Verasity

Verasity Whitepaper 2024

Verasity

1. Preface – The Multi Billion Dollar Problem with Video Programmatic Advertising

Video content and video platforms have become an integral part of our online experience. However, with the proliferation of video content comes increasing challenges of monetization for publishers, with current options either relying on large video sharing platforms such as YouTube or Twitch with traditionally low revenues; or in deploying costly and complex video hosting infrastructure and advertising stacks.

Furthermore, traditional advertising models for video content are proving to be inadequate in the face of evolving consumer behaviours and technological advancements, or prohibitively expensive for anyone but the largest publishers — leaving behind some of the most innovative industries, such as Web3 and metaverse projects, which can't typically deploy video hosting and monetisation infrastructure. This is where Verasity steps in, offering innovative solutions to empower publishers, assist with monetisation opportunities, and combat the rampant issue of ad fraud plaguing the digital advertising industry — a landscape marred by 'non-human' web traffic accounting for 28%.

At the heart of Verasity's mission lies the concept of video programmatic advertising— a paradigm shift in how advertisements are bought, sold, and displayed within video content. Unlike traditional advertising methods that rely on manual negotiations and placements, programmatic advertising leverages data and algorithms to automate the process, enabling real-time bidding and optimization for ad placements. This approach not only enhances efficiency but also unlocks new revenue streams for publishers by connecting them with relevant advertisers on a global scale.

However, the promise of programmatic advertising is accompanied by a significant challenge: ad fraud. As digital advertising budgets continue to soar, so too does the incentive for malicious actors to exploit vulnerabilities in the ecosystem. For instance, in 2021, nearly 18 percent of ad impressions served programmatically in the USA were identified as fraudulent. Ad fraud encompasses a range of deceptive practices, including invalid traffic generation, bot activity, and ad stacking, designed to syphon advertising dollars away from legitimate publishers and advertisers. The consequences are dire, resulting in wasted resources, diminished trust, and erosion of brand reputation.

The scale of the ad fraud problem is staggering, with market intelligence firm Juniper Research reporting an $84B loss in global ad spend in 2023, and projecting this to rise to $170B annually by 2028. Beyond financial losses, ad fraud undermines the integrity of the entire ecosystem, threatening the viability of publishers and advertisers alike. Moreover, it erodes consumer confidence and engagement, as users become increasingly wary of deceptive practices and irrelevant advertisements.

Recognizing the urgent need for solutions, Verasity has integrated advanced anti-fraud technologies into its platform, providing publishers with the tools they need to safeguard their video inventory whilst maximising video programmatic revenue potential. By implementing robust invalid traffic filtering and bot prevention mechanisms through its patented Proof of View technology, Verasity ensures that advertisers' budgets are allocated efficiently and transparently, fostering a trusted and sustainable advertising ecosystem.

In this refreshed white paper for 2024, we delve deeper into Verasity's ecosystem, technology suite, and tools for combating ad fraud and empowering publishers. Furthermore, we examine Verasity's innovative approach to building tools for publishers, explore Verasity and VeraViews partners, and look at the upcoming milestones for Verasity.

Through a combination of cutting-edge technology, a veteran team, and wide reaching industry expertise, Verasity is poised to revolutionise the way publishers monetize their video content while restoring trust and accountability to the advertising ecosystem.

2. Verasity High Level Overview

Verasity is an open-ledger ecosystem designed to fight advertising fraud, provide open access to infrastructure for publishers and advertisers, and reward users for watching video content. Verasity also provides payment solutions and a rewarding staking ecosystem with 15% yields through to April 2025.

Powered by a mix of artificial intelligence (AI), machine learning (ML), and blockchain technologies, Verasity is building the most powerful advertising ecosystem in the world through VeraViews; developing an open-access payments platform through VeraWallet; and enhancing the attention economy through its patented Rewarded Video module.

3. Product Verticals

Verasity is made up of several key product verticals, each of which contribute to our ultimate vision of bringing trust and transparency into the video programmatic ecosystem, and empowering publishers and advertisers through open ledger technology.

3.1. Verasity

Verasity is the parent company of our suite of video programmatic tools and technologies, the patent holder, and the provider of Web3-focused technologies - such as the VeraWallet - developed and maintained for our token holders.

Verasity, as a brand and recognisable entity in the Web3 industry, steers the multiple Verasity product verticals towards success, and represents our technology within the blockchain ecosystem.

![Verasity logo] Verasity

3.2. VeraViews

VeraViews is the core product of Verasity, and a key tool in our revenue generation and VRA utility efforts. It is our most important commercial product vertical, and it is through VeraViews that our patented technology, Proof of View, is most readily deployed. VeraViews has its own dedicated commercial team to advance its adoption in the traditional advertising world.

VeraViews brings together three pieces of technology that helps publishers maximise their engagement with users, increase performance for advertisers and grow their own revenue. These include:

- **A fully-featured video player:** The VeraViews video player offers instream, outstream and live video capabilities. With a host of customisation features and the ability to publish multiple custom players, we meet the needs of a portfolio of specific requirements. This could be anything from a complete video section for a publisher's website, to a simple video monetisation solution for a publisher's written articles.

- **A purpose-built video ad server:** The VeraViews ad serving solution was built to optimise programmatic video advertising alongside the clean delivery of direct campaigns. The platform is already connected to the world's largest advertisers (Google, Amazon, Pubmatic, etc) and our ad optimization team is looking to maximise revenues on a daily basis.

- **Patented ad fraud detection:** VeraViews has built a unique ad fraud detection solution called 'Proof Of View' that identifies invalid/bot traffic and reports the findings on an open ledger called the VeraChain. No other ad fraud provider can offer these levels of transparency for both buyers and sellers, significantly reducing the number of payment disputes and allowing for a swift reconciliation of revenues.

