
THE HORROR SECTION, INC.



Up to \$5,000,000
FOR THE SALE OF
1,623,376 SHARES OF
COMMON STOCK
\$0.001 PAR VALUE PER SHARE

FOURTH AMENDED AND RESTATED PRIVATE PLACEMENT MEMORANDUM

Offering Price:
\$3.08 Per Share

Minimum Subscription Amount:
\$1,000

March 31, 2026

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THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR SOLICITATION OF AN OFFER TO BUY ANY SECURITIES, WHICH WILL BE OFFERED WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER APPLICABLE SECURITIES LAWS, AND IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION PROVIDED BY SECTION 4(A)(2) OF THE 1933 ACT, RULE 506(C) OF REGULATION D PROMULGATED THEREUNDER, AND EXEMPTIONS UNDER APPLICABLE STATE LAWS. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE SUCH AUTHORITIES PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SPECULATIVE, AND AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK.

THE HORROR SECTION, INC.



Up to \$5,000,000 of Common Stock

This Fourth Amended and Restated Private Placement Memorandum (as it may be supplemented and further amended from time to time, this “*Private Placement Memorandum*” or “*Memorandum*”) has been prepared by The Horror Section, Inc., a Delaware corporation with its office located at 223 S. Beverly Drive, Suite A, Beverly Hills, CA 90212 (“*We*”, “*THS*,” “*Horror Section*,” or the “*Company*”, interchangeably), for use by certain prospective purchasers (each, a “*Purchaser*” and collectively, the “*Purchasers*”) to whom the Company is offering (the “*Offering*”) the opportunity to purchase up to 1,623,376 shares of its Common Stock, \$0.001 par value per share (“*Securities*”) at a purchase price of \$3.08 per share (“*Purchase Price*”). The minimum subscription amount per Purchaser is \$1,000 (“*Minimum Subscription Amount*”) and the maximum subscription amount per Purchaser is \$2,500,000 (“*Maximum Subscription Amount*”), each of which may be waived by the Company in its sole discretion. The foregoing right to acquire and subscribe to purchase the Securities will be embodied in, and documented by, the Subscription Agreement attached as Exhibit A hereto (“*Subscription Agreement*”), to be entered into between the Company and the Purchasers purchasing such Securities in the Offering. For purposes of this Memorandum, “*Offering Document*” means this Memorandum and the Subscription Agreement.

The Offering is made only to accredited investors as defined in Regulation D promulgated under the Securities Act of 1933, as amended (the “*Securities Act*”). There is currently no public market for the Securities and none is expected to develop upon the completion of the Offering, or thereafter.

The Offering will be conducted via <https://republic.com> (the “*Platform*”) of OpenDeal Broker LLC d/b/a the Capital R (“*ODB*”). ODB is a registered FINRA/SEC broker dealer. ODB is not purchasing the Securities and is not required to sell any specific number or dollar amount of the Securities in this Offering.

This Offering is being conducted on a “best efforts” basis and we may not be able to raise enough funds to fully implement our business plan, which may result in the loss of the entire investment of Purchasers. All funds received will be immediately available to the Company and the Company shall not be required to place any funds in escrow for any purpose or subjection to any condition or occurrence. The Company reserves the right, in its sole discretion, to reject any proposed investment in part or in its entirety in the Company.

This Memorandum amends and restates in full the previously issued Private Placement Memorandum dated June 10, 2025, as amended and restated by that certain Amended and Restated Private Placement Memorandum dated October 30, 2025, as further amended and restated by that certain Second Amended and Restated Private Placement Memorandum dated December 23, 2025, as further amended and restated by that certain Third Amended and Restated Private Placement Memorandum dated February 24, 2026 (collectively, the “*Initial Memorandum*”). This Memorandum amends and restates the Initial Memorandum to reflect, among other things, the updated Offering Period.

