# Member Agreement

Effective Date: January 15, 2020 Last updated: December 31, 2022.

### 1. Service Overview

#### Custodial Nature:

- AKA Blockchains provides custodial services, which means we securely hold your cryptocurrency on your behalf.
- During custodial phases, we take care of every detail to ensure your investment is optimized and secure.
- This service is provided free of charge, with no upfront fees or ongoing management costs.

### Purpose:

 Our custodial service is designed to align with the stock-to-flow model and maximize long-term growth for your assets. This approach ensures that your digital portfolio benefits from optimal market conditions.

## 2. Custodial Period and Redemption Process

#### Custodial Period:

 Your custodial period lasts a minimum four-year from the date of agreement. During this time, assets are held securely, and decisions regarding their management are made by AKA Blockchains.

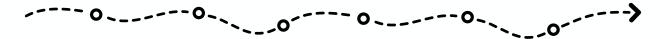
#### Redemption Phase:

- Begins immediately after the custodial period ends.
- We phase redemption to ensure maximum security and compliance, so your assets are returned safely and without complications.
- This allows us to maximize your returns and navigate market cycles effectively.
- Typically takes weeks or months, not years but depends on procedural and compliance steps with third-party custodians.
- ∘ As of 2020, there is no EU approval for a redemption program for digital assets. We anticipate clarity by 2024–2028, and we will update clients as regulations evolve.
- The final deadline for redemption is December 31, 2028. By this date, all clients will have access to their full balances.



# Flow Diagram:

Digital Wallet → Custodial Wallet → Tax Harvesting → Redemption Phase → Custodial Wallet → Digital Wallet



# Timeline Example:

• 2020-2024: Custodial Period

• 2025: Redemption Begins

• 2025-2028: Phased Redemption Completed

# 3. Client Acknowledgments

### Agreement to Terms:

- By signing the agreement or clicking "I Agree" online, you read and accepted the terms of our custodial service. This includes:
  - Relinquishing unilateral control of assets during the custodial and redemption phases.
  - Allowing AKA Blockchains to make decisions in alignment with the digital portfolio strategy.

#### Understanding of Risks:

• You understand that cryptocurrency is volatile, and while we aim to maximize value, market fluctuations are beyond our control.

# Important Disclosures:

"The Company reserves the right to make decisions regarding asset management, timing of redemptions, and other operational procedures to best serve the collective interests of clients and ensure security."

# Click here to read the full disclosure - Important Discloures

- 1. Price Volatility
- 2. Market Adoption
- 3. Government Regulation
- 4. Security
- 5. Tax Treatment Of Digital Assets
- 6. No Shareholder Control
- 7. Lack Of Liquidity And Transfer Restrictions
- 8. Authorization of Stock

Supporting Documentation Click on the underlined text to view the Following:

- Click here to view: <u>Privacy</u> <u>Policy</u>
- Click here to view: <u>Terms of</u> Use
  - Importance Disclosures
- Click here to view: <u>Risk &</u>
   <u>Compliance</u>
- Click here to view: Member Agreement
- Click here to view: <u>Stock-to-</u> <u>Flow Model</u>
- Click here to view: FAQs Page
- Click here to view: <u>Digital</u>
  <u>Asset Tax Law Ireland</u>

# 4. Digital Portfolio Strategy

#### Stock-to-Flow Model:

 This proven framework uses Bitcoin's scarcity to predict long-term value. Our strategy aligns with this model to maximize your returns.

### Tax Harvesting:

• During bear markets, we employ tax-loss harvesting to minimize taxable gains and maximize net returns over the long term.

### **Growth Strategies:**

 We use strategies like Stock to Flow Model, Fear/Greed, Swing trading with leverage to grow your assets.

### Our Long-Term Philosophy

#### 1. The Goal:

- Bitcoin's historical trends and the stock-to-flow model suggest that its value will increase significantly over time.
- While we can't guarantee exact results, our target is to achieve a market cap of \$6-\$10 trillion and a Bitcoin price of \$288,000 or more within the next 5-10 years.
  - See this link for details.

# This translates into a BTC price (given 19M BTC in

2020-2024) of \$288K.

Click here to view | Bitcoin Stock-to-Flow Cross Asset Model : Publication April 2020

#### 2. Why Long-Term?:

- Bitcoin's value grows over cycles tied to its "halving" events. These occur roughly every four years (e.g., 2020-2024, 2024-2028).
- Short-term price dips are normal, but staying invested ensures you benefit from long-term growth.
- $\circ$  It's better to be in the market and wait than to wait to enter the market.

# 3. Asymmetrical Risk and Bitcoin's Potential:

- Asymmetrical Risk: Bitcoin's downside risk is minimal compared to its immense potential for exponential growth.
  - Refer to Image
- Stock-to-Flow Model: Predicts
   Bitcoin's price based on scarcity,
   showing a strong correlation with its
   upward trajectory.
- Big Picture: Economic principles and data highlight Bitcoin's high-reward potential despite short-term risks.