Due to the oppressive costs of technology and video streaming, an increasing number of publishers see their video content investment relegated to the low returns of YouTube. VeraViews offers an out of the box solution.

Working directly with publishers, VeraViews can:

- Assume all the risk, which includes technology; video hosting and streaming; and ad serving costs.
- Deploy our consultative team of former publishers and video experts to help deliver the best video solution for the publisher's brand and audiences.
- Set up, run and optimise the ad server with already established advertising demand. We will then consult with you to develop an advertising strategy that maximises revenue from the publisher's market.
- Work on a revenue share basis that ties VeraView's success directly with a publisher's scaling revenues.

VeraViews is a member of the [Internet Advertising Bureau (IAB)](#), included on the [Trustworthy Accountability Group (TAG) Registry](#), and is an [Amazon Ads Partner](#). Since its launch in 2022, VeraViews has massively expanded its recognition in the traditional publishing and media world, especially on the UK and European circuits, hosting and sponsoring a number of highly oversubscribed networking events for professionals in the industry. In 2024, VeraViews will host its third annual networking event in Cannes, France, welcoming some 80 senior level industry executives to learn more about VeraViews.

3.3. VeraWallet

VeraWallet is a simple and secure wallet to earn, buy, store and stake VRA, trusted by over 300,000 active users. It's also one of the most long-standing cryptocurrency wallets in the industry, with five years of continuous operation. VeraWallet is available to users in multiple regions to store, buy, send and receive VRA. It also supports our staking ecosystem, where users can stake their VRA tokens for 15% staking rewards until March 2025.

VeraWallet places great focus on security, using continuous threat monitoring to constantly monitors a wide variety of factors to detect any suspicious activity happening within user wallets, cold-storage and 2FA by default, advanced systems health monitoring, active blocking of stolen funds and associated addresses, and industry-standard KYC procedures.

VeraWallet also uses a time-delayed process to approve withdrawal requests. This process, while introducing a small delay in the time it takes to move funds from VeraWallet, is one of the most important parts of VeraWallet's security procedures.

If a bad-actor gains access to a user's wallet through social engineering means, for example phishing for a password or gaining access to email accounts, VeraWallet's withdrawal delay feature allows a period of time in which users could identify and prevent their wallet being drained of funds.

3.4. VeraAds

VeraAds is a new service from Verasity for 2024, designed to directly onboard Web3 publishers and companies into VeraViews, helping monetize their video inventory and grow their businesses through traditional advertising channels. Web3, blockchain, and metaverse technologies have expanded rapidly in the last few years, leading to a multitude of publishers with high traffic and large user bases, who are not currently monetizing their inventory through programmatic ads — a huge lost revenue opportunity for publishers in the space, and a missing channel for brands looking to target Web3 and enthusiasts of emerging tech.

VeraAds will enable Verasity to expand its publisher base, generate revenue, and expand its client list. A hybrid team composed of both advertising professionals and blockchain experts, VeraAds will bridge the gap between Web2 and Web3 marketing, connecting the most rapidly growing technology publishers and companies with the world's largest revenue generating opportunities via programmatic ads.

It has traditionally been very challenging as a blockchain business to explore traditional advertising monetization models and networks. With VeraAds, Verasity can bridge this gap, bringing together our deep expertise in the traditional advertising market through VeraViews, and leveraging this directly for Web3 companies via our position in the blockchain ecosystem at Verasity.

Through VeraAds, we can scale faster and more transparently, working directly with household names in the Web3 publisher and brand network, and exploring new technologies such as metaverse advertising as they emerge. The Web3 ecosystem is readying itself for a new market cycle, and advertising will play a pivotal role in that — powered by VeraAds.

VeraAds will also contribute to utility for VRA, Verasity's ecosystem token, with increased use in funding advertising campaigns through VeraViews. Verasity will soon launch further information and resources for VeraAds, where interested parties can contact the Verasity commercial team.

4. The VRA Token and Tokenomics

Verasity is powered by the VRA token, an Ethereum-based utility token that is used in VeraViews for funding advertising campaigns and other functionality.

4.1. General Token Information

VRA is an ERC-777 utility token issued on Ethereum. It is supported by any ERC compatible wallet. VRA has the following features and supply:

- Token name: Verasity
- Token ticker: VRA
- Smart contract address: 0xF411903cbC70a74d22900a5DE66A2dda66507255
- Smart contract audit: https://verasity.io/documents/smart_contract_audit.pdf
- Etherscan: https://etherscan.io/token/0xf411903cbc70a74d22900a5de66a2dda66507255
- Maximum supply: 110,356,466,695 VRA
- Total supply: 110,356,466,695 VRA
- Circulating supply: Reported at https://coinmarketcap.com/currencies/verasity/

Both VRA and PoV marker tokens are on the same contract and are essentially the same. The intent is to use PoV marker tokens largely for providing data on the blockchain to support Proof of View within our ad stack.

Total supply, which is reflected on third-party information sites, includes all VRA issued minus tokens that have been burned, while the max supply refers to all coins that will ever come into existence. For simplicity, maximum supply and total supply have been made the same, and all VRA tokens in existence, including marker tokens, are minted at the time of writing.

4.2. VRA Token Utility

The VRA token serves a multi-faceted role within the Verasity ecosystem, acting as a utility token with a wide array of applications. VRA tokens largely act as data transfer mechanism, and more importantly as the primary funding option for crediting advertising campaigns within the VeraViews ad stack.

This utility enables publishers and brands using the VeraViews ad stack to deposit VRA acquired from the open market into escrow pools, which funds an advertising campaign for a specified duration. In the event that a publisher or brand opts to fund campaigns in fiat, Verasity can use fiat to acquire VRA at the market to deposit into escrow on their behalf.

The VRA token is central to Verasity's utility and ecosystem and the Verasity development and product teams are constantly seeking new ways to deliver additional utility to VRA. In 2023 Verasity began burning VRA from the circulating supply at quarterly intervals.