CERTAIN NOTICES

This Memorandum contains certain information about the performance history of the Company. Any investment performance included in this Memorandum is intended to provide recipients with information about the performance of the Company. Purchasers are not to construe the contents of this Memorandum as legal, business, tax, U.S. Employee Retirement Income Security Act of 1974 (as amended, and the rules and regulations promulgated thereunder (“*ERISA*”)), accounting, investment or other advice. Prior to the acceptance of any investment in the Company, such prospective Purchaser will have the opportunity to ask questions of and receive answers and additional information from the Company concerning the Offering and other relevant matters. None of the Company, nor its officers and directors, is making any representation or warranty to a Purchaser regarding the legality of an investment in the Company by such Purchaser or about the income and other tax consequences to them of such an investment. Each Purchaser should consult its own advisors as to legal, business, tax, ERISA, accounting, and other related matters concerning an investment in the Company.

The Securities are being offered to a limited number of investors and will not be registered under the Securities Act, or the securities laws of any U.S. state or non-U.S. jurisdiction, and such securities may not be sold or transferred without compliance with all applicable U.S. federal and state and non-U.S. securities laws. Neither the U.S. Securities and Exchange Commission (“*SEC*”) nor any U.S. state or non-U.S. securities commission has reviewed or passed upon the accuracy or adequacy of this Memorandum or the merits of the offering described herein. Any representation to the contrary is unlawful.

An investment in the Company will involve significant risks due to, among other things, the nature of the Company’s operations, business, affairs and investments. This Memorandum does not purport to be all inclusive or contain all of the information that a Purchaser may desire in evaluating an investment in the Company. Each Purchaser must conduct and rely on its own evaluation of the Company and the terms of the Offering described herein, including the merits and risks involved, in making a decision with respect to the Securities. Purchasers must have the financial ability and willingness to accept the risks and lack of liquidity characteristic of the investment described herein. Accordingly, Purchasers should be aware that they will be required to bear the financial risks of an investment in the Company for an indefinite period of time. There will be no public market for the Securities and such Securities, subject to certain limited exceptions, will not be transferable.

This Memorandum is not an offer to sell to any person, or a solicitation of any person to buy, any securities of the Company in any U.S. state or non-U.S. jurisdiction in which such an offer or solicitation would be prohibited by law or to any person who is not verified by the Company as an “accredited investor” as defined in Regulation D promulgated under the Securities Act. Securities will be offered only in such non-U.S. jurisdictions, if any, as the Company approves, in which case it is the responsibility of any person wishing to purchase such Securities to satisfy itself as to the full observance of the laws of any relevant territory outside of the United States in connection with any such purchase, including obtaining any required governmental or other consents or observing any other applicable formalities.

This Memorandum is qualified in its entirety by reference to the Subscription Agreement. No person or entity other than the Company has been authorized to give any information concerning the Company or this Offering or to make any representation not contained in this Memorandum. To invest in the Company, each Purchaser will be required to execute a Subscription Agreement. In the event that any terms, conditions or other provisions of such agreements (or any related agreements) are inconsistent with or contrary to the description of terms set forth in this Memorandum, the terms, conditions and other provisions of such agreements shall control. The Company reserves the right to modify any of the terms of the Offering and the Securities described herein. Upon request, this Memorandum and any copies thereof are to be returned in their entirety to the Company.

Certain information contained in this Memorandum constitutes “forward-looking statements” that can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “intend,” “continue,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this Memorandum, including estimates of returns or performance, are “forward-looking statements” and are based upon certain assumptions that may change. Due to various risks and uncertainties, actual events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the Company. The Company does not undertake any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Memorandum, and no representation or warranty is made as to future performance or such forward-looking statements. Neither the delivery of this Memorandum at any time nor any sale in connection herewith shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this Memorandum. In addition, unless the context otherwise requires, the words “include,” “includes,” “including” and other words of similar import are meant to be illustrative rather than restrictive.

