for farmers to produce up to 98% more food by 2050, now is an opportune time to consider an investment in farmland and capitalize on those market demands.

Limited Supply:

According to the American Farmland Trust (<https://www.farmland.org>), in less than a generation, the United States has lost 11 million acres of its best farmland to expanding cities and towns. Urban sprawl continues to absorb agricultural land for residential, commercial, and industrial development at the alarming rate of 500,00 acres of farmland per year. That is a loss of another 15 million acres of farmland by 2050.

They're not making land anymore! This pending dilemma of diminishing farmland acres with increasing food demand will only make the remaining farmland that much more valuable.

Historical and Forecasted Farmland Investment Results

Agricultural Land Values

Historical data reveals that farmland has been an extremely resilient asset class. The industry has seen positive returns generated every year since 1990 proving it to be one of the most stable asset classes over the past few decades. For example, a \$10,000 investment in agricultural land in 1990 is worth an estimated \$199,700 today.

A spokesperson at the February 2021 USDA Agricultural Outlook Forum stated: *"At the onset of the pandemic crisis, and as conditions really were becoming problematic, there was an expectation that the ag sector actually would see a decline in land values. Instead, that has not been the case as farmland values have held and even increased due to increases in ag-related incomes and lower interest rates."* National Land Realty reported in a recent survey that *"2020 was a strong year for land and 2021 is looking to start out the same way. In fact, almost 90% of our brokers are optimistic that land will do quite well over the next few years. Approximately 20% of respondents saw land values increase by 6%-10% in 2020 and 9% of respondents saw land values increase more than 10%."*

The following historical data shows exceptional resilience compared to other asset classes:

Asset type	Average Annual Return Since 1990*
Farmland with Crops	11.5%
S&P 500	11.1%
Commercial Real Estate	8.3%
AAA Bonds	6.2%
Government Bonds	6.1%
Gold	5.4%
CDs	2.7%

*Data according to NCREIF, Bloomberg, Bankrate, NYU Stern School of Business, Federal Reserve Bank of St. Louis, and Farm Land Asset calculations.

Annual Profitability of Various Harvested Crops

Agricultural crops are broken down into two distinct categories: Commodity Crops and Specialty Crops. The 11.5% profitability from the table above can be further enhanced by growing specialty crops instead of commodity ones.

Commodity Crops are typically high revenue/lower margin crops such as corn, soybeans, wheat, barley, & cotton. Historical annual harvest profit/cash returns have been in the 3%-4% range plus the steady 6% appreciation of land values so commodity crop average annual returns are reported to be in the 8%-11% range over time. Commodity acres per farm tend to be above 1,000 acres and require a significant equipment investment to manage a large span of farmland in a reasonable period of time.

Specialty Crops are typically smaller acre farms growing a wide variety of crops such as fruits, vegetables, nuts, spices, cooking herbs, medicinal herbs, and emerging industrial biodegradable plant-based crops for

biofuels, bioplastics, and biochemicals. Reported Specialty Crop annual harvest returns are typically multiple times higher than the 3%-4% annual return for commodity crop returns.

Here are some recent market-based examples of forecasted average annual harvest profit returns/cash yields:

Type of crops	Average Annual Harvest Cash Yield
Commodity Crops	
Corn, Soybeans, Wheat, Barley, Cotton	3% - 4%
Specialty Crops	
Row Crops - Vegetables	8% - 12%
Tree-based: Pecans, Almonds, Cherries, Apples, etc	10% - 15%
Industrial Hemp: Bast, Hurd, Seed Oil, Hemp Plastic	10% - 15%
Antioxidant Berries: ie: Aronia Berry, Elderberry, etc.	15% - 20%
Gourmet Garlic & Gourmet Mushrooms	15% - 20%

Farm Land Assets, Inc. has set their sights on delivering a total aggregate return on investment (land and harvested crops) of 12%-18% per year due to the growing demand in a variety of specialty crop niche markets and the expected higher appreciation value on farmland due to its diminishing available acreage.

Unique Risk Mitigation Strategy of Farm Land Assets

As with any investment, there are potential risks associated with agricultural investments. Some of the more prevalent risks in this particular asset class to face include weather, drought, pests, or disease that could damage a crop resulting in a lower harvest yield. Farm Land Assets has intentionally established their **“Cumulative Diversity Advantage”** strategy to minimize risks:

Geographic Diversity

We plan to have farmland in multiple regions of the U.S. to spread the weather risk. We will avoid the western farmland region due to drought and fire damage risks.

Crop Diversity

Will have an eye for finding high-profit properties and a variety of crops to ensure the cumulative annual harvest profit goals and planned dividends can be realized.

Soil Selection

When investing in farmland, soil fertility and water sources are the two most important factors. Farm Land Assets will select states where agricultural success has been well-documented due to prime soil classification and access to adequate moisture sources (ie: rain, private wells, aquifers, surface water and jet streams).

Sustainability & Climate Change

A healthy and sustainable farm will have replenished nutrients by adding organic matter to sustain soil tilth. Reduced vulnerability to climate change, positive impacts on environment and greenhouse gas improvements can be achieved through:

- Advanced seed genetics to create better yields per acre.
- Marketing advancements in healthy plant-based foods.
- Technical advancements in plant-based bioplastics, biofuels, and biochemicals.

The ideal Farm Land Asset, Inc. portfolio will include a diversity of farmland locations producing profitable annual and perennial specialty crops that experience strong demand.

For a more detailed list of Operational Risk Factors, please read Section “Risk Factors Associated With FA’s Farm Land Operations”

Farm Land Assets Inc. Operating Plan

In this chapter we present the plan of Farm Land Assets’s activities after completion of the capital raise and describe our working process that will be approximately repeated each year.

FA STO Launch

FA plans to release money from escrow and launch the execution of FA Business Plan. The FA’s fundraising aim is to raise the amount of \$30 million at a Security Token Offering. The level of funding will determine the number of farms and number of acres FA can initially pursue. Quarterly informational updates will be prepared to keep our Farm Land Token Holders informed with our progress.

Farmland Selection

Beginning with the initial months post-funding, FA will conduct extensive due diligence to prioritize, negotiate, and acquire or cash rent prime agricultural land in targeted agricultural regions as described in the Business Plan. FA’s farmland outreach program will include talking with strategic specialty crop processors, targeted specialty crop trade associations, local agricultural banks, real estate land agents, and family-farm owners.

Strategic Outlets For Harvested Crops

The FA Business Development/Marketing Team will be focused on establishing business relationships and profitable paths for all of the specialty crops grown. This will include securing supply contracts with local,

regional, and national processors, local and regional food retailers, co-license of any advanced biomass crops solutions, and a robust B2B global internet website and social-media awareness campaign.

Acquired Farmland:

Each approved farmland project will be supported by a due diligence report and operational plan that defines the timeline and specialty crops to be raised in the next growing season. FA will balance annual and perennial crop selection to ensure both early-results and strategic scalable revenue growth can be realized.

Farm Management

Farm Land Assets Inc. will handle all aspects of property and crop management. Typical process cycle:

Season	Duration	Activity
Planting Season	April/May/June	Select seed genetics/soil prep/plant
Growing Season	Jul/Aug/Sep	Water/Weed/Pest Management
Harvest Season	Sep/Oct/Nov	Harvest & Properly Store Until Sold

Financial Records

Close the books on December 31 and prepare financial reports in January.

Board Dividend Mtg

Each February, FA Board Meeting to review prior year results, approve new-year planting plans/budget and approve prior year dividends for distribution.

Investor Distribution and Tax Documents

Each March, Board approved dividend distributions and related tax documents are sent to FA Token Holders along with an FA Annual Report.

Repeat The Process

Plans and Budgets have been approved to implement for the next growing season.

Farm Land Assets' Product Portfolio: how are we going to utilize the land?

This chapter provides an overview of crops we are going to grow as well other strategies to monetize the land to maximize tokenholder value. FA's strategic product portfolio will be focused on a handful of key special crop product segments where the FA founders have hands-on experience, strategic market knowledge, and business relationships or where plant-based specialty crops are postured to become a disruptive environmental and climate change alternative solution for generations to come. In addition, we have concurrently hand-picked a group of top-ranked agricultural states where FA founders happen to live or where our product portfolio selections can exist and flourish.

Vegetables

One of Farm Land Assets' strategic agricultural states is South Carolina. One of our FA founders has a business relationship with a company, McCall Farms (www.mccallfarms.com). McCall Farms is one of America's leading producers of farm-fresh canned vegetables and fruits and has been cultivating food for more than 177 years. McCall Farms is family-owned and operated. They employ over 1,000 people in 1.1m square feet of manufacturing facilities in Effingham, SC. They currently contract over 25,000 acres from local growers for their various vegetable products. Once we are funded, FA management will meet with McCall and their local growers to determine McCall's growth/expansion plans and to talk to family-

farm owners that may be putting their farmland on the market as their preferred retirement option. Success in harvesting regional vegetables with logistically close processing capacity will generate a strong foundation of annual harvests of multiple products for our business plan.

Health-Based Crops

Multiple studies of existing research have shown that consumption of certain berry specialty crops with high levels of antioxidants have helped reduce the risk of cancer, heart disease, inflammation, diabetes, bacterial infections, and neurological diseases in humans. They also are reported to slow the aging process. Antioxidant laden foods are measured by Oxygen Radical Absorbance Capacity (ORAC). ORAC measures the overall antioxidant power of food or a supplement. The United States Department of Agriculture (USDA) published a comparison of the ORCA capacity of the top ten berries:

- | | |
|---------------------|-----------------|
| 1. Aronia Berries | 6. Raspberries |
| 2. Elderberries | 7. Blueberries |
| 3. Wild Blueberries | 8. Pomegranates |
| 4. Cranberries | 9. Strawberries |
| 5. Blackberries | 10. Cherries |

The #1 ranked antioxidant fruit is the aronia berry which is grown in the home state of one of the FA's founders – Iowa. The Midwest Aronia Association is an Iowa-based organization that can put FA in contact with other aronia berry growers and promote the acreage expansion of the fruit. Since it takes up to six years from seedling to reach full maximum production, FA would look at existing aronia farms for sale as well as greenfield expansion. Mature and perennial aronia berry fields can produce very-attractive annual revenues of \$14,000+ per acre compared to corn and soybeans in the \$1,000 to \$1,500 per acre range. One of FA' founders is a close business associate with the #1 aronia berry processor in the United States.

In addition, health-based greenhouse and root crops such as garlic, ginger, turmeric, ginkgo biloba, saffron, ginseng, etc. are full of bio-active compounds and nutrients that have a long history of use in different forms of traditional and alternative medical treatment. FA Management will look at creating a profitable mix of annual and perennial medicinal specialty crops as a critical element of our overall product portfolio.