4.3. PoV Token Utility

PoV Tokens are used to move data between our advertising stack and our purpose-built blockchain backend, the VeraChain, where on-chain data related to advertising campaigns is stored in an immutable and transparent ledger.

4.4. VRA Exchanges

Verasity (VRA) is listed and actively traded on several leading global tier-1 cryptocurrency exchanges. This includes KuCoin, HTX, OKX, Gate.io, Crypto.com, Bybit, Bitfinex, and Bithumb. Below is a list that represents a selection of the centralised exchanges where the VRA token is traded as of the time this document was prepared, although it may not encompass all exchanges.

- KuCoin
- HTX
- OKX
- Gate.io
- Crypto.com
- Bybit
- Bitfinex
- Bithumb
- Bitpanda
- MEXC
- Bitbns
- CoinDCX

5. Patents and Proprietary Technology

5.1. Proof of View (PoV) Patents

Proof of View, or 'PoV', is a patented blockchain-based technology module that detects and prevents fraudulent views during ad campaigns, ensuring that ads are shown to real viewers. It utilises a combination of blockchain, AI, and ML technologies to verify real ad views and stores this data on our sidechain, VeraChain.

Our patents for Proof of View include:

- USA: SYSTEM AND METHOD FOR PROOF OF VIEW VIA BLOCKCHAIN
- EU: SYSTEM AND METHOD FOR PROOF OF VIEW VIA BLOCKCHAIN
- CN: SYSTEM AND METHOD FOR PROOF OF VIEW VIA BLOCKCHAIN
- KR: SYSTEM AND METHOD FOR PROOF OF VIEW VIA BLOCKCHAIN
- HK & EURASIA: SYSTEM AND METHOD FOR PROOF OF VIEW VIA BLOCKCHAIN [FILED]

5.2. Rewarded Video Patents

Rewarded Video is a patented technology that encompasses videos offering users rewards, such as in-game currency, for viewing a video. U.S. spending on such videos is expected to reach $4.2B by 2024, mainly for in-game currencies. This patent allows Verasity to sell or licence its solution to publishers and video creators, creating a new stream of potential revenue, thereby capitalising on the perpetual surge in digital consumption over the last ten years.

Our patents for Rewarded Video include:

- USA: SYSTEM AND METHOD FOR REWARD VIDEO VIEWING

5.3. Content Stake Patents

Verasity has also received a Patent Issue Notification for 'System and Method for Content Stake via Blockchain'. This enables Verasity to transparently verify individual views on a multitude of content platforms, verify content platforms for the integrity of their total views and make them a better ecosystem for advertisers; and extend this functionality to NFTs - improving attribution of author rights and authenticity. This is in addition to Proof of View, which protects advertising campaigns from fraud and bots.

Our patents for Content Stake include:

- USA: SYSTEM AND METHOD FOR CONTENT STAKE VIA BLOCKCHAIN

6. Revenue Model

Verasity generates revenue primarily from the VeraViews ad stack, although it may at times and at its sole discretion seek other revenue sources. VeraViews operates on a revenue share model. Publishers of a suitable size and quality are offered VeraViews at no upfront cost. This includes, as detailed above, full video hosting and management and connection to the world's leading advertising networks.

As publishers begin to monetize their video content through video programmatic ads served through the VeraViews ad stack, VeraViews generates revenues as a portion of the successful ads served.

7. Current Partners, Integrations, and Affiliations

Verasity has built a large network of partners, integrations, and affiliations since its launch. Many of these integrations or partners provider either direct utility for Verasity or its product verticals, or represent our

7.1. Verasity Partners, Integrations, and Affiliations

7.1.1. Carbon Browser

In late 2023, Carbon Browser announced that it would begin the process of integrating Verasity's patented Proof of View (PoV) module as standard in its browser environment through a dedicated browser extension. Carbon Browser is a decentralised, Web3 privacy browser with built in adblock, dVPN, a crypto wallet, and privacy features. Carbon Browser has had over 7 million downloads to date.

Integration for PoV will take place through a dedicated browser extension built into the Carbon Browser, included and enabled by default. If ads are shown on certain whitelisted sites, Proof of View by Verasity can be used to ensure they're free of fraud, making Carbon Browser a safer environment to run ads for select advertisers.

Verasity has already been listed on the Carbon Browser DApp store, and added to the Carbon Browser Wallet and Swap functionality.

7.1.2. Neo Tokyo

In 2023 Verasity officially joined the Neo Tokyo community — an online community of Web3 gaming professionals, teams, and experts dedicated to advancing eSports in the blockchain space. Founded by crypto expert Alex Becker, Neo Tokyo believes that uniting the smartest people in the Web3 gaming industry in a single networking group will give associated projects a tremendous edge as crypto gaming grows from its current infancy into a globally relevant industry.

This is a fundamentally important area of focus for Verasity and VeraAds, as we expect the volume of video content and streaming opportunities to massively expand alongside the growth of the Web3 gaming industry. As a video player and programmatic adstack solution, this could represent a huge opportunity for adoption of our products and tech stack. Our membership in the Neo Tokyo community will enable us to meet Web3 gaming publishers and projects and make our video technology available to new audiences.

7.2. VeraViews Partners, Integrations, and Affiliations

7.2.1. Amazon Ads

As the third largest advertising network in the world, generating some $31 billion in advertising revenue in 2021, Amazon Ads is now the first choice for many advertisers, and an important platform on which to make our expertise on ad fraud prevention and technology available to advertisers. Introduced in 2021, The Amazon Ads Partner Network is designed for agencies and tool providers that offer a broad range of products, services and areas of expertise to support advertiser needs.