Each Purchaser’s investment in the Company will be denominated in U.S. Dollars (\$) and, therefore, will be subject to any fluctuation in the rate of exchange between U.S. Dollars (\$) and the currency of the Purchaser’s home jurisdiction. Such fluctuations may have an adverse effect on the value of, price of or income or gains from a Purchaser’s investment in the Company.

AN INVESTMENT IN THE COMPANY INVOLVES RISK. YOU SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS YOU CAN AFFORD TO LOSE YOUR ENTIRE INVESTMENT. IN MAKING AN INVESTMENT DECISION, PURCHASERS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THESE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT.

THE SEC DOES NOT PASS UPON THE MERITS OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING DOCUMENT OR LITERATURE. THESE SECURITIES ARE OFFERED UNDER AN EXEMPTION FROM REGISTRATION; HOWEVER, THE SEC HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION.

ODB HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. ODB AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. ODB’S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

We have agreed to indemnify ODB against liabilities relating to any investigation, claim, or proceeding stemming from the Offering, liabilities arising from breaches of some or all of the representations and warranties contained in the Engagement Agreement, and to contribute to payments that ODB may be required to make for these liabilities.

ODB and its respective affiliates are engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. ODB and its respective affiliates may in the future perform various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

We plan to market this Offering to Purchasers through the Platform. We will hold an Initial Closing on any number of Securities at any time during the Offering Period after we have received notification of approval when we and ODB determine, and thereafter may hold one or more additional closings until we determine to cease having any additional closings during the Offering Period. We will close on proceeds based upon the order in which they are received. We will consider various factors in determining the timing of any additional closings following the Initial Closing, including the amount of proceeds received at the Initial Closing and any prior additional closings.

The summaries of, and references to, various documents in this Memorandum do not purport to be complete and in each instance reference should be made to the copy of such document which is either an appendix to this Memorandum or which will be made available to Purchasers and their professional advisors upon request.

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK THAT MAY NOT BE APPROPRIATE FOR ALL PURCHASERS. THERE ARE ALSO SIGNIFICANT UNCERTAINTIES ASSOCIATED WITH AN INVESTMENT IN OUR COMPANY AND THE SECURITIES. THE SECURITIES OFFERED HEREBY ARE NOT PUBLICLY TRADED. THERE IS NO PUBLIC MARKET FOR THE SECURITIES AND ONE MAY NEVER DEVELOP. AN INVESTMENT IN OUR COMPANY IS HIGHLY SPECULATIVE. THE SECURITIES SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. SEE THE SECTION OF THIS MEMORANDUM TITLED “*RISK FACTORS*”.

THE SECURITIES OFFERED HEREBY WILL HAVE TRANSFER RESTRICTIONS. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, THE SECURITIES LAWS OF ANY U.S. STATE OR THE SECURITIES LAWS OF ANY NON-U.S. JURISDICTION AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. YOU SHOULD BE AWARE THAT YOU WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

YOU ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, ACCOUNTING OR TAX ADVICE OR AS INFORMATION NECESSARILY APPLICABLE TO YOUR PARTICULAR FINANCIAL SITUATION. EACH PURCHASER SHOULD CONSULT THEIR OWN FINANCIAL ADVISER, COUNSEL AND ACCOUNTANT AS TO LEGAL, TAX AND RELATED MATTERS CONCERNING THEIR INVESTMENT.