Industrial Hemp Plant – Bast Fiber, Hurd/Shives, Seeds

One of the fastest growing new plant-based markets in the U.S. (actually, has been around for millennia) is the recent legalization of growing industrial hemp. Also known as hemp, industrial hemp is a plant from the same family as cannabis. However, unlike cannabis, hemp has very low-levels of tetrahydrocannabinol (THC) – the psychoactive compound in cannabis – and therefore, it cannot get you high.

Thanks to the hemp plant's utility, it is thought to be one of the earliest plants ever to be cultivated, over 10,000 years ago. Industrial hemp had historically been grown in the United States since the forefathers founded the country. The first drafts of the Declaration of Independence were written on paper made from hemp. In 1941, Henry Ford built a prototype car consisting of a 70% hemp fiber mix. During the war, U.S. farmers grew hemp to make ropes and tarps.

The U.S. federal government started heavily taxing and regulating industrial hemp in 1937 and completely suspended cultivation when the Federal Controlled Substances Act of 1970 incorrectly classified all forms of cannabis as a prohibited Schedule 1 drug. As a result, the United States became a major importer of industrial hemp-based products from countries such as India, China, Europe, and Canada.

In December 2018, the USDA Farm Bill changed the laws and legalized production of industrial hemp as an agriculture commodity with guidelines starting with the 2020/2021 growing season. New Frontier Data forecasts that the U.S. industrial hemp market will dramatically grow to become a multi-billion industry global leader in the next few years. This will require tens of thousands of acres of industrial hemp to be grown for end-product processing.

Hemp is hailed by many as a “wonder plant” thanks to its thousands of different products and uses. Every single part of a hemp plant can be used. Here are examples of such use cases:

Plant part	Use case
Bast Fiber	Textiles/apparel, technical textiles, brake linings, compression-molded parts, paper, building materials, hemp construction blocks.
Seeds	Granola, protein-rich flour, pressed seedcake for animal feed, birdseed.
Seed Oils	Soaps, bath gels, shampoo, cosmetics, putty, coatings, industrial lubricants, printing inks.
Whole Plant	Biofuel, energy feedstock.

Several of FA’s founders are knowledgeable and involved in the industrial hemp markets. The former “tobacco belt” of NC, SC, GA is well suited to grow industrial hemp where two of our FA founders live and one is a recognized leading agronomist who is actively involved in bringing hemp growers to the market.

The FA founders are also actively involved with Canadian Greenfield Technologies who is licensing their patented Hemp Train® to regional hemp product processors that will require 1,000 acres per year of harvested hemp per each Hemp Train machine. We expect one of the first Hemp Trains in the U.S. will be in S.C. and FA Management is in a position to be the contracted S.C. grower and then expand into a multi-state region from there.

Emerging Plant-Based Bioplastics, Biofuel, & Biochemicals

This specialty crop segment is focused on FA’s Environmental, Social and Governance (ESG) sustainability goals where known agricultural crops such as hemp and sugar beets are being developed to become the core biodegradable raw materials for replacing a meaningful percentage of plastics and fossil fuel-based

glycols. Here is a snapshot of what FA Management is keeping an eye on for plant-based licensing and technology transfer opportunities.

Hemp Plastics. The basic building blocks of plastic are cellulose. Currently cellulose is primarily obtained from petroleum-based plastics that are harmful to human health and has become a known global environmental pollution hazard as it takes hundreds of years to degrade. Plastic and plastic chips are devastating the natural ecosystems for both the land and sea.

Hemp plastics is gaining traction due to its unique capabilities:

- A hemp plant contains around 65%-70% cellulose (ie: wood is 40% and flax is 65%-75%).
- Hemp-based plastic is three and a half times stronger than polypropylene plastic.
- Hemp-based plastic is lighter in weight.
- Hemp-based plastic is biodegradable and non-toxic with no latent toxins to contaminate.
- Hemp-based plastic can be molded into almost any shape for multiple production applications.

BMW is now using hemp plastic door panels and hemp fiber back shelves in their luxury vehicles.

Hemp Renewable Diesel. A new Georgia-based developer of industrial hemp-based products has reported that hemp derived renewable diesel fuel a) meets the same ASTM D975 specification as petroleum diesel; b) can be blended with biodiesel or petroleum diesel and c) can be run in diesel engines without modifications. It is a "drop-in" renewable fuel. Hemp renewable diesel can also help with easier starting and reliable operation because of its much higher cetane rating. Georgia is one of FA Management's core agricultural states and we plan to have discussions with this company on acreage requirements to support their hemp-based products.

Plant-Based Glycol Products. Today, chemicals such as mono-ethylene glycol (used for plastics, polyester textiles, and anti-freeze) and mono-propylene glycol (used for deicing of airplanes, unsaturated resins, and heat-transfer fluids) are made from harmful fossil fuel-based chemicals. Development to replace

these chemicals with plant-based alternatives is going on around the world. One of those alternative plant-based feedstocks are sugar beets. Sugar beets are high in sugar and starch which is needed for the bioenergy conversion.

A European processing company and a sugar beet grower have recently joined forces to expand beyond its demonstration facility and build its first plant-based glycol production facility. They estimate the global market for fossil-based glycols is approaching \$30 billion dollars. They forecast the need for sixty new plant-based glycol plants around the globe. Process/Grower license agreements are available for review.

American Crystal Sugar (Minnesota) provides beet tailing feedstock to Red River Biorefinery. Minnesota is one of FA's top agricultural targeted states and shares a state border with Iowa, where one of the FA founders lives. The Minnesota Red River Valley grows over 400,000 acres of sugar beets from approximately 2,700 growers that feed five processing facilities. Similar to McCall Farms vegetables in South Carolina, FA Management will meet with the regional sugar beet processing facilities and local growers for Minnesota farmland opportunities that will have immediate regional end-markets for their harvests.

Additional Incremental Farmland Revenue Opportunities

Soil Based Carbon Sequestration Revenue On Agricultural Land

The most recent data from the Environmental Protection Agency's (EPA) Greenhouse Gas Inventory Data Explorer reports U.S. greenhouse gas (GHG) emissions totaled 6.7 billion metric tons of CO₂ equivalents which is driving policy and practices to incentivize more verified carbon capture activities through carbon sequestration and ecosystem carbon credit markets.

The creation of carbon credit markets is being driven largely by two factors:

- Government mandates to reduce greenhouse gas emissions.
- Pledges by private companies to buy carbon credits to offset their own GHG emissions.

This demand and payment for carbon credits can provide incremental revenue opportunities for farmland owners who can certify that carbon dioxide has been removed from the air through climate-smart farming practices that sequester carbon in plants and soils. For example, scientists estimate that for every ton of hemp grown, 1.63 tons of carbon dioxide is removed from the atmosphere. At this point there is no universal price for carbon credits which is largely driven by sustainability pledges of well-recognized brand-name companies. Carbon markets will continue to evolve as an increased focus on climate policy and corporate sustainability ESG commitments drive demand. One of the FA founders knows the CEO of EcoEngineers in Des Moines, Iowa whose firm is certified to manage and administer various governmental carbon credit programs.

Wind Turbine Revenue On Iowa Farmland

Wind power is the largest source of electricity in Iowa which ranks second in the nation with 11 MW of power coming from close to 6,000 wind turbines placed on Iowa farmland.

The utility company, Mid-American Energy accepts applications for potential Iowa wind farm sites by considering average wind speed, typical wind direction, geographical features, availability of transmission line interconnect and community/county acceptance of potential locations.

A 2 MW wind towers require 1.5 acres of land which co-exists with planted crops around each site. Through easement agreements, Mid-American Energy issues annual payments to the farmland owners in exchange for access to the designated portion of their land and the rights to build, maintain, and operate wind turbines and transmission equipment. Typical annual easement payments average from \$6,000 to \$8,000 or an equivalent \$4,000 to \$5,300 per acre. There are farmland owners with 300 to 500 acres that may have 6 to 10 wind turbines on their property generating \$25,000 to \$53,000 per year in incremental revenue and profit.

One of the FA founders who lives in Iowa is a utility customer of MidAmerican Energy and, once we are funded, plans on meeting with the utility company to determine which Iowa counties they are looking to continue their expansion plans.

Farm Land Assets' Targeted Growing Regions

FA Management has hand-picked a group of top-ranked agricultural states where FA founders live or where our product portfolio selections can exist and flourish.

Southeast

South Carolina. With nearly 25,000 farms, South Carolina (SC) produces a wide array of crops on its 4.7million acres of farmland. The top specialty crops are vegetables, fruit, greenhouse crops, cane syrup and pecans amongst others. According to the latest USDA Census of Agriculture, SC produces over \$1 billion from annual crop sales. Average cropland price is \$2,830. per acre. FA's relationship with McCall Farms' vegetables and the planned SC industrial hemp processing facilities make SC a priority region. One of FA's founders lives in SC.

North Carolina. North Carolina (NC) has a rich agricultural history that continues to thrive and remains as one of the state's largest industries with annual sale of crops topping \$5 billion. USDA shows 8.4 million of NC acres is classified as agricultural land with more than 46,000 farms. Popular specialty crops include greenhouse products, sweet potatoes, vegetables, and peanuts. Average cropland price per acre is \$4,180.

Vegetables, greenhouse medicinal crops, industrial hemp are high priority specialty crops for this region in our business plan. One of FA's founders lives in NC.

Georgia. Georgia has over 42,000 farms on a total of 10 million acres of farmland. Georgia is ranked #1 in production of peanuts and heavily involved in specialty crops of fruits, vegetables, nuts, oil seeds, greenhouse crops, etc. USDA estimates Georgia farmers produced and sold \$9.5 billion dollars of agricultural products. Average cropland price per acre is \$3,320. All specialty crops mentioned will be considered as well as discussing farmland required to support the Georgia hemp products company.

Midwest

Iowa. With more than 85% of its land value devoted to farming in various applications, agriculture is clearly at the root of Iowa's economy and future. Iowa has over 85,000 farms on 30.6 million acres of prime agricultural land. Iowa's rich soil composition and favorable weather pattern make it an ideal place for growing most cash crops. Due to these productive qualities, Iowa farms are highly sought after making it some of the most expensive farmland per acre in the nation. Iowa has consistently been ranked in the top five state in the U.S. for agricultural production and exports since the year 2000 and ranks #1 in corn production and #2 in soybean production in the U.S. The specialty crop industry in Iowa is also strong and growing. Average cropland price per acre is \$7,170. Antioxidant berries and medical root crops are of specific interest along with the added incremental revenue & profit from wind farms. One of FA's founders lives in Iowa.