As an Amazon Ads Partner, VeraViews has access to Amazon Ads partner-specific resources, the Amazon Ads API, and the ability to drive new prospects via participation in the Amazon Ads Partner Directory. The VeraViews Amazon Ads Partner Directory listing, where Amazon Ads clients can discover and contact the VeraViews team, can be viewed here. Having passed Amazon verification, VeraViews is listed as a tool provider offering the following services and expertise to Amazon Ads clients:

- Video measurement,
- Brand safety,
- Advertising effectiveness,
- Reporting & analytics.

7.2.2. TAG Registry

In 2023 VeraViews was included in the TAG registry through Verasity. The TAG (Trustworthy Accountability Group) Registry is a comprehensive database of trusted entities within the digital advertising ecosystem. It was established to combat ad fraud, malware, and other malicious activities that undermine trust and transparency in digital advertising.

Entities that adhere to TAG's rigorous set of standards and best practices can become registered, demonstrating their commitment to maintaining a safe and accountable advertising environment. These standards cover various aspects of digital advertising, including inventory quality, anti-fraud measures, and brand safety.

Advertisers, publishers, ad tech providers, and other stakeholders can leverage the TAG Registry to verify the legitimacy of their partners and vendors, thereby reducing the risk of fraudulent activity and ensuring a higher level of transparency and accountability throughout the advertising supply chain.

7.2.3. IAB Membership & Global Vendor List

VeraViews was included in the IAB's Global Vendor List (GVL) in 2023. The IAB is a global advertising business organisation that develops industry standards, conducts research, and provides legal support for the online advertising industry. With over 1,200 members in the UK alone, the IAB champions a sustainable future for digital advertising.

The IAB GVL consists of technology vendors that have signed their AdTech solutions onto the 'Transparency and Consent Framework' and been approved by the IAB. The GVL is maintained by the IAB's experts and updated weekly.

The GVL is a carefully curated list of just 800 technology providers, publishers, and brands; and also includes Amazon Ads, eBay, Experian, Google Advertising Products, Group M, Rakuten, Salesforce, Teads, and many more.
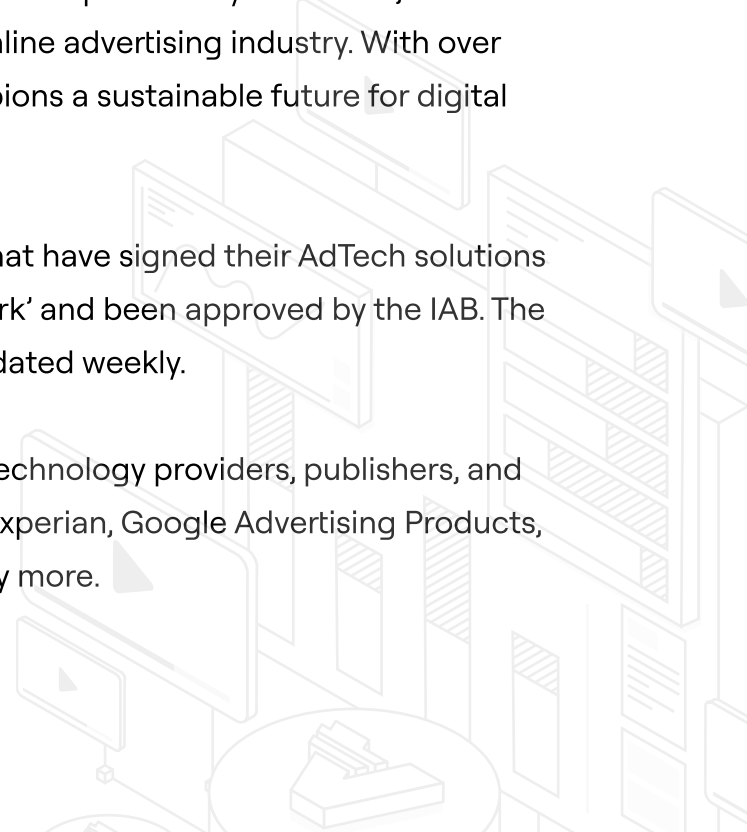
7.2.4. Alkimi Exchange

VeraViews integrated Alkimi Exchange's decentralised ad exchange in 2023 to offer increased monetisation opportunities for publishers within the VeraViews platform, and deliver new audiences and publishers to Alkimi Exchange advertisers.

Alkimi Exchange is a decentralised replacement to the inefficient legacy programmatic ad exchanges, with the mission to restore the value exchange between advertisers, publishers and users. Alkimi Exchange is a custom layer 2 scaling solution on the Ethereum network, specifically for advertising.

Ad exchanges are automated platforms where advertisers can bid on and purchase ad impressions in real-time from publishers, enabling more efficient and targeted digital advertising transactions. Ad exchanges facilitate a dynamic and competitive marketplace for buying and selling online advertising inventory, essential for enabling VeraView's publishing partners to monetise their websites effectively.

Publishers using the VeraViews adstack can access demand and monetise through Alkimi Exchange, and Alkimi Exchange's advertising partners can access new publishers and audiences through VeraViews.

7.2.5. Hoopla Digital

VeraViews announced in 2023 that it had integrated Hoopla Digital as a demand partner, as VeraViews continued to expand its demand sources.

Hoopla Digital works with leading brands to engage audiences through innovative advertising and inspiring digital creative. The established digital advertising platform specialises in branded solutions across online video, display and mobile; combining premium environments, exclusive content and innovative formats to deliver immersive brand experiences across devices.

7.2.6. Oracle MOAT

VeraViews uses Oracle's MOAT Analytics to provide our publishers with the most precise and up-to-date campaign data available.

MOAT Analytics is a powerful tool that allows publishers to gain deeper insights into their campaign effectiveness, fine-tune their strategies, and ultimately maximise their ROI. By providing a holistic view of campaign performance, MOAT Analytics enables publishers to make informed decisions and take their campaigns to new heights.