THIS OFFERING IS ONLY EXEMPT FROM REGISTRATION UNDER THE LAWS OF THE UNITED STATES AND ITS TERRITORIES. NO OFFER IS BEING MADE IN ANY JURISDICTION NOT LISTED ABOVE. PURCHASERS ARE SOLELY RESPONSIBLE FOR DETERMINING THE PERMISSIBILITY OF THEIR PARTICIPATION IN THIS OFFERING, INCLUDING OBSERVING ANY OTHER REQUIRED LEGAL FORMALITIES AND SEEKING CONSENT FROM THEIR LOCAL REGULATOR, IF NECESSARY. ODB IS LICENSED AND REGISTERED SOLELY IN THE UNITED STATES AND HAS NOT SECURED, AND HAS NOT SOUGHT TO SECURE, A LICENSE OR

WAIVER OF THE NEED FOR SUCH LICENSE IN ANY OTHER JURISDICTION. THE COMPANY AND ODB, EACH RESERVE THE RIGHT TO REJECT ANY INVESTMENT COMMITMENT MADE BY ANY PURCHASER, WHETHER FOREIGN OR DOMESTIC.

SPECIAL NOTICE TO FOREIGN INVESTORS

IF YOU LIVE OUTSIDE THE UNITED STATES, IT IS YOUR RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY PURCHASE OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. WE RESERVE THE RIGHT TO DENY THE PURCHASE OF THE SECURITIES BY ANY FOREIGN PURCHASER.

Inquiries about this Offering should be directed to:

THE HORROR SECTION, INC.

223 S. Beverly Drive, Suite A

Beverly Hills, CA 90212

Jonathan Schnaars, Chief Executive Officer: jon@horrorsectionstudios.com

OVERVIEW OF OFFERING

The following information is presented as a summary of principal terms only and is qualified in its entirety by, and should be read in conjunction with the Subscription Agreement relating to the purchase of the Securities and the entirety of this Memorandum. It should not be assumed that the summaries below are complete and such summaries are qualified in their entirety by the contents of the documents which they purport to summarize. If the terms described in this Memorandum are inconsistent with or contrary to the terms of the Subscription Agreement, the Subscription Agreement will control.

Company:	The Horror Section, Inc., a Delaware corporation
Securities Offered:	Common Stock, \$0.001 par value per share (“ <i>Securities</i> ”)
Revenue Participation Interests:	Each Purchaser shall be entitled to receive from the Company an amount equal to (1) such Purchaser’s Participation Rate multiplied by (2) ten percent (10%) of the Net Revenue actually received by the Company on or before the fifth anniversary of June 22, 2025 or such later date as reasonably determined by the Company (“ <i>Revenue Share Interest</i> ”).
Minimum Offering Amount:	\$500,000
Maximum Offering Amount:	\$5,000,000
Purchase Price per Share:	\$3.08
Subscription Amounts:	The minimum subscription amount is \$1,000 per Purchaser. The maximum subscription amount is \$2,500,000 per Purchaser. Such amounts may be modified by the Company in its sole discretion.
Offering Period:	Expires on the earlier to occur of May 15, 2026 or the date on which the Maximum Offering Amount is subscribed for and accepted by the Company and a final closing is conducted, except the Company may extend or terminate the offering period to such date and time as determined in its sole and exclusive discretion. The Company reserves the right to reject any payments not made within the Offering Period.
Suitability Requirements:	The Securities will not be registered under the Securities Act, and will be offered in reliance on Regulation D, Rule 506(c) under the Securities Act. Each Purchaser must be an accredited investor, as defined in Regulation D under the Securities Act and must meet the verification standards through the methods set forth in the Regulation D Rule 506(c) Investor Verification Standards contained in this Memorandum.

Initial Closing:	The Company will hold an initial closing upon receiving subscriptions of the Minimum Offering Amount and after we have received notification of approval when we and ODB determine.
Means of Subscription:	Purchasers must access the Platform at https://republic.com/ and be subject to the Offering Documents.

SUMMARY

A. The Company

The Company was incorporated on May 20, 2024, as a Delaware corporation, and has offices located at 223 S. Beverly Drive, Suite A, Beverly Hills, CA 90212. The Company's website is <https://horrorsectionstudios.com>.

B. Concurrent Offering

The Company may be engaging in concurrent offerings of its securities in reliance on an exemption from the registration requirements of the Securities Act, including under Regulation Crowdfunding. Subscriptions from investors in such concurrent offerings may not be accepted by the Company in this Offering.