Minnesota. Just north of Iowa is Minnesota which is a leading agricultural state and ranks 4th in the U.S. for total agricultural exports. Just over 50% of Minnesota's total land is farmland. Corn and soybeans make up 45% of the state's agricultural crop revenue of around \$10 billion. There are approximately 69,000 farms on 25 million acres. Average cropland price per acre is \$ 4,800. In the Red River Valley, 2,700 farmers grow sugar beets on 400,000 acres of land supporting five local processing facilities. Plant-based glycol & other plant-based bio-refineries will expand in this region.

Financial Model, Use of Proceeds and Estimated Return

FA plans to release money from escrow and launch the execution of FA Business Plan. The FA's fundraising aim is to raise the amount of \$30 million at a Security Token Offering. The level of funding will determine the number of farms and number of acres FA can initially pursue.

During the initial months of post-funding, FA will conduct extensive due diligence to prioritize, negotiate, and acquire or cash rent prime agricultural land in targeted agricultural regions. FA's farmland outreach program will include talking with strategic specialty crop processors, targeted specialty crop trade associations, local agricultural banks, real estate land agents, and family-farm owners. Each approved farmland project will be supported by a due diligence report and operational plan that defines the timeline and specialty crops to be raised in the next growing season. FA will balance annual and perennial crop selection to ensure both early-results and strategic scalable revenue growth can be realized. The ultimate annual performance measurement will be the cumulative harvest profits generated from the farmland under tillage.

Since there will be a wide range of variables to work through (land value, specialty crop selection, revenue per acre, harvest yields, etc) as described above, the FA Business Plan Financial Model will be built on a mid-point of potential value ranges.

Use of Funds

Here is a representative model of the use of funds. The three key elements are: a) land acquisition costs; b) prepaid expenses to create the first-year harvest such as seed, soil prep, planting, farm labor, etc.; and c) operational overhead.

	\$15 Million Raise			\$30 Million Raise		
Cost Item	Acres Acquired	Price Per Acre	Total	Acres Acquired	Price Per Acre	Total, \$
State						
SC	500	\$2,830	\$1,415k	1000	\$2,830	\$2,830k
NC	400	\$4,180	\$1,672k	800	\$4,180	\$3,444k
GA	400	\$3,320	\$1,238k	800	\$3,320	\$2,656k
IA	300	\$7,170	\$2,151k	600	\$7,170	\$4,302k
MN	300	\$4,800	\$1,440k	600	\$4,800	\$2,880k
Total Land	1900	\$4,211	\$8,000k	3800	\$4,211	\$16,000k
Pre-Paid Expense To Produce First Year Harvest	-	-	\$5,800k	-	-	\$11,600k
Management/Overhead	-	-	\$1,200k	-	-	\$2,400k
Total Capital Raise	-	-	\$15,000k	-	-	\$30,000k

Cumulative Annual Harvest Revenue

Reported average specialty crop revenue per acre ranges for \$6,000 - \$8000 per acre for vegetables to around \$15,000 per acre for antioxidant berries and gourmet garlic. For financial modeling purposes, we will use a weighted average of \$8,500 per acre until we determine the actual mix of selected special crops to be grown. The estimated annual harvested revenue is:

\$15m Capital Raise: *1,900 acres • \$8,500/acre = \$16,150,000 of annual harvest revenue*

\$30m Capital Raise: *3,800 acres • \$8,500/acre = \$32,300,000 of annual harvest revenue.*

Operating Costs

FA Management has reviewed a number of financial models for specialty crops made by State Universities (see link below) and will use the following projected cost breakdown:

Expense	Percentage of revenue	Explanation
Direct Expense	40%	Seed, soil preparation, hired labor, equipment rentals, utilities, fuel, misc.
Overhead Expense	25%	Insurance, property tax, dues, depreciation, interest expense.
Management Overhead	10%	C-Suite, Finance, Legal, and Marketing compensation.
Target Pre-Tax Margin	25%	-
Estimated Tax	9%	35% from pre-tax profit.
Target After Tax Profit	16%	-

Income Statement Model

The model below presents estimated Company's profit and projected return on Company's equity. For this calculation, we estimate dividend distribution at 55% of post-tax profit.

Income Statement Item	\$15 Million Raise	\$30 Million Raise
Revenue	\$ 16,150,000	\$ 32,300,000
Cost		
Direct Expense	\$ 6,460,000	\$ 12,920,000
Overhead Expense	\$ 4,037,000	\$ 8,075,000
Management Overhead	\$ 1,615,000	\$ 3,230,000
Target Pre-Tax Margin	\$ 4,038,000 - 25%	\$ 8,075,000 - 25%
Estimated Tax	\$ 1,413,000	\$ 2,826,000
Targeted After-Tax Profit	\$ 2,625,000 - 16%	\$ 5,249,000 - 16%
Estimated Dividend (Est. 55%)	\$ 1,444,000	\$ 2,888,000
Investor Value Return		
Annual Yield on Harvest	9.6%	9.6%
Average Annual Land Appreciation	6.0%	6.0%
Investor Net Return	15.6%	15.6%

Given the variability of crop yield and other factors, Company's financial results can change year-to-year. Below we present a summary of how financial results will change in the case of 10% positive and negative variability.

	\$15m Raise	\$30m Raise
Above Model – After-Tax Profit	\$ 2.625m	\$ 5.249m
10% Higher Revenue Per Acre		
Additional Profit	\$ 1.050m	\$ 2.100m
Additional Dividend	\$ 0.577m	\$ 1.155
Annual Yield on Harvest	9.6% goes to 13.5%	9.6% goes to 13.5%
Annual Total Yield	15.6% goes to 19.5%	15.6% goes to 19.5%
10% Lower Revenue Per Acre		
Decrease in Profit	\$ 1.050m	\$ 2.100m
Decrease in Dividend	\$ 0.577m	\$ 1.155
Annual Yield on Harvest	9.6% goes to 5.8%	9.6% goes to 5.8%
Annual Total Yield	15.6% goes to 11.8%	15.6% goes to 11.8%

Sources of data

- [Minnesota Specialty Crop Farm Performance Report Funded by U.S. Dept of Agriculture \(USDA\) and MN Department of Agriculture.](#)
- [Iowa State University – Selected Alternative Agriculture Financial Benchmarks.](#)
- [South Carolina Department of Agriculture: Specialty Crops Market News Service.](#)
- [USDA – National Agriculture Statistics. Service: New England Vegetables and Strawberries Report.](#)
- [Penn State University – Agriculture Department: Garlic Production](#)

- [Iowa State University – Economics Department: Aronia – A New Crop For Iowa](#)
- [Profitable Plants Digest – Specialty Crops](#)

FA's Comparison To Competitive Farmland Investment Offerings

Here is a summary of four perceived competitive farmland investment offerings vying for investor attention and why FA believes their "**Cumulative Diversity Advantage**" is a better investor model with lower risk.

Acretrader

Description of the competitor model:

- Investors make investments in single-site properties. Returns are dependent on single property results.
- Investor returns come from annual cash rent from farmers & long-term land appreciation. No yield sharing.
- Shareholder typically waits 5-10 years and must sell the land to realize their land return. Investment is over.
- Primarily invest in commodity crop land with 3%-5% annual returns and overall avg annual return of 8%.

- Example of Current Pending Closings On Their Website:

State	Crops	Estimated Gross Cash Yield	Estimated Average Net Annual Return	Minimum Investment
GA	Cotton & Peanuts	4.3%	8.0%	\$16,500
MN	Corn & Sunflowers	3.3%	7.9%	\$16,600
GA	Cotton & Peanuts	3.3%	8.0%	\$16,830
MO	Cotton & Soybeans	3.2%	8.0%	\$17,125
CA	Almond Ranch	5.2%	8.0%	\$20,370
MO	Cotton & Soybeans	3.2%	8.0%	\$20,550
AR	Cotton/Rice	3.3%	8.2%	\$20,790
AR	Rice/Soybeans	3.3%	8.2%	\$22,890
MO	Cotton & Soybeans	3.2%	8.0%	\$23,250

In addition, Acretrader shows over 20 closed deals on commodity crops of corn & soybean farms with est. cash yields of 3.5% and est. avg annual return of around 8%. FA did find one “specialty crop” property in Washington state for an apple/cherry farm reporting est. cash yields of 12.9% and est. avg. annual return of 12.8% which supports FA Assets’ assumption that specialty crop annual cash yields can be 3X-4X higher than commodity crops.

FA’s Model Is Better Because:

- Commodity yields are shown to be much lower for the same level of dollar investment than specialty crops.
- Single property investments have higher risk than our multi-site Cumulative Diversity Advantage model.

- In the FA model, we do not plan on selling the land to realize an investor return on their property.
- FA will accumulate land value (multi-farm portfolio) to help increase the enterprise value of the FA token.
- FA investor will have more flexibility of buying and selling FA tokens versus being forced to sell the property.

FarmFundr

Description of the competitor model:

- Offers fractional farmland investor ownership in single properties – primarily in California.
- Investment returns come from annual harvest sales distributions and gains when the land is sold.
- Property examples on their website:

State	Crop	Targeted Return	Minimum Investment
CA	Almond Orchard	13.3%	\$15,000
CA	Row Crop	6%-10%	\$10,000

FA's Model Is Better Because:

- FA is avoiding western states due to higher risks for extended drought and damaging fire conditions.
- Investor has to participate in selling the land to realize the land appreciation return.
- FA will accumulate land value (multi-farm portfolio) to help increase the enterprise value of the FA token.
- FA investor will have more flexibility of buying and selling FA tokens versus being forced to sell the property.

FarmlandLP

Description of the competitor model:

- Farmland LP is currently raising their second fund (Fund II) as an LLC. Target raise is \$150 million.
- Invest into Fund II which is managed by Farmland LP. Minimum individual investment of \$50,000.
- Use capital to invest in land, irrigation, water rights, fencing, farm equipment, facilities, and other assets.
- Focus is on converting conventional farmland into organic farmland: Northern CA, Oregon, and Washington
- Takes around three years to convert land to organic status and 3-5 years to grow new permanent crops.
- Farmland LP's goal is to start annual member LLC distributions in 2-3 years after the investment.
- The larger investor return comes when the Fund II is closed and liquidated which is typically years away.
- No examples of specific properties. Investing into an organization that buys and operates organic farms.

FA's Model Is Better Because:

- FA is avoiding western states due to higher risks for extended drought and damaging fire conditions.
- FA will invest in both conventional farmland and organic farmland to optimize our diversity mix.
- Investor must wait for Fund II to decide to sell years later to realize their land appreciation return.

- FA will accumulate land value (multi-farm portfolio) to help increase the enterprise value of the FA token.
- FA investor will have more flexibility of buying and selling FA tokens versus being forced to sell the property.