8. Roadmap and Product Development

The Verasity roadmap is available on our website, and includes our major commercial, marketing, events, and growth roadmap for the current year. It also includes a detailed look at our past milestones all the way to our inception in 2017. Our roadmap to date has mostly been focused on building and delivering a full-featured video programmatic environment to take to market, which we delivered in 2022 through the commercial launch of VeraViews - described in detail above.

For 2024, our roadmap is focused primarily on the improvement of features in the VeraViews advertising stack, and the improvement of our product suite following feedback from the first commercial users of our solution.

This includes, but is not limited to, new integration options for publishers, a VeraPlayer revamp, new content management systems, and the migration of Proof of View tokens. This will ensure that our product stays competitive in the existing video programmatic and invalid traffic prevention industry.

9. Verasity Community 2024

Verasity has over 650,000 community members and a significant social media presence, with more than 320,000 "X" followers, 250,000 followers on CoinMarketCap Community, and a Discord community surpassing 15,000 members. These figures, coupled with the unparalleled engagement they reflect, position Verasity as one of the leading altcoins globally in terms of social media growth and community engagement.

To engage new audiences, Verasity has deployed on new platforms tailored to community interest. The <u>Verasity Community YouTube</u> channel provides educational content about our ecosystem, including video interviews, podcasts, and tech deep dives. Additionally, Verasity has launched on <u>Zealy</u>, a questing platform that facilitates engagement and rewards for our loyal supporters, and <u>Link3</u>, which serves as a central repo hub for our ecosystem's resources.

Looking ahead, Verasity plans to expand its digital footprint by exploring additional social media channels, particularly those that are natively Web3. This initiative is part of a broader strategy to ensure Verasity remains at the leading edge of cryptocurrency marketing and community development.

10. The Team

The Verasity team is distributed worldwide, with our team working across several key product verticals according to their role within the organisation.

10.1. Verasity Team

The Verasity team is composed mainly of developers, product managers, and our community growth and management team.

The Verasity team includes:

- RJ Mark – Founder and CEO
- David Archer – Legal Counsel
- Sergey Molybog – Chief Technology Officer
- Olena Buyan – Chief Product Officer
- Elliot Hill – Chief Marketing Officer
- Kyrylo Bibik – Lead Engineer Blockchain Developer
- Daniel P – Community & Communications Manager
- Daniel K – Marketing and Growth Manager

Verasity also has some 30+ full time developers working on its technology stack.

10.2. VeraViews Team

The VeraViews team is mostly focused on commercial activity and marketing, ensuring the adoption of our technology stack and identifying new publishers and markets to increase revenue for Verasity. VeraViews shares some of its development team with the wider Verasity ecosystem, as all of Verasity's products are intrinsically linked through our focus on video programmatic infrastructure.

The VeraViews team includes:

- Dan Hodgson - Head of Sales
- Elliot Hill - Chief Marketing Officer
- Sandip Ray - Publishing Director
- David Murray - Demand Director
- Sergey Molybog - Chief Technology Officer
- Niles Allen - Data Analyst

11. Legal and Token Disclaimers

Due to concerns around unpredictability and regulation (or lack of in many markets) the team have treated the legal and administrative elements to setting up the project and raising funds very seriously. Verasity has appointed a legal officer to sit on the advisory team and work closely with Verasity advising on best practices.

11.1. Verasity and Tokenholders

Verasity Limited ("Verasity") is a limited company incorporated in Costa Rica and registered as a limited company pursuant to the Costa Rica Companies Law. Verasity's management is carried out by its executive team. Verasity does not pay dividends and is wholly set up to exploit the value of Verasity technology. Verasity acts as the token generator with respect to the VRA token.

Most of Verasity's initial product roadmap has been completed and the rollout of its products to publishers has commenced, mitigating the risk of further development costs. Revenues are now being generated and are expected to grow. Costa Rica is a well-known and established jurisdiction due to its stable and predictable political and legal framework, as well as its tax neutral status for international transactions. Verasity believes a Costa Rica domicile for Verasity provides for long-term stability. The competent court for litigation will be the courts of Costa Rica.

Verasity does not publish and is not required to file in any jurisdiction audited or unaudited accounts or financial statements.

Formerly Verasity was domiciled in Cayman and the British Virgin Islands and moved to Costa Rica at the end of 2023 due to increases in costs in remaining in the British Virgin Islands.

11.2. Verasity and regulation

Due to concerns about the unpredictability and changing nature of regulation (or lack of regulation in many markets), Verasity takes the legal and regulatory elements of its activities very seriously. Verasity has appointed a legal officer to sit on the advisory team and work closely with Verasity advising on best practices. Verasity also obtains advice from a range of international law firms with expertise in digital assets and fintech on regulatory and legal matters pertaining to its activities.

11.3. Preliminary Disclosures and Important Risks

The acquisition of VRA tokens involves a high degree of risk. Crypto currency is a very volatile asset class and VRA is no exception. Anyone buying VRA could lose all of the value of their investment.

Before acquiring VRA, it is recommended that each purchaser conduct their own examination of all relevant information and risks (including as set forth below and in additional documentation associated with the sale of VRA). If any of the following risks occurs, the Verasity Platform and VRA may be materially and adversely affected, including all VRA being rendered worthless or unusable.

While tokens may be traded through one or more cryptocurrency exchanges, there is no guarantee of value, and the token may be delisted at any time that it does not meet the listing requirements of the exchange. The cryptocurrency token market is immature, and there are numerous risks that threaten the entire category, including but not limited to regulatory risk, content on Verasity or the contents of the digital wallets that belong to the members of the Verasity community, owners and its viewers.

11.4. Full risks and legal disclosures

IMPORTANT NOTICE – PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE OWNING VRA OR TAKING ANY ACTION IN CONNECTION WITH THIS DISCLAIMER.

This document is intended to present disclaimer information regarding Verasity and its token. Certain terms of this document pertain to potential purchasers (each a Purchaser) of VRA tokens.