C. Net Revenue Participation

Each Purchaser shall be entitled to receive from the Company an amount equal to (1) such Purchaser's Participation Rate (defined below) multiplied by (2) ten percent (10%) of the Net Revenue (defined below) actually received by the Company on or before the fifth anniversary of June 22, 2025 or such later date as reasonably determined by the Company ("**Revenue Share Interest**").

a. Payment.

The Company shall make payment of any amounts due to the Purchaser on an annual basis within one hundred and twenty (120) days of the end of each preceding fiscal year. In order to receive such payments, the Purchaser must create and provide the Company with a Wallet address that will be used to receive such payments. The Purchaser recognizes that this mechanism is the sole and exclusive means to receive payment and that no payment can be distributed without the Purchaser's provision of a Wallet address. Wallet addresses can be created by following the relevant instructions on republic.com. The Company makes no representation that any Qualifying Production will generate any, or any particular amount of, Net Revenue.

A Purchaser's "**Participation Rate**," rounded to the nearest millionths (e.g., 0.012345 or, expressed as a percentage, 1.2345%), and determined as of any measuring date, is equal to the quotient of (x) the number of outstanding shares of the common stock of the Company then-held by the Purchaser divided by (y) the number of then-outstanding shares of the common stock of the Company (assuming the conversion of all securities convertible, exercisable and exchangeable into shares of common stock of the Company).

A "**Qualifying Production**" means each feature-length motion picture financed or produced, in whole or in part, by the Company, as reasonably determined by the Company.

"**Net Revenue**" shall be defined, computed, accounted for and paid in accordance with the standard definition of the applicable financier/distributor of each Qualifying Production applicable to the Company and on a most favored nations basis with the Company.

b. Transferability

Within one hundred and eighty (180) days of the Initial Closing, the Purchaser may be able to receive one digital blockchain token (the "**Security Instruction Token**" or "**SIT**") for each Interest to the Purchaser's

unique wallet address on the applicable blockchain. These SITs will be tools to transfer ownership of the Interests.

If the Purchaser transfers Interests to another person by way of SITs or otherwise, then that person (the “*New Holder*”) is deemed to be bound by the terms of the Subscription Agreement as a Purchaser for the period of time they hold such Interests and the Purchaser irrevocably and unconditionally undertakes to ensure that each New Holder, prior to the transfer of Interests to them, expressly agrees to be bound by the Subscription Agreement as a Purchaser for the period of time they hold such Interests. By transferring any Interests, the Purchaser assigns all the Purchaser’s rights, title and interest under the Subscription Agreement to the recipient of those Interests or to the owner of the wallet to which the Purchaser transfers any SITs.

The rights in the Revenue Share Interests are not severable from the Securities (and vice versa), and all right, title and interest in and to the Revenue Share Interests shall follow the Securities (and vice versa).

c. Security Instruction Tokens

The Company intends to use an alternative method of providing an instruction called a Security Instruction Token to provide an additional method for the Purchaser to provide a notification directing the transfer of the Securities and Revenue Share Interest (collectively, the “*Interests*”). SITs are not intended to be a digital representation of the Interests, nor is the Company required to mint or release the SITs.

After purchasing the Securities in the Offering, Purchasers may be entitled to Revenue Share Interests and may have the opportunity to receive SITs to their self-custodied Republic Digital Wallets (“*Wallets*”) by accessing the Purchaser’s ODB Portfolio page, where there will be an option to receive the SITs. The SITs may be issued before the lock-up period is over, but there will be built-in restrictions to restrict the transfer of any SITs before the lock-up is over.

Additionally, to receive SITs, the transferee will need to go through onboarding, enter into various agreements with BitGo Trust Company, Inc. (the “*Custodian*”), and get their Wallets whitelisted (KYC/AML, etc.). If a transferee fails to meet these requirements, the transfer of SITs will be blocked until the requirements are met.