FarmTogether

Description of the competitor model:

- FarmTogether is an online marketplace for farmland investing.
- Typically, a crowdfunding raise in an LLC for a single farm site and a specific crop.
- FarmTogether manages the various farming operations thru one of their LLCs: Farmland Management, LLC.
- Primary focus is on farmland with perennial crops in California and Pacific Northwest.
- Minimum investment is typically \$15,000 to \$50,000.
- Investor returns come from distributions of annual LLC income and land appreciation at the end of the holding period when the property is sold, which looks to typically be ten years.
- Advertise avg. cash yields of 3%-9% and avg annual IRR of 7%-13%.
- Current farmland investment opportunities on their website:

State	Crop	Average Net Cash Yield	Target Net Return	Target Hold Period
CA	Almonds	9.0%	10.0%	10 Years
CA	Citrus	11.6%	11.4%	10 Years
WA	Apples	17.0%	15.1%	10 Years

FA's Model Is Better Because:

- FA is avoiding western states due to higher risks for extended drought and damaging fire conditions.
- Investor must participate in selling the land ten years later to realize the land appreciation return.
- FA will accumulate land value (multi-farm portfolio) to help increase the enterprise value of the FA token.
- FA investor will have more flexibility of buying and selling FA tokens versus being forced to sell the property.

Risk Factors Associated With FA's Farm Land Operations

The Company's business consists of acquiring and managing farmland real estate which carries certain risks related to ownership and management of said properties. By its nature, the search for profitable investments is subject to risks that even a combination of due diligence, experience, and market analysis may not be able to overcome. Here is a list of possible risks and the Company's planned strategies and actions to reduce such risk:

- Crop production yields can be susceptible to negative weather conditions, including drought, tornadoes, but difficult to predict when or where they will occur. Weather may have an adverse impact on the Company's results of operations, financial condition, and ability to make dividend distributions to its FA Token Holders. FA's plans to operate in multiple regions of the Midwest and Southeast United States which will help reduce and lower the probability of weather-related risks. The two selected agriculture regions benefit from the favorable rain and weather patterns coming up through the Gulf of Mexico as compared to the increasing drought conditions experienced in the U.S. western states fed by the Pacific jet streams. For potential catastrophic weather events, the Company will carry adequate crop/business insurance to cover the basic cost of production.

- Crop production yields can be susceptible to pests and disease which may have an adverse impact on the Company's results of operations, financial condition, and ability to make dividend distributions to its FA Token Holders. Proper soil preparation and soil maintenance practices have dramatically reduced this risk in the past few decades and will be a cornerstone of FA's operational disciplines.
- The impact on crops and value of farmland may be subject to risks associated with long-term effects of climate change. Some climatologists have predicted that the impact of climate change could include increases in average temperatures, more extreme temperatures, changes in rainfall patterns, more severe drought conditions and increases in volatile weather over time. Such effects of climate change could make the Company's land less suitable for farming or other alternative uses which could have a material and adverse impact the Company's ability to generate planned financial results. FA's "Cumulative Diversity Advantage" of multiple locations and crops will give FA the ability to be more flexible and help reduce the impact of such climate risks.
- The market value of a crop can be affected by many factors that can differ each year. For example, the unpredictability of weather (favorable and unfavorable) can impact yields and create inventory shortages or supply excesses of any one crop that may increase or decrease FA's estimated average unit market price for that growing season. FA's "Cumulative Diversity Advantage" plans to harvest multiple crops that can minimize the impact compared to competitive farmland investment offerings that are restricted to a single crop and single location.
- The Company may incur unexpected repair expenses to its farm equipment, buildings, and fencing that could require unexpected costly repairs from time to time. The cost of making these repairs may reduce cash available for dividend distribution. Strong FA preventative maintenance programs will help reduce said risks.

- The Company will employ or subcontract farmland managers who will be supervised by FA's Senior Operations Management to oversee the day-to-day operations of a specific farm. Our success will depend on the performance of such farmland managers and any failure to successfully perform their management duties could adversely impact the results of that property and could reduce cash available for dividend distribution. FA will minimize this risk through its disciplined candidate interview process and having FA Founders residing in states and regions for on-site audits of the key performance disciplines on a timely and periodic basis.
- Unknown environmental issues may impact the value of an acquired property including unexpected remediation costs that could have an adverse impact on the financial performance of the Company. During FA's due diligence process, soil samples, environmental reports, and buyer indemnity protection will be used to help reduce any negative impact.
- Market prices for farmland may increase faster than projected which may require more cash to grow the total planned acreage and reduce the cash available for dividend distribution. FA's "Cumulative Diversity Advantage" of multiple locations in multiple regions gives us the flexibility to select farmland with the best return on investment.
- The acquired properties will be subject to property taxes that may increase as property tax rates change and as acquired properties are assessed and reassessed by taxing authorities. The Company's business plan includes retaining funds for anticipated property tax increases but cannot provide absolute assurance that the level of working capital retained will be sufficient to satisfy actual increases.

Summary – Reasons For Investing In The Farm Land Assets, Inc.

Limited Supply and Growing Demand

The ever-increasing global population growth and demand for food versus the non-replenishable shrinking supply of productive agricultural land is a market reality that will result in higher prices for agricultural crops and will also drive remaining farmland values much higher than in past years. The economic law of supply and demand will prevail and drive this business plan.

Strong Appreciation of Farmland

Farmland has been an extremely resilient asset class. Farmland has seen positive returns generated every year since 1990 proving it to be one of the most stable asset classes over the past few decades.

Limited Availability of Land

Over 60% of the U.S. farmland is owner operated. The average age of U.S. farmers in 2021 is 61 years old. As more and more farmers reach the retirement age, a large portion of land will change hands, supplying the market with a great opportunity to invest in productive farmland.

Diversity of Crops and Geography Reduces Risk

The focus on crop diversity in different prime growing regions will maximize results and minimize risks for the investors. Investment returns will come from annual harvest dividends, long-term appreciation of land values, and secondary trading platforms for the FA Security Token.

Experience

FA's Founders and Key Management have the hands-on experience and knowledge to successfully execute the business plan.

Partnerships

Trusted business relationships with growers, processors, end-market customers will ensure the business plan has a strong foundation to build on.

Food Security

The peace of mind knowing the investor has the ability to access quality food sources in cases of global crisis, pandemic, or natural catastrophes.

Sustainability

Know you are investing in emerging major plant-based ESG markets that will have a documented improvement on the environment for generations to come.

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DIRECTORS AND MANAGEMENT

The Directors are responsible, inter alia, for establishing the investment objectives and policy of the Company, for monitoring the Company's performance and for the overall management and control of the Company.



Robert Smith III, Founding Member, CEO and Chairman

Mr. Smith has a degree in Computer Science and accounting from Columbia Commercial College and has served as President of three successful companies. Mr. Smith spent 18 years in banking software development and implementation which serviced over 100 banks nationwide using IBM and NCR mainframe computers and (Robert Smith Holdings, Inc.), owner and operator of factory assembling micro-computers which were sold to Home Shopping Network, Sears, DaMark, Montgomery Ward and many other retailers for resale. Also, through international sales channels, shipped thousands of computers all over the world. In 1996, Mr. Smith built the first pre-pay telephone switch while writing and launching software for the first pre-paid cellular telephone platform offering prepaid cellular phone service to ACOG the communications division of the 1996 Atlanta, Ga. Olympics. After the Olympics he was part of a sign up of over 19,000 pre-paid customers within the first year (Prepaid Phone Services, Inc.). Mr. Smith also installed his pre-paid cellular switches and software platforms in La Paz, Bolivia for Italian phone company INTEL and installed same in Tegucigalpa, Honduras. Mr. Smith has over 30 years of experience in the import/export industry and has traveled worldwide most of his life throughout China, Russia, Ukraine, Republic of Georgia, Central America, Mexico, Brazil, Bolivia, Honduras, and other South America countries. Mr. Smith has the exemplary business skills to direct the operations of Farm Land Assets, Inc., with primary emphasis on streamlining operations, contract development as well as continued development of the latest seed genetics and equipment processing technologies.



Billy Styles, Founding Member, Chief Agronomist and Farm Management

Mr. Styles is a 5th generation farmer who has been working in the soil for nearly 50 years. Mr. Styles is the Founder/Owner of Tactical Horticulture Consulting, LLC. He is also a Licensed Hemp Processor and Licensed Industrial Hemp Grower. Mr. Styles has a network of Hemp Farms and Processors that reach domestic and international markets. Mr. Styles, has a gift for growing and a passion for educating people with Mother Nature in mind. The farm and America's landscapes have been his laboratory and proving grounds for over fifty years. Mr. Styles knowledge and passion for growing has made him a sought-after expert for the development and use of organic products. Mr. Styles is a renowned speaker and lecturer on the topic, as well as a radio and television personality. He is featured as a keynote speaker at regional and national agriculture shows, gardening expos, home shows and garden clubs. Mr. Styles has used his expertise to help maintain some of America's most beautiful botanical gardens including Biltmore Estate, Brooklyn Botanical Garden, Peggy Rockefeller, and Queens Botanical Garden to name a few. Mr. Styles is a Certified Master Gardener, Certified Clean Stream Administrator, Certified Turf Grass Professional and a Certified Plants man. Billy is a visionary and driving force behind FAs soil and seed genetics production plans.



Lyle Jensen, Founding Member, Director, Business Development

Mr. Jensen grew up in Iowa where he was part of a multi-generational agricultural family that produced corn, soybeans, and hay. He is a graduate of Simpson College in Business & Accounting. Following college, he entered Rockwell International's Financial Fast-Trak program and advanced quickly in financial and program management positions. From there, Mr. Jensen accepted progressive C-Suite executive positions as President or CEO of private and public companies in electronic manufacturing services, automotive aftermarket services, tire recycling, and alternative energy. A demonstrated successful track record has included start-ups, joint ventures, restructuring, financial turnarounds,

acquisitions, divestitures, and multi-site management. Mr. Jensen has been successful in raising capital thru venture capital start-ups, middle-market growth funds, OTCQB small-cap and NASDAQ public companies.

Robert Kells, Founding Member, Director, Advisor

Mr. Kells Jr. hails from Rhode Island and South Carolina. He is a graduate of Embry-Riddle Aeronautical University where he earned his B.S. in Homeland Security with Minors in Security & Intelligence and Airline Operations. Mr. Kells is a veteran of the United States Marine Corps and served in Operation Just Cause (Panama) and Operation Desert Shield/Storm in Saudi Arabia and Kuwait. Robert is also a retired Army National Guard Soldier and served in Operation Iraqi Freedom I and Operation Enduring Freedom XI. Mr. Kells is a retired third-generation police officer and served with the Rhode Island Capital Police and



Providence Police Department. Robert brings a wealth of knowledge, experience, networking, and global contacts from the relationships he has cultivated throughout his career and travels. He is a solid leader, tactician, and brings honor and integrity to whatever he does.