11.4.1. Reliance

Tokens are offered by certain exchanges and VeraWallet on the basis of the information contained in the terms and conditions of purchase and sale ("Terms and Conditions"). Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker or other third party. No person is authorised to give any information or to make any representations in connection with any offering of VRA Tokens apart from those contained in the Terms and Conditions. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorised by Verasity or any of its affiliates or subsidiaries.

Statements in this disclaimer are generally based on the law and practice in Costa Rica, with certain specific statements based on the law and practice of the jurisdictions explicitly- mentioned, in each case current at the date this disclaimer was issued. Those statements are therefore subject to change from time to time at the sole discretion of Verasity should the corresponding law or practice change. Under no circumstance does the delivery of this disclaimer or the sale of Tokens imply or represent that the affairs of Verasity will not change or has not changed since the date of this disclaimer.
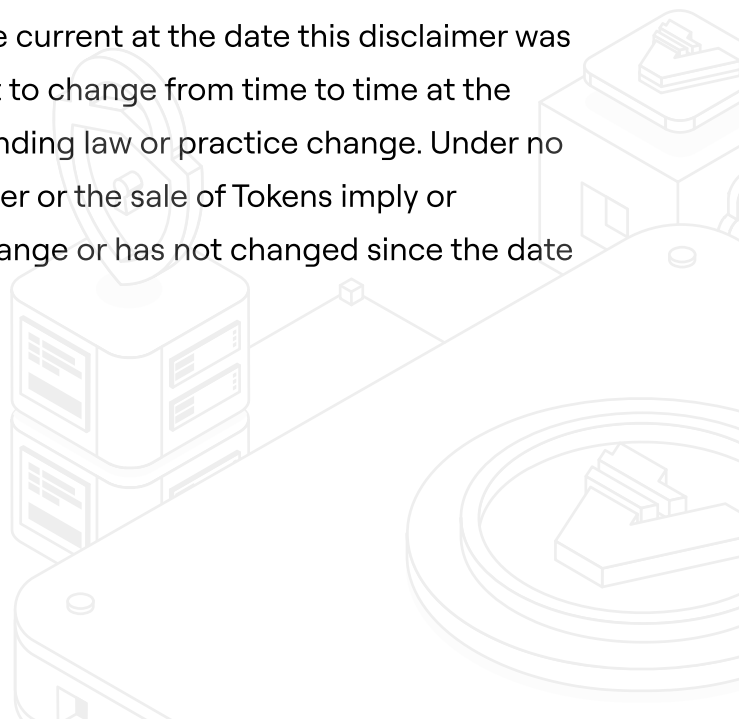
11.4.2. Purchaser responsibility

Nothing contained in this disclaimer is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Verasity. Verasity does not make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens. Prospective Purchasers should carefully review the whole of the token sale Terms and Conditions provided even when purchasing tokens on exchanges. They should also consult with their legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens;

(ii) any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding or disposing of Tokens; and (iii) the legal, tax, financial and other consequences of subscribing for, purchasing, holding or disposing of Tokens.

Verasity is not responsible for compliance with any investor's own jurisdiction laws. The responsibility for compliance is that of each investor. To the maximum extent permitted by applicable law, Verasity expressly disclaims and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance on any information contained in this disclaimer, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

11.4.3. Distribution and selling restrictions

The distribution of this disclaimer and the offering or purchase of Tokens may be restricted in certain jurisdictions. This disclaimer is not and is not intended as part of any offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

The receipt of this disclaimer or the accompanying Terms and Conditions does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with registration or any other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful. No such recipient may treat this disclaimer or the accompanying Terms and Conditions as an invitation to purchase Tokens, nor may such recipient use the Terms and Conditions. More particularly, this disclaimer does not constitute an offer or solicitation:

by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or
to anyone to whom it is unlawful to make such an offer or solicitation.
It is the responsibility of every person in possession of this disclaimer and every person wishing to apply to purchase Tokens to inform themselves of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

11.4.4. Forward looking information

All statements, estimates and financial information contained in this disclaimer, made in any press releases or in any place accessible by the public and oral statements that may be made by Verasity that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

Further, Verasity disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements.

11.5. Disclosure Schedule

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Verasity, Verasity Platform and Tokens, exchange terms and conditions and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Verasity Platform, Token and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Token being rendered worthless or unusable.

11.5.1. Disclosures Regarding this Disclaimer

11.5.1.1. Accuracy of information, no consent of parties referenced in this disclaimer

This disclaimer includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

No person, including executives of the company has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in this disclaimer and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same. Verasity has not conducted any independent review of the information extracted from third party sources, or internal marketing statements, verified the accuracy or completeness of such information, or ascertained the underlying economic assumptions relied upon therein.

Consequently, neither Verasity nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.

11.5.1.2. Terms used

To facilitate a better understanding of Tokens being offered for purchase by Verasity, and the businesses and operations of Verasity, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this disclaimer. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage, neuter genders and vice versa. References to persons shall include corporations.

11.5.1.3. Restrictions on distribution and dissemination of this disclaimer

The distribution or dissemination of this disclaimer or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this disclaimer or such part thereof (as the case may be) at your own expense and without liability to Verasity.

11.5.1.4. Language of this disclaimer

This disclaimer may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

11.5.2. Disclosures Regarding Tokens

11.5.2.1. The VRA Token is a Utility Token

VRA tokens are digital utility tokens that enable data transfer within Verasity's products including the Verasity Proof of View ecosystem and/or execute certain functions on the Verasity Blockchain. Tokens do not represent a loan to Verasity, nor do they provide Purchaser with any ownership or other interest in or to Verasity.

For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Verasity or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), governance, or other financial or legal rights. VRA tokens have utility within the Verasity ecosystem of products and any Purchaser acquiring VRA for speculative purposes does so at their own risk and in the full knowledge of the risks detailed in this disclaimer.