The Interests will be registered in the name of, and held of record by, the Custodian. The Custodian is the legal holder of record for the Interests.

The Company, its agents or representatives shall deliver the Interests to the Custodian. The Interests will be subject to the terms and conditions of the Subscription Agreement, attached hereto as **Exhibit A** hereto, Custodial Services Agreement, attached as **Exhibit C** hereto, and Omnibus Nominee Agreement, attached as **Exhibit D** hereto. Purchasers will be required to sign new account forms with the Custodian to designate the Custodian as the legal holder of record for the Interests.

The Company and the Purchaser authorize the Custodian, for the benefit of the Purchaser, to hold the Interests in registered form in the Custodian’s name or the name of its nominees for the benefit of the Purchaser and the Purchaser’s permitted assigns. The Company and Purchaser acknowledge and agree that the Custodian may assign any and all of its agreements with Purchaser, delegate its duties thereunder, and transfer Purchaser’s Interests to any of its affiliates or to its successors and assigns, whether by merger, consolidation, or otherwise, in each case, without the consent of the Purchaser or the Company.

When a Purchaser wishes to sell or transfer their Interests, they must provide notice to the Custodian, which, subject to any applicable restrictions on transfers, will facilitate the transfer. Transfer of SITs may be one mechanism to do so subject to certain terms and conditions.

SITs may be considered “securities” in the United States and are expected to be listed for transfer and exchange on securities marketplaces, including without limitation the INX Alternative Trading System “*INX*”).

D. The Offering

The Company is presently offering \$5,000,000 of Common Stock at a purchase price of \$3.08 per share to accredited investors. The Minimum Subscription Amount is \$1,000 and the Maximum Subscription Amount is \$2,500,000, which such amounts may be waived by the Company in its sole discretion.

a. The Offering Period

The Offering Period (the “*Offering Period*”) will expire on the earlier to occur of: (i) the date on which \$5,000,000 (the “*Maximum Offering Amount*”) has been subscribed for and accepted by the Company and a final closing is conducted; or (ii) May 15, 2026, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion.

b. Closings

The Company will hold an initial closing (the “*Initial Closing*”) upon receiving subscriptions of \$500,000 (the “*Minimum Offering Amount*”) and after we have received notification of approval when we and ODB determine. Thereafter, we may hold one or more additional closings until we determine to cease having any additional closings during the Offering Period (each, a “*Closing*”).

We will close on proceeds based upon the order in which they are received. We will consider various factors in determining the timing of any additional Closings following the Initial Closing, including the amount of proceeds received at the Closing and any prior additional Closings.

The Company expects that its final Closing shall occur no later than May 15, 2026, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion.

c. Subscription Process

To subscribe in this Offering, each Purchaser must complete in full, and electronically sign, a Subscription Agreement in the form attached to this Memorandum as **Exhibit A** which is available on the Platform via www.republic.com/horrorsectionreg-d, delivering to the Company through the Platform all required supporting documentation (including proof of such Purchaser’s status as an accredited investor and for satisfaction of applicable anti-money laundering requirements and for other purposes), and wiring the applicable subscription amount to the Company’s designated bank account.

Each Purchaser whose subscription is accepted by the Company at a Closing will be required to remit the entirety of its purchase amount to the Company at such Closing. Following the receipt of proceeds, the Purchaser’s investment with respect to the Offering will be immediately available to the Company, and the Offering will continue until the earlier of the Company’s receipt of the Maximum Offering Amount, the ultimate Closing or the termination of the Offering. If we do not raise the Minimum Offering Amount by May 15, 2026, subject to our right to extend the Offering Period to such date and time as determined in our

sole and exclusive discretion, we will terminate the Offering and refund all funds provided by the Purchaser without interest or deduction.