Additional experienced farmland operators and support staff have been identified to join the Farm Land Assets Team once we have secured funding to launch the business plan.

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DESCRIPTION OF SHARE CAPITAL AND MANAGEMENT SHARES

The following is a summary of the material features of our share capital. This summary is not complete and is qualified in its entirety by the governing documents of the Company, which may be available upon request.

The Company's registered share capital consists of 100,000 Common Stock shares 0.1 USD par value and 205,000,000 Preferred Class B shares 0,3 USD par value.

All Preferred shares exist in the form of Farm Land Assets tokens.

An actual management possessions of Company shares are as follows:

Name and role	Ownership
	Common
Robert Smith III	25,000
Robert Kells Jr.	25,000
Lyle Edward Jensen	25,000
William Gordon Styles	25,000

Rights, Preferences and Privileges of the Common Shares

Voting Rights

Each holder of Common Stock shares is entitled to one vote for each Ordinary Share of which they are holder.

Preferred Class B shares carry no voting rights; therefore, holders of such shares are not entitled with voting power.

Dividends

Each holder of our Common Stock and Preferred Class B shares is entitled to participate in dividend payments to the Company's members in proportion to their holding of Common Shares and Preferred Shares.

Capital Rights

Each holder of our Common Stock and Preferred Class B shares is entitled to participate in any distribution arising from a winding up or otherwise on a return of capital of the Company in proportion to their holdings of shares.

Exemptions from securities registration

The Company offers its shares via the following Offering Memorandum under the exemptions of the Regulation D. The Company also offers its shares to the non-US residents via the separate Offering Memorandum under the exemptions of the Regulation S.

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SUMMARY OF THE OFFERING AND THE RIGHTS ATTACHED TO THE TOKENS

This section sets forth the rights, preferences, powers, and restrictions and limitations thereon to be attached to the Company's Tokens (the "Tokens") issued by Farm Land Assets, Inc. (the "Company") pursuant to the Security Token Purchase Agreement with respect to the Tokens to be entered into between the Company and certain qualified purchasers, as may be amended, restated and/or otherwise modified from time to time (the "STPA") Certain of the provisions described below are subject to important limitations and exceptions. Prospective purchasers should review the STPA in its entirety, before its signing. If any of the provisions of this section are inconsistent with or contrary to the descriptions or terms in this Memorandum, the terms of the STPA, as applicable, will prevail.

Issuer	Farm Land Assets Inc.
Securities	Farm Land Assets Inc. Preferred Class B shares represented in the form of Farm Land Assets tokens.
Offering Size	\$30,000,000
Purchasers	Each purchaser of a Token must be an accredited investor from the US, as defined in Regulation D under the Securities Act. See section "Notice to Purchasers" for further details.
Form of Payment under STPA	The token purchase price under the STPA will be designated in U.S. dollars. Payment will be accepted in U.S. dollars, Euros, USDT, or USDC. Payments in USDT or USDC will be valued in U.S. dollars.

Sale Periods

During the period which is expected to commence on February 1, 2022 and to run through, and including, August 31, 2022 (the “Sale Period”), the Company will enter into STPAs with select Purchasers identified by the Company.

The Sale Period may be extended or shortened in the Company’s sole discretion. Any extension or shortening of the Sale Period will be announced on the Company’s web site, a supplement to this Memorandum or other available means of notifying Purchasers.

No assurance can be given that each investor that wishes to participate in the Offering will be able to do so, or to do so at the level at which such investor desires. The Company reserves the right to reject any proposed investment in part or in its entirety in its sole discretion.

Consideration

Rights to acquire Tokens will be sold pursuant to a STPA at a price of USD \$0.30 per Token, subject to discounts for the first 5,000,000 Tokens with the price of USD \$0.21 per Token.

The Company reserves the right to grant additional discounts or extend the discounts beyond any specified parameters. As a result of these discretionary pricing features, the prices and dollar amount ranges should be viewed as illustrative only. Investors should not rely on these prices and ranges to calculate the aggregate amount of Tokens that will be sold by the Company.

Secondary Trading

We intend to enable secondary trading for our investors upon completion of the STO via the liquidity pool using the Digital Securities Swap technology powered by Stobox Technologies Inc., described in the section “Aspects relating to the blockchain technology and tokens”.

Token Voting Rights

Tokens will carry the same voting rights that shares they represent. All Tokens being offered represent Preferred Class B stock, which carry no voting rights.

Dividends under the Token

If, as and when determined by the Company’s board of directors, noncumulative dividends may be declared and paid on the Tokens on a quarterly basis (each, a “Dividend”).

Dividends (i) may only be declared on a Dividend Declaration Date (as defined below) and paid out of funds lawfully available and (ii) with respect to the fiscal quarter to which a Dividend relates, shall only be paid if the Company’s reported consolidated GAAP net income for such quarter exceeds the Dividend Amount (as defined below).

Payment of a Dividend will be subject to any preferential dividend or other rights of any then outstanding preferred stock.

If a Dividend is declared, the Dividend Amount shall be paid within ten calendar days of the Dividend Declaration Date, pro rata to the participating Token holders.

Each Dividend will be paid in U.S. dollars, Euros, USDT, USDC, or other currencies with such payment method selected by the Company in its sole discretion. The Company will be permitted to pay each Dividend in one or any combination of the foregoing methods.

Dividend payments are handled the following way. The Dividend Record Date is declared at least a month before this Date. At a Dividend Record Date, the Company records all holders of the tokens on a current moment in the Ethereum blockchain. Holders then receive Dividend payment in a way determined by the Board.

Taxes

All payments and distributions (or deemed distributions) on the Tokens shall be subject to withholding and backup withholding of tax to the extent required by law. The Company is not an investor's tax agent, and it is a responsibility of investors or their authorized representatives to pay the respective taxes.

Token Liquidation Preference

In the event of any liquidation, dissolution or winding up of the Company (a "Liquidation Event"), Token holders shall be entitled to any distribution of any assets or funds of the Company with equal priority and preference to holders of the Company's common stock. (Token holders' distribution preference shall be subordinate to any class or series of preferred stock that may be issued by the Company in the future). If upon a Liquidation Event and after the payment or setting aside for payment to the

holders of any class or series of preferred stock designated to be paid prior to the Tokens, as to a liquidation preference, the assets of the Company lawfully available for distribution to the holders of Tokens and any class or series of preferred stock designated to be paid concurrently with the Tokens, as to a liquidation preference, are insufficient to permit payment in full to all such holders, then the entire assets of the Company legally available for distribution shall be distributed with equal priority and pro rata among the Token holders and holders of any class or series of preferred stock designated to be paid concurrently with the Tokens, as to a liquidation preference, ratably and in proportion to the full amounts they would otherwise be entitled to receive

Information Rights

The holders of the Tokens shall have the right to receive all reports, notices and other information delivered to the holders of the Company's common stock, at the same time and in the same manner as the holders of the common stock and have such other information rights as are provided by South Carolina law.

Ranking of Tokens

Each Token shall be identical in all respects to every other Token of the same class, and shall, with respect to dividend rights and liquidation preferences, rank equal to all classes of the Company's common stock and any class or series of common stock established after the date of issuance of the Tokens,

except for any new class or series of preferred stock designated as senior to or pari passu with the Tokens (in which case, such class or series of preferred stock shall rank as so designated).

Effect of Change of Control.
Merger Consolidation and Sale
of Assets of Token

The merger or consolidation of the Company with any other company, including a merger in which Token holders receive cash or property for their Tokens, or the sale of all or substantially all of the assets of the Company, or any other change of control of the Company, shall not constitute a Liquidation Event and Token holders shall have no preferential rights in connection therewith except to the extent required by applicable law

Termination of Offering

When this Offering Memorandum expires the unsold Tokens shall remain outstanding in perpetuity unless earlier repurchased or redeemed.

General Withdrawal Rights

Generally, if the Company amends the terms of the Offering subsequent to the date of this Memorandum in any material respect, it will provide purchasers that have previously funded their commitment at least three (3) business days to withdraw from the Offering. Upon any such withdrawal, the STPA will terminate and all funds received in connection with the Offering from such purchasers will be promptly returned to the respective purchasers without interest. Such refund will be paid

in the same currency and in the same amount, but the Company will not cover any transaction fees.

Transfer of Tokens

Token holders will be subject to a 12-month lock-up period (the “Lock-Up”), during which the Tokens will be entirely non-transferrable or re-sellable.

Token holders will not be able to transfer their Tokens until the Company designates or creates a Designated Exchange (as defined below) or explicitly authorizes peer-to-peer transfers. Peer-to-peer transfers will not be permitted unless Token holders are notified otherwise by the Company and informed of the requirements and conditions to do so.

All potential purchasers of the Tokens will need to verify their status and complete requisite know-your-customer and anti-money laundering checks on a Designated Exchange (as defined below) before they are permitted to acquire Tokens.

Transfer Agent, Registrar, Paying Agent and Exchange

The Company may in the future appoint, or itself act as, a transfer agent, registrar and paying agent for the Tokens. The Company may appoint a successor to any one or more of such roles (and may remove any such successor in accordance with any agreement with such successor and appoint a new successor). Upon any such removal or appointment, the Company shall provide notice to the holders of the Tokens. To the fullest extent permitted by applicable law, the Company and

any future transfer agent may deem and treat the holder of any Tokens as the true and lawful owner thereof for all purposes.

The Company may in the future designate one or more digital tokens exchanges pursuant to which holders of Tokens may transfer or resell their Tokens (each, a “Designated Exchange”). There can be no assurance that any Designated Exchange will be chosen or created or that all Token holders will have access to a Designated Exchange.

Amendments

The Company reserves the right to amend the terms of the Offering at any time during the Offering prior to the Expiration Date.

Notices

Except as otherwise set forth herein, to the fullest extent permitted by law all notices provided by the Company to holders of the Tokens hereunder shall be delivered by a notice sent to the holders of Tokens by posting such notice to the Company’s website - <https://farmlandassets.com/>, or by such other manner as may be permitted in the Company’s Articles of Association or Bylaws.

Documentation

To invest, each purchaser will be required to complete such documentation as may be requested by or on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a STPA, (2) completion of investor qualification requirements and (3) provision of documents

sufficient to enable the verification of an accredited investor's status.

Governing Law

The Tokens will be governed by the law of the State of South Carolina.