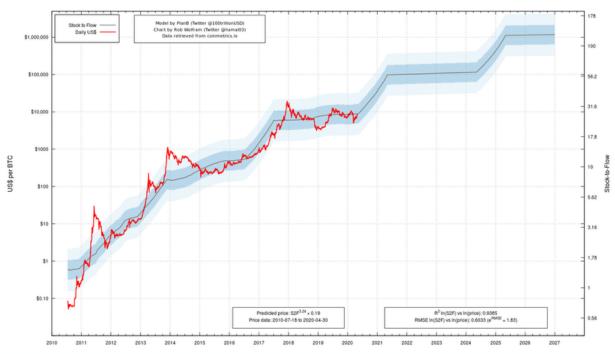
<u>Click here to view |</u>
<u>Asymmetric Volatility in Cryptocurrency Markets:</u>
Publication 2019

#### 4. Stock to Flow Model:

The Significance of Bitcoin's Halving and its Impact on the Market

- Bitcoin Halving: Reduces mining rewards every four years, increasing Bitcoin's scarcity and reinforcing its deflationary nature.
- Stock-to-Flow Model: Predicts Bitcoin's value growth; by 2024, scarcity could push its price to \$288,000 and market cap to \$5.5-\$6 trillion, with potential for \$10 trillion longer-term.
  - Refer to the stock-to-flow model for a detailed explanation of our strategy. Publication April 2020

### Bitcoin daily stock-to-flow and price



<u>Curious about the stock-to-flow model? Click here to read</u> further. Publication April 2020

- Long-Term Strategy: Aligns our decisions with the four-year halving cycle and S2F model to maximize returns.
- **Custodial Control:** AKA Blockchains retains full control over assets decisions, regardless of client preferences. <u>Assets will not be sold</u> until the Stock-to-Flow (S2F) model price target is met.
- Target Price: No sales will occur until Bitcoin reaches a minimum price of \$288,000 (market cap ~\$6 trillion), projected to happen within 2-5 years or by December 31, 2028, at the latest.
- Risk Management: Strategies like tax-loss harvesting, swing trading, and leverage are employed to optimize outcomes during price fluctuations, but the long-term goal remains aligned with the S2F model.

# 5. Transparency and Communication

### Tracking Your Assets:

- All transactions are recorded on the blockchain, ensuring complete transparency.
- The blockchain ledger provides full transparency, allowing you to track the status of your assets at any time.
- The custodial model ensures that assets are protected and positioned for optimal returns, aligning our success with yours.
- <u>Click here to learn how to track your assets on the public blockchain ledger</u>

### Regular Updates:

- Clients will receive annual updates on redemption progress and any relevant market developments via relevant channels (newsletter).
- Click here to become a tiered member/join our paid newsletter to get more frequent updates, industry insights and up-to-date news.

### Common Questions, Answered

- 1. Why do I have to wait for my assets?
  - Bitcoin's growth occurs in cycles, typically tied to its "halving" events (e.g., 2020-2024, 2024-2028). Holding through these cycles ensures you capture the full value of the market's long-term trend.
- 2. What if regulations delay the process further?
  - As of 2020, there were no formal regulations for custodial services like ours.
  - We understand waiting can be frustrating, but these steps are critical to protecting your assets and maximizing their value.
  - Even in these cases, your assets are secure and segregated, and we commit to full redemption by the agreed deadline.
- 3. When will I get my profits?
  - Profits are paid at the end of the redemption period. We charge no fees. Instead, we accept voluntary contributions in recognition of the work involved, never required but clearly expected and always appreciated. You decide the amount; we focus on delivering results.
- 4. Can I withdraw early?
  - No. This service is built on a long-term strategy. Third-party custodians release the assets before redemption can take place.

# Why This Matters

Our custodial solution is designed for clients who believe in Bitcoin's long-term value. By trusting us with your assets, you're investing in a strategy that aligns with the principles of scarcity, patience, and growth.

If you're looking for quick returns or immediate access, this program isn't the right fit. But if you're ready to commit to Bitcoin's potential, we're here to help you succeed. Digital assets have a promising 3-10 years future.

### 6. Legal Disclosures

#### Changes to Terms:

• AKA Blockchains reserves the right to adapt timelines and strategies to comply with evolving regulations or unforeseen circumstances.

### Binding Nature of Agreement:

• The terms outlined here and in the original agreement remain binding and enforceable.

### Force Majeure Clause:

 Delays caused by regulatory changes, third-party custodians, or other external factors are not the responsibility of AKA Blockchains.

### Legal Perspective

### 1. Regulatory Context:

- As of 15 Jan 2020, no legal framework for digital asset custodians existed within the EU.
- Our service is offered as a software-as-a-service (SaaS) model, focusing on portfolio management rather than financial advice.

#### 2. Client Consent:

- Clients must accept that changes in legislation could impact timelines or procedures.
- You acknowledged the long-term nature of this custodial solution and the associated risks.

#### 3. Disclosures:

- Cryptocurrency is volatile and unregulated. There are no guarantees of profit, and clients must be prepared to hold their digital portfolios for up to 10 years.
- This service is not financial advice but a custodial solution designed to optimize Bitcoin's long-term potential.

### 7. Final Assurance

We remain committed to completing the redemption process and ensuring your assets are returned securely and efficiently.

Redemption is a guaranteed process under the custodial agreement. While it follows a structured timeline, your assets remain accounted for at all times.