11.5.2.2. Tokens are "Mintable" and "Burnable"

Tokens are "mintable" and "burnable" without any consensus-related activities.

11.5.2.3. Tokens are non-refundable

Other than instances described in the Terms and Conditions, if any, Verasity is not obliged to provide Token holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in this disclaimer are merely expressions of Verasity's objectives and desired work plan to achieve those objectives. No promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.

11.5.2.4. Tokens on the same smart contract are interchangeable

Proof of View (PoV) Tokens are on the same smart contract as VRA Tokens. Either token can be traded on exchanges, enter Circulating or Total Supply at the sole discretion of Verasity and are not subject to any restrictions or regulations. Nothing stated by Verasity marketing or management, or any third party can be taken to contradict the fundamental nature of the interchangeability and tradability of PoV and VRA Tokens, which are by nature the same. Verasity gives no warranty or promise that PoV Tokens will be treated differently from VRA Tokens or that PoV Tokens will not enter exchanges, be sold or enter Circulating Supply. PoV Tokens may be inflationary on supply and negatively impact Token price. Verasity has the right to burn PoV Tokens and VRA Tokens at any time and currently does so from time to time.

Any Purchaser acquiring VRA does so at their own risk and in the full knowledge of the risks detailed in the disclaimers listed in Verasity published terms and conditions and disclaimers from time to time.

11.5.2.5. Tokens are provided on an "as is" basis

Tokens are exchanged on "as is" basis. Verasity and its directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Verasity Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, Verasity and its directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non- infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

11.5.2.6. Not an offering of securities, commodities or swaps

The sale of Tokens and Tokens themselves are not securities, commodities, swaps on either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments.

This disclaimer and all other documents referred to in this disclaimer including the Terms and Conditions do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

Verasity's marketing function may from time to time through social media share information that may be regarded as relevant to the Tokens and their price or value.

However, Verasity is under no obligation to provide or maintain such information as up-to-date. In considering such information the Purchaser acknowledges and agrees that such information is provided to maintain Verasity's social media presence is not subject to the kinds of verification or due diligence processes as would be required or expected in the context of the marketing or offering of securities or similar investments.

Verasity does not (and is under no obligation to) disclose or make public non-public information relevant to the Tokens or their price or value. Information aggregators, news outlets or other third parties may publish or disseminate information relating to the Tokens, their circulating supply, price or value, but this is done without the agreement or approval of Verasity. Any Purchaser or potential Purchaser assumes all risks of using such information and such risks are not the responsibility or liability of Verasity.

11.5.2.7. Non-Investment purposes

Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Tokens are not designed for investment purposes and should not be considered as a type of investment. The VRA token is not an equity or debt instrument and therefore the Purchaser is not an investor and does not have the rights associated with equity, debt, or other forms of securities instruments.

11.6. Tokens may have no value

11.6.1. Force Majeure

The Token Generation and the performance of Verasity's activities set out in this disclaimer may be interrupted, suspended or delayed due to force majeure events. For the purposes of this disclaimer, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Verasity and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics,

lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Verasity's control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Verasity shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

11.7. Insurance

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless a Token holder themselves specifically obtains private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Verasity to offer recourse to the Purchaser.

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens.

Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent. There can be no assurance that governmental authorities will not examine the operations of Verasity and/or pursue enforcement actions against Verasity.

All of this may subject Verasity to judgments, settlements, fines or penalties, or cause Verasity to restructure their operations and activities or to cease offering certain products or services, all of which could harm Verasity's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Verasity Platform.
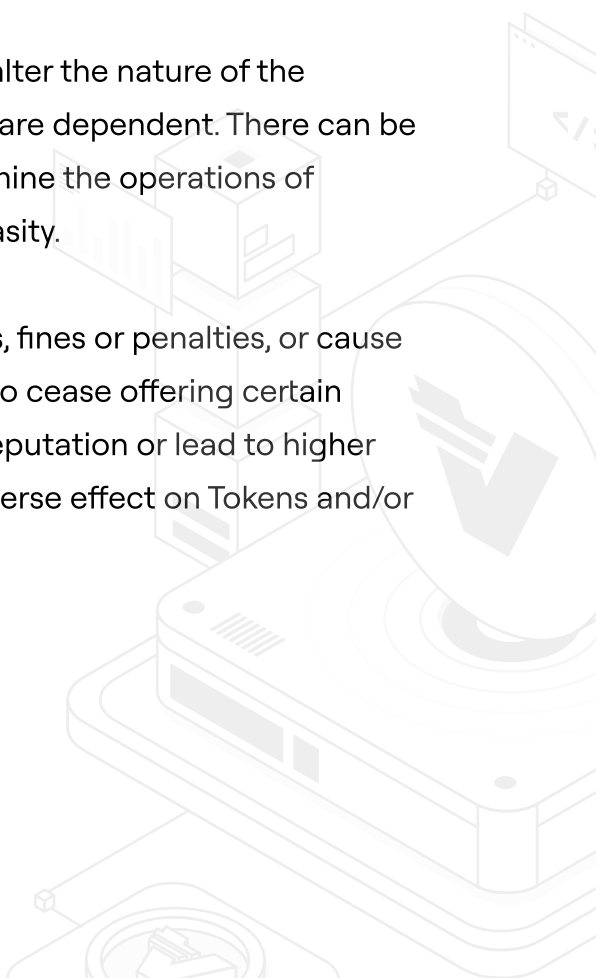
11.8. Disclosures

11.8.1. Purchaser bears responsibility of legal categorization

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. Verasity does not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser.

Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If the purchase or use of Tokens is not legal in any Purchaser or holder's jurisdiction, they should not acquire Tokens and immediately stop using or possessing Tokens. Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage and value of Tokens.