Severability of Provisions

If any rights, preferences, powers or restrictions or limitations of the Tokens set forth herein is found to be invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other rights, preferences, powers and restrictions and limitations of the Tokens set forth herein which can be given effect without the invalid, unlawful or unenforceable rights, preferences, powers and restrictions and limitations thereof shall, nevertheless, remain in full force and effect and no rights, preferences, powers, restrictions and limitations of the Tokens set forth shall be deemed dependent upon any other rights, preferences, powers or restrictions and limitations of the Tokens unless so expressed herein.

Use of Proceeds

At present, the net proceeds of the Offering are expected to be used for developing Company's business as described in the respective paragraph "Use of Proceeds" above.

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ASPECTS RELATING TO BLOCKCHAIN TECHNOLOGY AND TOKENS

What are blockchain tokens and how to hold them?

Ethereum blockchain is a distributed database used to store data about financial instruments and process transactions. Instead of centralized server and manual transaction processing it's completed by thousands of computers around the world.

Tokens is an accounting unit on the blockchain. Having 10 tokens on your wallet means that you are assigned 10 shares. Notice that there is no outside off-chain storage or custody for shares, which are only represented by tokens. Instead, Farm land Assets tokens are Preferred Shares Class B.

To hold Farm Land Assets tokens you need to install a wallet that supports ERC-20 tokens. Examples of such wallets are MyEtherWallet and Metamask. This is a simple procedure that takes 3-5 minutes. A wallet can be set up as a mobile application or a browser extension. The wallet will be "whitelisted" during the identity verification procedure, meaning that it will become eligible for holding Farm Land Assets tokens.

In case you lose access to your wallet, please, create another one, resubmit your identity data and contact the Company using the current contact email displayed on the website. We will burn tokens on the old wallets and reissue them on the new one.

Benefits of tokenization

Fractional Ownership

Tokens represent fractions of ownership in the underlying land. This provides you with a greater flexibility in choosing the investment amount. It also increases liquidity by facilitating small transactions and increasing the number of potential counterparties for a transaction by attracting diverse investors.

Streamlined investment process

The purchase of the actual land is an expensive and cumbersome process. Farm Land Assets tokens represent securities, the purchase of which is a much simpler process. Therefore, investment and trading tokens will be faster and cheaper than executing conventional property transactions.

Digitization of operations

All operations with tokenized land are conducted via a digital platform that can be accessed from any corner of the world and excludes the need for travel and physical interactions.

Higher Liquidity

Fractionalization and simpler operations, alongside with technical efficiency enable faster transactions with low fees, immediate settlement and easier discovery of counterparty with trading open 24/7.

Transparency

Transactions with tokenized securities are easily auditable, and real-time data on tokens is always available.

Interaction with Decentralized Finance protocols

Tokenized securities can interact with protocols of Decentralized Finance that can provide additional benefits. For example, Automated Market Making protocols serve as intermediary between buyers and sellers, facilitating transactions, lending protocols allow using tokens as a collateral to get a loan and further enhance yield.

How will the tokens be traded?

There will be two forms in which the trading will be implemented: P2P trading and decentralized trading.

P2P Trading

This form includes private peer-to-peer transactions between two individuals outside an exchange or other trading venue. It works in such a way that investors post buy or sell requests on the bulletin board, other investors engage with these requests and negotiate completion of the transaction. It costs nothing to set up and manage for the issuer but has the problem of discovery of counterparty and market-based pricing for transactions, as the purchase price is negotiated on a case-by-case basis.

DS Swap

The problem with every private transaction is the discovery of a counterparty who an investor can sell securities to or purchase securities from. It can significantly halt trading and increase the time for the execution of transactions. This may be solved via the use of decentralized liquidity provision protocol, such as DS Swap. This technology allows creating a liquidity pool that would serve as an automated market maker and facilitate transactions.

The schematic explanation of decentralized trading via a liquidity pool that uses Stobox Digital Securities Swap technology is shown in the picture below. The DS Swap uses automated market-making protocols such as Uniswap as its core. Basically, it replaces classical market making conducted by broker-dealers with automated market making conducted by a blockchain protocol.

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Schematic explanation of how DS Swap works



ANTI-MONEY LAUNDERING REQUIREMENTS

In addition to submitting documentation to confirm their status as “accredited investors” potential purchasers of the Tokens will need to complete requisite know-your-customer and anti-money laundering procedures to execute a STPA.

The USA PATRIOT Act

The USA PATRIOT Act is designed to detect, deter and punish terrorists in the United States and abroad. The Act imposes anti-money laundering requirements on brokerage firms and financial institutions. Since April 24, 2002, all United States brokerage firms have been required to have comprehensive anti-money laundering programs in effect. To help you understand these efforts, the Company wants to provide you with some information about money laundering and the Company’s efforts to help implement the USA PATRIOT Act.

What is money laundering?

Money laundering is the process of disguising illegally obtained money so that the funds appear to come from legitimate sources or activities. Money laundering occurs in connection with a wide variety of crimes, including illegal arms sales, drug trafficking, robbery, fraud, racketeering and terrorism.

How big is the problem and why is it important?

The use of the United States financial system by criminals to facilitate terrorism or other crimes could taint its financial markets. According to the United States State Department, one recent estimate puts the amount of worldwide money laundering activity at \$1 trillion a year.

You should check the Office of Foreign Assets Control (the “OFAC”) website at <http://www.treas.gov/ofac> before making the following representations:

- (i) you represent that the amounts invested by you in this Offering were not and are not directly or indirectly derived from any activities that contravene Federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. In addition, the programs administered by the OFAC (the "OFAC Programs") prohibit dealing with individuals (1) or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;
- (ii) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Company may not accept any STPA's from a prospective purchaser if such purchasers cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Company should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, the Company may be obligated to "freeze the account" of any purchaser, either by prohibiting additional subscriptions from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental regulations, and that the Company may also be required to report such action and to disclose such purchaser's identity to the OFAC;
- (iii) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this investment is a senior foreign

political figure (2), or any immediate family (3) member or close associate (4) of a senior foreign political figure, as such terms are defined in the footnotes below; and

- (iv) if you are affiliated with a non-U.S. banking institution (a "Foreign Bank"), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Company that: (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities; (2) the Foreign Bank maintains operating records related to its banking activities; (3) the Foreign Bank is subject to inspection by the banking Authorities.
1. These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.
 2. A "senior foreign political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.
 3. "Immediate family" of a senior foreign political figure typically includes such figure's parents, siblings, spouse, children and in-laws.
 4. A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure.

The Company is entitled to rely upon the accuracy of your representations. The Company may, but under no circumstances will it be obligated to, require additional evidence that a prospective purchaser meets the standards set forth above at any time prior to its acceptance of a prospective purchaser. You are not

obligated to supply any information so requested by the Company, but the Company may reject a purchase from you or any person who fails to supply such information.

How to Purchase

Prospective purchasers shall visit <https://farmlandassets.com/> and click REGISTER. Prospective purchasers will be asked to fill out a form with necessary identifying information which the company shall use to fulfill AML, KYC, and other requirements required by Regulation D and other applicable laws to determine eligibility of the prospective purchaser. Upon completion of verification of accreditation status and identity, a prospective purchaser can sign the STPA on the aforementioned website. The STPA is considered complete upon transfer of committed funds for the purchase.

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CERTAIN US INCOME TAX CONSIDERATIONS

The following discussion is a summary of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Tokens. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury Regulations thereunder, administrative rulings and pronouncements and judicial decisions, all as in effect on the date of this Memorandum and all of which are subject to change or differing interpretations, possibly with retroactive effect. This discussion is addressed only to beneficial owners of the Tokens that purchase them for cash, and to beneficial owners that hold the Tokens as "capital assets" within the meaning of Section 1221 of the Code.

This discussion does not address all of the tax considerations that may be relevant to a purchaser of Tokens in light of its particular circumstances or to purchasers that are subject to special rules, such as: banks and other financial institutions; insurance companies; real estate investment trusts and regulated investment companies; tax-exempt organizations; pension funds and retirement plans; brokers and dealers in securities or currencies; traders in securities that elect to use a mark-to-market method of tax accounting; persons that own the Tokens as a position in a hedging transaction; persons that own the Tokens as part of a "straddle," "conversion" or other integrated transaction for tax purposes; or U.S. Holders (as defined below) whose "functional currency" for tax purposes is not the United States dollar.

As used in this discussion, the term "U.S. Holder" means a beneficial owner of a Token that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state there of or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust, if (A) a court within the United States is able to exercise primary jurisdiction over administration of the trust and one or more United States persons have authority Certain United States Federal Income Tax Considerations to control all substantial decisions of

the trust or (B) it has a valid election in effect to be treated as a United States person. As used in this discussion, the term “non-U.S. Holder” means a beneficial owner of a Token (other than a partnership or other entity treated as a partnership or as a disregarded entity for U.S. federal income tax purposes) that is not a U.S. person.

The tax treatment of a partnership and each partner thereof will generally depend upon the status and activities of the partnership and such partner. A holder that is treated as a partnership for U.S. federal income tax purposes or a partner in such partnership should consult its own tax advisor regarding the U.S. federal income tax consequences applicable to it and its partners of the acquisition, ownership and disposition of the Tokens.

Characterization of the Tokens

There are no regulations, published rulings or judicial decisions involving the characterization for US federal income tax purposes of instruments with substantially the same terms as the Tokens. Thus, the characterization of these instruments is uncertain. It should be expected that the Internal Revenue Service (“IRS”) or a court would determine this characterization based on a consideration and weighing of the characteristics of these instruments. Except for purposes of withholding on payments to non-US persons discussed below, the Company intends to treat the Tokens as equity in the Company analogous to common stock and to treat the STPAs as a contract arrangement to purchase the Tokens on the terms provided. Other characterizations of each of the Tokens and STPAs are possible, some of which are discussed briefly below, which may have less favorable US federal income tax consequences for investors. Potential purchasers are strongly advised to consult their own tax advisors as to the US federal income tax characterization of the Tokens and STPAs and the consequences to them of the various alternative characterizations.

Characteristics of Tokens

As noted, the Company intends generally to treat the Tokens as equity in the Company. Among the characteristics of the Tokens that support equity treatment are their treatment as a type of stock under South Carolina law, their rights to dividends and their rights to participate in proceeds if the Company is liquidated. Among the characteristics of the Tokens that are less supportive is the non-traditional form of the Tokens.

The following is a description of the US federal income consequences of holders that would obtain if the Company's characterization of the Tokens as equity prevails. Other characterizations are possible, as explained in more detail below, and these could have less favorable US federal income tax consequences for holders.

Tax Treatment of Tokens

Dividends

For US federal income tax purposes, the gross amount of any cash Dividends paid to US Holders will be treated as ordinary dividend income to the extent paid or deemed paid out of the current or accumulated earnings and profits of the Company (as determined under US federal income tax principles). Dividends paid by the Company may be eligible for the dividends-received deduction generally allowed to corporate US Holders.