Subscriptions may be accepted or rejected by the Company, in its sole and exclusive discretion. The Company reserves its right to cancel or rescind the Offering at any time and for any reason.

d. Offering Exclusively for Accredited Investors

Only persons of adequate financial means who have no need for present liquidity with respect to this purchase should consider purchasing the Securities offered hereby because: (i) a purchase of the Securities involves a number of significant risks (see “Risk Factors”); and (ii) no market for the Securities currently exists. The sale of the Securities as described herein is intended to be exempt from registration under the Securities Act and applicable state securities laws.

This Offering is limited solely to Purchasers who are “accredited investors” as that term defined in Rule 501 of Regulation D under the Securities Act, who also meet certain other suitability standards, in reliance on Rule 506(c) of Regulation D under the Securities Act.

To be an accredited investor, each Purchaser must fall within one of the following categories at the time of the sale of the Securities to such Purchaser:

(i) Any bank, as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; any broker-dealer registered pursuant to Section 15 of the Exchange Act; any investment adviser registered pursuant to section 203 of the Investment Advisers Act of 1940 or registered pursuant to the laws of a state; any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act of 1940; any insurance company, as defined in Section 2(a)(13) of the Securities Act; any investment company registered under the Investment Company Act of 1940 or a business development company, as defined in Section 2(a)(48) of that Act; any Small Business Investment Foundation licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; and any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, that is either a bank, savings and loan association, insurance company or registered investment advisor, if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by person(s) that are accredited investor(s);

(ii) Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

(iii) Any organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, any corporation, Massachusetts or similar business trust, partnership, or limited liability company, not formed for the specific purpose of acquiring the Securities, with total assets in excess of \$5,000,000;

(iv) Any director or executive officer of the Company;

(v) Any natural person whose individual net worth, or joint net worth with that person's spouse or spousal equivalent, exclusive of the value of the person's primary residence net of any mortgage debt and other liens, at the time of his or her purchase exceeds \$1,000,000;

(vi) Any natural person who had an individual income in excess of \$200,000, or joint income with that person's spouse in excess of \$300,000, in each of the two most recent years and who reasonably expects to reach the same income level in the current year;

(vii) Any trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D;

(viii) Any entity all of whose equity owners are accredited investors;

(ix) Any entity of a type not listed in paragraphs (i), (ii), (iii), (vii), or (viii) above, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;

(x) Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status;

(xi) Any natural person who is a "knowledgeable employee," as defined in rule 3c-5(a)(4) under the Investment Company Act of 1940, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act;

(xii) Any "family office" as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:

- a. With assets under management in excess of \$5,000,000;
- b. That is not formed for the specific purposes of acquiring the securities offered, and
- c. Whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment; or

(xiii) Any "family client," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940, of a family office meeting the requirements in paragraph (xii) above and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (xii)(c) above.

The term "net worth" means the excess of total assets over total liabilities, exclusive of the value of your primary residence net of any mortgage debt and other liens. In determining income, you should add to your adjusted gross income any amounts attributable to tax-exempt income received, losses claimed as a limited partner in any limited partnership, deductions claimed for depreciation, contributions to an IRA or Keogh retirement plan, alimony payments and any amount by which income from long-term capital gains had been reduced in arriving at adjusted gross income.

As a condition to completing a purchase of the Securities, you will be required to represent to the Company in writing that you are an accredited investor under Regulation D, as described above, and provide certain documentation for the Company to verify such representation. See the section titled “Regulation D Rule 506(c) Investor Verification Standards” in this Private Placement Memorandum for additional information.