The legal ability of Verasity to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. If Verasity determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, Verasity may at its sole discretion and without notice cease operations in that jurisdiction, or adjust Tokens or the Verasity Platform in a way to comply with applicable law.

11.8.2. Purchaser bears responsibility for complying with transfer restrictions

Tokens on third-party exchanges give purchasers an opportunity to buy Tokens. Tokens may be sold on such exchanges but that is at the Tokenholders risk, not at Verasity's risk. Existing laws on the circulation of securities in certain countries, such as the United States of America, Canada and Singapore, may prohibit the sale of Tokens to the residents of those countries. When buying Tokens, Purchasers should be aware of the restrictions on their subsequent sale.

11.9. Security Risks

11.9.1. Private keys

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Verasity is not responsible for any such losses.

11.9.2. Exchange risks

If Purchaser sends cryptocurrencies to Verasity from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent such cryptocurrency; therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost.

11.9.3. Risk of incompatible wallet services

The wallet or wallet service provider used for the storage of Tokens has to be technically compatible with Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

11.9.4. Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.

11.9.5. Internet transmission risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. Verasity shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Verasity Platform and Tokens, however caused. Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

11.10. Verasity Platform Disclosures

No guarantee that:

- Verasity Blockchain will be developed;
- The Verasity Platform will ever be adopted;
- The Verasity Platform will be adopted as developed by Verasity and not in a different or modified form;
- A blockchain utilising or adopting the Verasity Platform will ever be launched;
- A blockchain will ever be launched with or without changes to the Verasity Platform and with or without a distribution matching the fixed balances of the initial tokens distributed under the Token Sale.

11.11. Risks associated with the Verasity and Ethereum blockchains and associated software and/or infrastructure.

11.11.1. Malfunctions

The initial iteration of the Tokens are based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Tokens and/or the Verasity Platform to malfunction or function in an unexpected or unintended manner.

11.11.2. Bugs and weaknesses

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the token smart contract pertaining to the initial iteration of Tokens may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund or compensation.

11.11.3. Delays and congestions

On the Ethereum blockchain timing of block production is determined by proof of work so block production can occur at random times. Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants, or Purchaser's transaction may not be included at all.

11.11.4. Irreversible nature of blockchain transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Token, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies. Consequently, Verasity may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

11.11.5. Amendments to protocol

The development team and administrators of the source code for Ethereum blockchain or the Verasity Blockchain could propose amendments to such network's protocols and software that, if accepted and authorised, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

11.11.6. Risk of mining attacks

As with other decentralised cryptocurrencies, the Ethereum blockchain, which is used for the initial tokens sold under the Token Sale, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Ethereum contract computations in general. Despite the efforts of Verasity and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact with and consequently Tokens may be impacted also in that way to the extent described above.

11.12. Verasity Disclosures

Because Tokens confer no governance rights of any kind with respect to Verasity, all decisions involving Verasity's products or services within the platform or Verasity itself will be made by Verasity at its sole discretion. These decisions could adversely affect the platform and the utility of any Token you own.

11.12.1. Dependence on management team

The ability of the Verasity Platform project team, which is responsible for maintaining the competitive position of the Verasity Platform, is dependent to a large degree on the services of a senior management team.

The loss or diminution in the services of members of such senior management teams or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Verasity Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect Verasity's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Verasity Platform.

11.12.2. Risks related to reliance on third parties

Even if completed, the Verasity Platform will rely, in whole or partly, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Verasity Platform.

11.12.3. Insufficient interest in the Verasity Platform and Tokens

It is possible that the Verasity Platform or Tokens will not be used by a large number of individuals, businesses and organisations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Verasity Platform.

11.12.4. Verasity Platform development risks

The development of the Verasity Platform and/or Verasity Blockchain may be abandoned for several reasons, including lack of interest from the public, insufficient funding, insufficient commercial success or prospects or departure of key personnel.

11.12.5. Changes to Verasity Platform

The Verasity Platform is still under development and may undergo significant changes over time. Although Verasity intend for the Verasity Platform to have the features and specifications set forth in this disclaimer, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Verasity Platform does not meet expectations of the Purchaser.

11.12.6. Other projects

The Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with Verasity, and such projects may provide no benefit to the Verasity Platform.

11.12.7. Disclosures relating to conflicts of interest

Verasity may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

The Management and executive team at Verasity may be allocated Tokens from time to time. Key individuals within Verasity hold personal Tokens at their sole personal use.

11.13. Token Purchases

Purchases of Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, including Ether, and blockchain based software systems. Purchaser should have a functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. If you do not have such experience or expertise, then you should not purchase Tokens. Cryptographic tokens such as Tokens are a new and untested technology. In addition to the risks included above, there are other risks associated with your purchase, possession and use of Tokens, including minting of the token by Verasity which may have an adverse effect on price, a poor understanding by management of any adverse changes to the supply of tokens, incomplete, poor or non disclosure by management, misrepresentations made by moderators, consultants or employees in social media, as well as other unanticipated risks. Such risks may further materialise as unanticipated variations or combinations of the risks discussed above.

11.14. Definitions

- Economy: Verasity ecosystem in which Vera, the Verasity token, is utilised for transactions to support its products including Proof of View.
- Platform: The combined suite of technology and products that power the Verasity Video Rewarded Module and online video platform and components.
- Proof of View (PoV TM): Proof of View implementation on the Blockchain and patent pending as further described in the "Proof of View" section below.
- Token or VRA: A cryptographically secured digital utility token which will be created and used within the Verasity Video Sharing Ecosystem and Economy and verified on the Verasity Blockchain.
- Verasity: Verasity Limited, a Costa Rica company registered under Costa Rica Companies Law which has been incorporated to support the Verasity Economy and Platform
- VeraWallet: Web based token wallet designed to allow Tokenholders to top up their accounts, or withdraw VRA to other wallets.