To the extent that an amount received by a US Holder exceeds the allocable share of the Company's current and accumulated earnings and profits, such excess will be applied first to reduce such US Holder's tax basis in its Tokens and then, to the extent it exceeds the US Holder's tax basis, it will constitute capital gain from a deemed sale or exchange of such Tokens (see "Gain or Loss upon Sale or Other Disposition of Tokens or Shares", below).

The amount of any distribution paid in property other than cash, including USDT will equal the dollar value of the property so distributed, calculated as of the date the dividend is received by a US Holder, and will otherwise be subject to the above rules.

Gain or Loss upon Sale or Other Disposition of Tokens

In general, a US Holder that sells, exchanges or otherwise disposes of its Tokens (including by redemption) will recognize capital gain or loss in an amount equal to the amount realized for the Tokens and the US Holder's tax basis in the Tokens disposed of. For non-corporate US Holders, including individuals, any capital gain generally will be subject to US federal income tax at preferential rates (currently a maximum of 20%) if the US Holder's holding period for the Tokens exceeds one year. The deductibility of capital losses is subject to significant limitations.

Medicare Tax

Certain US Holders who are individuals, estates or trusts are required to pay a Medicare tax of 3.8% (in addition to taxes they would otherwise be subject to) on their "net investment income" which would include, among other things, capital gains from the Tokens.

Alternative Characterizations

Each of the Tokens are subject to possible characterizations for US federal income tax purposes different from those described above. The Tokens could be viewed as a type of "phantom" or derivative stock. US Holders should be aware that several of these characterizations could be disadvantageous for the holder's US federal income tax treatment, including the timing and characterization of the holder's income.

Holders should also be aware that the IRS has issued guidance, Notice 2014-21, regarding the treatment of "virtual currencies" such as Bitcoin. The Company believes that the Tokens have important difference

from a virtual currency, chiefly that they cannot generally be used as a medium of exchange for goods or services and will be traded, if at all, only in the broker/dealer arrangements described herein.

US Holders are strongly encouraged to consult their US tax advisors regarding the US federal income tax characterization of the Tokens and the consequences of these alternative characterizations.

Information Reporting and Backup Withholding Tax

Distributions made to holders and proceeds paid from the sale, exchange, redemption or disposal of Tokens may be subject to information reporting to the IRS. Such payments may be subject to backup withholding taxes unless the holder (i) is a corporation or other exempt recipient or (ii) provides taxpayer identification number and certifies that no loss of exemption from backup withholding has occurred. Backup withholding is not an additional tax; amounts withheld as backup withholding may be credited against a holder's US federal income tax liability.

THE US FEDERAL INCOME TAX TREATMENT OF THE TOKEN IS NOT CLEAR AND THE FOREGOING DISCUSSION DOES NOT ADDRESS ALL ASPECTS OF US FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF ITS INDIVIDUAL CIRCUMSTANCES, NOR DOES SUCH DISCUSSION ADDRESS ANY ASPECTS OF STATE, LOCAL, OR FOREIGN TAX LAWS OR OF ANY US FEDERAL TAX LAWS OTHER THAN THE INCOME TAX LAWS. ACCORDINGLY, PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS AS TO THE US FEDERAL INCOME TAX CHARACTERIZATION OF THE TOKENS AND STPAS, AS WELL AS THE OTHER TAX CONSEQUENCES OF ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES IN THEIR OWN PARTICULAR CIRCUMSTANCES.

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RISK FACTORS

An investment in the Securities involves a high degree of risk. You should consider carefully the risks described below, together with all of the other information contained in this Memorandum, and the STPA, before making an investment decision. The following risks entail circumstances under which the Company's business, financial condition, results of operations and prospects could suffer.

Risks related to an investment in the securities are as follows:

The Company does not expect to pay any Dividends for some time into the future.

The terms of the Offering are set forth in the section "summary of the offering and the rights attached to the tokens". The Tokens provide that Dividends payable in kind, in U.S. Dollars, Euros, USDT, in the Company's sole discretion, will be paid only out of funds lawfully available for such payment when consolidated GAAP net income exceeds the Dividend Amount, and only if declared by the Board. Currently, the Company does not expect to be in a position to pay Dividends for some time into the future and can provide no assurances as to when Dividends might first be paid, if ever.

There will be no trading market for the Tokens, and a trading market may never develop.

There will be no trading market available for the Tokens immediately after the initial sale, no Designated Exchange and peer-to-peer transfers will not be permitted unless and until Token holders are notified otherwise by the Company and informed of the requirements to and conditions do so. As a result of recent regulatory developments, conventional crypto exchanges are currently unwilling to list securities tokens, such as the Company's Tokens. As a result, when the Tokens become transferable, they may only be traded on very limited range of venues, including U.S. registered exchanges or regulated alternative trading systems for which a Form ATS has been properly submitted to the SEC. Currently, the Company is unaware of any operational ATS or exchange capable of supporting secondary trading in the Tokens. Moreover, even

if legally permitted, by purchasing Tokens, Token holders agree to additional transfer restrictions and shall not be able to effect transfers until such time as the Company informs holders that a Designated Exchange is available or that peer-to-peer transfer processes have been established. As a result, holders of Tokens should be prepared to hold their Tokens indefinitely. See “Notice to Purchasers” for more information. Moreover, even if the Tokens become transferable, we may rely on technology, including smart contracts, to implement certain restrictions on transferability in accordance with the federal securities laws. There can be no assurance that such technology will function properly, which could result in technological limitations on transferability and expose the Company to legal and regulatory issues.

In the event that the Tokens remain untradeable for a significant period of time or indefinitely, the value of the Tokens would be materially adversely affected.

The tax treatment of the Securities is uncertain and there may be adverse tax consequences for purchasers upon certain future events.

The tax characterization of the Securities is uncertain, and each purchaser must seek its own tax advice in connection with an investment in the Securities. An investment in the Securities may result in adverse tax consequences to purchasers, including withholding taxes, income taxes and tax reporting requirements. See “Certain United States Federal Income Tax Considerations,” herein. Each purchaser should consult with and must rely upon the advice of its own professional tax advisors with respect to the United States and non-U.S. tax treatment of an investment in the Securities.

The tax characterization of the Securities also affects the Company’s tax liability in connection with the Offering. In addition, the accounting consequences are uncertain, and there is a possibility that the proceeds of the Offering might be treated as a liability rather than equity for accounting purposes, which would reduce Company’s net book value compared to equity treatment, which would prevent Company from making dividend payments until such time, if ever, that Company’s net book value increases to a positive amount at least greater than the aggregate amount of any proposed dividend

The potential application of U.S. laws regarding investment securities to the Securities is unclear.

The Securities are novel and the application of U.S. federal and state securities laws is unclear in many respects. Because of the differences between the Securities and traditional investment securities, there is a risk that issues that might easily be resolved by existing law if traditional securities were involved may not be easily resolved for the Securities. In addition, because of the novel risks posed by the Securities, it is possible that securities regulators may interpret laws in a manner that adversely affects the value of the Securities. For example, if applicable securities laws restrict the ability for the Tokens to be transferred, this would have a material adverse effect on the value of the Securities. The occurrence of any such legal or regulatory issues or disputes, or uncertainty about the legal and regulatory framework applicable to the Securities, could have a material adverse effect on the Holders of Securities.

If the Tokens ever become transferable, Token transactions may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable.

In the event that the Tokens become tradeable on a Designated Exchange or pursuant to permitted peer-to-peer transfers, transactions in the Tokens may be irreversible, and, accordingly, a purchaser of the Tokens may lose all of his or her investment in a variety of circumstances, including in connection with fraudulent or accidental transactions, technology failures or cyber-security breaches. If applicable, real-time settlement would further increase the risk that correction of trading errors may be impossible and losses due to fraudulent or accidental transactions may not be recoverable.

The nature of the Tokens means that any technological difficulties experienced by any Designated Exchange, the Ethereum network, or other services such as crypto wallets may prevent the access or use of a purchaser's Tokens.

Any Designated Exchange, if developed, will be subject to the risk of technological difficulties that may impact trading of the Tokens, which include, without limitation, failures of any blockchain on which the Tokens or the Designated Exchange relies or the failure of smart contracts to function properly. Trading in

the Tokens will depend on the operation and functionality of the applicable Designated Exchange and if such system were to fail for any reason, trading in the Tokens could be impossible until such failure was corrected and full functionality were restored and tested. Any such technological difficulties may prevent the access or use of the Tokens. This could have a material impact on the applicable Designated Exchange's ability to execute or settle trades of the Tokens, to maintain accurate records of the ownership of the Tokens and to comply with obligations relating to records of the ownership of the Tokens and could have a material adverse effect on the holders of the Tokens.

There is no assurance that Purchasers of the Securities will receive a return on their investment.

The Securities are highly speculative and any return on an investment in the Securities is contingent upon numerous circumstances, many of which (including legal and regulatory conditions) are beyond the Company's control. There is no assurance that Purchasers will realize any return on their investments or that their entire investments will not be lost. For this reason, each purchaser should carefully read this Memorandum and should consult with their own attorney, financial and tax advisors prior to making any investment decision with respect to the Securities. Investors should only make an investment in the Securities if they are prepared to lose the entirety of such investment.

The Company's management will have broad discretion over the use of the net proceeds from this Offering.

At present, the net proceeds of the Offering are expected to be used primarily for investment in venture undertakings and for the rest of general corporate purposes, which may include cybersecurity upgrades, augmenting technology, infrastructure and personnel, development of products and services, particularly in regards to securities tokens, and offering, legal and accounting expenses. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Securities.

The Securities may be subject to registration under the Exchange Act if the Company has assets above \$10 million and more than 2,000 purchasers participate in the Offering or additional securities offerings of the Company, which would increase the Company's costs and require substantial attention from management.

Companies with total assets above \$10 million and more than 2,000 holders of record of its equity securities, or 500 holders of record of its equity securities who are not accredited investors, at the end of their fiscal year must register that class of equity securities with the SEC under the Exchange Act. The Company could trigger this requirement as a result of the Offering and be required to register the Tokens with the SEC under the Exchange Act, which would be a laborious and expensive process. Furthermore, if such registration takes place, the Company will have materially higher compliance and reporting costs going forward.

Purchasers may lack information for monitoring their investment.

The Securities do not have any information rights attached to them (other than certain rights to Company information afforded Token Holders under South Carolina law), and Purchasers may not be able to obtain all the information they would want regarding the Company or the Securities. In particular, investors may not be able to receive information regarding the financial performance of the Company with respect to the ability of the Company to meet revenue payout obligations. The Company is not currently registered with the SEC and currently has no periodic reporting requirements. As a result of these difficulties, as well as other uncertainties, a purchaser may not have accurate or accessible information about the Company or the Securities.

The Securities have no history.

The Securities will be newly formed and have no operating history and are entirely novel in type. Investors will not be able to compare them against other like instruments. An investment in the Securities should be evaluated on the basis of the value and prospects of the Tokens, taking into account uncertainties as

to the likelihood that the assessment of the prospects of the Company's business may not prove accurate, and the Company may not achieve its objectives. Past performance of the Company, or any similar tokens issued by other companies, is not predictive of the Company's future results, the value and success of the Company's Securities or the amount revenue share the Company is to payout.

The Company does not expect there to be any market makers to develop a trading market in the Tokens.

Most securities that are publicly traded in the United States have one or more broker-dealers acting as "market makers" for the security. A market maker is a firm that stands ready to buy and sell the security on a regular and continuous basis at publicly quoted prices. In the event that a Designated Exchange is created or developed, the Company does not believe that the Securities will have any market makers, which could contribute to a lack of liquidity in the Securities, and could have a material adverse effect on holders' ability to trade the Securities.

Only certain persons and entities are able to acquire Securities.

Only limited categories of persons and entities may purchase Securities. The Company expects that these limitations will limit liquidity in the Securities, and the limitations may have a material adverse effect on the development of any trading market in the Securities. The Securities have not been registered under the Securities Act or any United States state securities laws or under the securities laws of any other jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Moreover, in addition to legal restrictions, by acquiring Tokens, holders agree to additional transfer restrictions described in this Memorandum.

Consequently, it is expected that there will only be a limited number of Token Holders, a Purchaser of the Securities and an owner of beneficial interests in those Securities must be able to bear the economic risk

of their investment in the Securities indefinitely. For a discussion of certain restrictions on resale and transfer, see “Notice to Purchasers” section.

The Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation (“SIPC”) protections.

The Securities are not legal tender, are not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections. Any investment in the Securities is made at the risk of the Purchaser.

The Tokens are equity securities and are subordinate to existing and future indebtedness of the Company.

Tokens are equity interests in the Company. This means that the Tokens will rank junior to all existing and future indebtedness of the Company and to other non-equity claims on the Company with respect to assets available to satisfy claims on the Company, including claims in liquidation. Additionally, unlike indebtedness, where principal and interest customarily are payable on specified due dates, in the case of Tokens, (1) dividends are payable only when, as, and if declared by the Board, (2) dividends will not accumulate if they are not declared, and (3) the Company will be subject to restrictions on Dividend payments and redemption payments out of lawfully available funds.

Further, the Tokens place no restrictions on the business or operations of the Company or on its ability to incur additional indebtedness or engage in any transactions, subject only to the limited voting rights required under South Carolina law.

In addition, if payment of a Dividend on the Tokens for any period would cause the Company to fail to comply with any applicable law or regulation, the Company will not pay a Dividend for such period and no Dividend will accrue, accumulate or be payable for that dividend period.

The Company's ability to pay Dividends depends upon the results of operations of its subsidiaries. There are regulatory restrictions upon certain of the Company's subsidiaries' ability to make dividend or other payments to the Company. As a result, there can be no assurance that the Company will have sufficient funds available for the declaration of any Dividend with respect to any dividend period.

Risks related to blockchain technology are as follows:

The regulatory regime governing blockchain technologies, cryptocurrencies, digital assets, and offerings of digital assets, such as the Tokens, is uncertain, and new regulations or policies may materially adversely affect the development and the value of the Tokens.

Regulation of digital assets like the Tokens is currently undeveloped and likely to rapidly evolve as government agencies take greater interest in them. Regulation varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future adopt laws, regulations, or guidance, or take other actions, which may severely impact the permissibility of the Tokens, tokens generally and, in each case, the technology behind them or the means of transaction in or transferring them. Failure by the Company or certain users of the Securities to comply with any laws, rules and regulations, some of which may not exist yet or that are subject to interpretations that may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

Cryptocurrency networks, distributed ledger technologies, coin and token offerings also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Tokens. Such laws, regulations or directives may conflict with those of the United States or may directly and negatively impact the Company's business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the adoption and value of the Tokens and the financial performance of the Company.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the Tokens, including with respect to the Dividends that may be made, the liquidity of the Tokens, the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens.

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 an adverse material effect on the successful development and adoption of the Tokens.

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

- worldwide growth in the adoption and use of cryptocurrencies, crypto securities and other blockchain technologies;
- government and quasi-government regulation of cryptocurrencies, crypto securities and other blockchain assets and their use, 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 cryptocurrency or crypto securities 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 government-backed currencies or existing networks;
- general economic conditions and the regulatory environment relating to cryptocurrencies and crypto securities; and

- a decline in the popularity or acceptance of cryptocurrencies or other blockchain-based tokens would adversely affect the Company's results of operations.

The cryptocurrency and crypto securities industries as a whole have been characterized by rapid changes and innovations and are constantly evolving. Although they have experienced significant growth in recent years, the slowing or stopping 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 Tokens.

The prices of digital assets are extremely volatile. Fluctuations in the price of digital assets could materially and adversely affect the Company's business, and the Tokens may also be subject to significant price volatility.

The prices of cryptocurrencies, such as Bitcoin and Ether, and other digital assets have historically been subject to dramatic fluctuations and are highly volatile, and the market price of the Tokens may also be highly volatile. Several factors may influence the market price, if any, of the Tokens, including, but not limited to:

- the ability of the Tokens to trade in a secondary market, if at all;
- the availability of a Designated Exchange or other trading platform for digital assets;
- global digital asset and security token supply;
- global digital asset and security token demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of digital assets like cryptocurrencies as payment for goods and services, the security of online digital asset exchanges and digital wallets that hold digital assets, the perception that the use and holding of digital assets is secure, and the regulatory restrictions on their use;
- purchasers' expectations with respect to the rate of inflation;
- changes in the software, software requirements or hardware requirements underlying the Tokens;

- changes in the rights, obligations, incentives, or rewards for the various holders of the Tokens;
- interest rates;
- currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- government-backed currency withdrawal and deposit policies of digital asset exchanges;
- interruptions in service from or failures of major digital asset and security token exchange on which digital assets and security tokens are traded;
- investment and trading activities of large purchasers, including private and registered funds, that may directly or indirectly invest in securities tokens or other digital assets;
- monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- regulatory measures, if any, that affect the use of digital assets and security tokens such as the Tokens;
- global or regional political, economic or financial events and situations; and
- expectations among digital assets participants that the value of security tokens or other digital assets will soon change.

A decrease in the price of a single digital asset may cause volatility in the entire digital asset and security token industry and may affect other digital assets including the Tokens. For example, a security breach that affects purchaser or user confidence in Bitcoin or Ether may affect the industry as a whole and may also cause the price of the Tokens and other digital assets to fluctuate. Such volatility in the price of the Tokens may result in significant loss over a short period of time.

Risks related to the company's business are as follows:

The Company has encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly developing and changing industries, including challenges in forecasting accuracy, determining appropriate investments of its limited resources, gaining market acceptance, and developing new products. The Company's current operating model may require changes in order for it to scale its operations efficiently. Purchasers should consider the Company's business and prospects in light of the risks and difficulties it faces as an early-stage company focused on developing products, both organically and through strategic acquisitions, in the field of document workflow software.

There is no assurance that the Company will be able to continue as a going concern.

Although the Company anticipates the proceeds from the Offering will provide sufficient return to meet its obligations to Token Holders, there is no guarantee the Company will be successful in achieving this objective.

Dividends made pursuant to the terms of the Tokens may detract from the capital of the Company and could otherwise be deployed to improve its business.

Following the purchase of the Tokens, if declared by the Board out of funds lawfully available therefor, Holders of the Tokens will receive Dividends. Any capital used to pay Dividends detracts from the capital available for the Company to deploy in developing its business. Diverting the funds from the Company's operations may put the Company at a significant disadvantage in comparison to its competitors who do not make similar Dividend payments. This disadvantage may have an adverse impact on the operations and financial conditions of the Company.

We depend upon key personnel who may terminate their employment with us at any time, and we may need to hire additional qualified personnel

Our success will depend to a significant degree upon the continued services of key management, technical and scientific personnel. In addition, our success will depend on our ability to attract and retain other highly skilled personnel, particularly as we develop and expand services. Competition for qualified personnel is intense, and the process of hiring and integrating such qualified personnel is often lengthy. We may be unable to recruit such personnel on a timely basis, if at all. Our management and other employees may voluntarily terminate their employment with us at any time. The loss of the services of key personnel, or the inability to attract and retain additional qualified personnel, could result in delays to product development or approval, loss of sales and diversion of management resources.

Failure to protect our intellectual property could substantially harm our business, operating results, and financial condition.

The success of our business depends on our ability to protect and enforce our patents, trade secrets, trademarks, copyrights, and all of our other intellectual property rights, including our intellectual property rights underlying our service in which we may conduct business in the future.

Litigation or proceedings before governmental authorities and administrative bodies may be necessary in the future to enforce our intellectual property rights, to protect our patent rights, trademarks, trade secrets, and domain names and to determine the validity and scope of the proprietary rights of others. Our efforts to enforce or protect our proprietary rights may be ineffective and could result in substantial costs and diversion of resources and management time, each of which could substantially harm our operating results. Additionally, changes in law may be implemented, or changes in interpretation of such laws may occur, that may affect our ability to protect and enforce our patents and other intellectual property.

Interruptions, delays or discontinuations in delivering services arising from our own systems or from third parties could impair the delivery of our goods and services and harm our business.

We rely on systems housed in our own facilities and upon third parties, including bandwidth providers, suppliers of farming utilities, third-party data storage and tokenized assets management services, to enable our clients to receive our goods and services in a dependable, timely, and efficient manner. We have experienced and may in the future experience periodic service interruptions and delays involving our own systems and those of third parties that we work with as well as interruptions and delays in the farming processes (including but not limited to harsh weather conditions, breakdown of agricultural equipment, etc.). They also are subject to break-ins, sabotage, intentional acts of vandalism, the failure of physical, administrative, technical, and cyber security measures, terrorist acts, natural disasters, human error, the financial insolvency of third parties that we work with, and other unanticipated problems or events. The occurrence of any of these events could result in interruptions in our services and to unauthorized access to, or alteration of, the content and data contained on our systems and that these third parties store and deliver on our behalf.

Any disruption in the services provided by these third parties could materially adversely impact our business reputation, customer relations, and operating results. Upon expiration or termination of any of our agreements with third parties, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us, and a transition from one third party to another could subject us to operational delays and inefficiencies until the transition is complete.