Accordingly, each Purchaser will be required to represent, agree, and certify in writing all of the following:

- You are acquiring the Securities for investment, for your own account, and not with a view to resale or distribution;
- Your overall commitment to investments which are not readily marketable is not disproportionate to your net worth, and your investment in the Securities will not cause such overall commitment to become excessive;
- You have thoroughly evaluated the merits and risks of investing in the Securities; and
- You or your representative have sufficient knowledge and experience in financial matters, that you are capable of evaluating the merits and risks of the investment, can bear the economic risk of this investment for an indefinite period of time and can at the present time afford a substantial or complete loss of your investment (i.e., you are “sophisticated”), and you are an “accredited investor” as that term is defined in Rule 501(a) of Regulation D of the Securities Act, as amended.

Regulation D Rule 506(c) Investor Verification Standards

A Purchaser who is an individual shall verify its status as an “accredited investor” as defined by Rule 501(a) of Regulation D under the Securities Act through the Platform by providing as necessary one or more items from the categories below confirming its status as an “accredited investor”:

(A) Proof of natural person accredited investor status on the basis of net worth:

- one or more of the types of documentation listed below with respect to assets and with respect to liabilities; and
- written representation from the Purchaser that all liabilities necessary to make a determination of net worth have been disclosed:
 - (1) with respect to assets, one or more of the following types of documentation dated within the prior three (3) months:
 - bank statements,
 - brokerage statements,
 - other statements of securities holdings,
 - certificates of deposit,
 - tax assessments issued by independent third parties, and
 - appraisal reports issued by independent third parties; and

(2) with respect to liabilities:

- a consumer report from at least one of the nationwide (U.S. only) consumer reporting agencies dated within the prior three (3) months;

OR

(B) Proof of natural person accredited investor status on the basis of income:

- any Internal Revenue Service form that reports the Purchaser's income for the two (2) most recent years (including, but not limited to, Form W-2, Form 1099, Schedule K-1 to Form 1065, and Form 1040); and
- a written representation from the Purchaser that he or she has a reasonable expectation of reaching the income level necessary to qualify as an accredited investor during the current year;

OR

(C) Proof of natural person accredited investor status by holding a FINRA license:

- BrokerCheck report showing current Series 7 license;
- BrokerCheck report showing current Series 65 license; or
- BrokerCheck report showing current Series 82 license;

OR

(D) Written confirmation from one of the following persons or entities that such person or entity has taken reasonable steps to verify that the Purchaser is an accredited investor within the prior three (3) months and has determined that such Purchaser is an accredited investor:

- a registered broker-dealer;
- an investment adviser registered with the SEC;
- a licensed attorney who is in good standing under the laws of the jurisdictions in which he or she is admitted to practice law; or a certified public accountant who is duly registered and in good standing under the laws of the place of his or her residence or principal office.

THE COMPANY WILL NOT ACCEPT ANY SUBSCRIPTION FROM ANY PURCHASER WHO IS NOT AN "ACCREDITED INVESTOR" AT ANY CLOSING.

OVERVIEW OF THE COMPANY’S BUSINESS

A. Description of the Business

The Company is a fan-owned 360 media company focused on building the world’s premiere horror brand. The Company was founded by iconic filmmaker and actor Eli Roth to unleash premium content to audiences worldwide and is active in film and television, intellectual property ownership, podcasts, and fan experiences.

B. Business Plan

The Company is raising equity capital to allow for the development and production of a slate of independently produced genre films. We have partnered with the deeply experienced finance team at Media Capital Technologies, who will work with management to build bespoke financing plans that allow the Company to maintain creative and economic control of the projects on which we embark. In many cases, we will fully finance a film or television property, while in some cases we may partner with a studio or third-party financier and serve only as a producer on a project. In all cases, the Company will seek to maintain as many rights as possible, which will allow us to pursue sequels and spinoffs, as well as extensions into other media formats and merchandise, where relevant. Finally, the Company will also build alternative business lines that supplement and support our core film and television business. At inception, these other lines will be podcasting, where we will develop and launch The Horror Section Podcast, and fan experiences, where we will collaborate with existing and upcoming convention operators to build marketing and fan engagement experiences.

C. The Company’s Products and/or Services

Product / Service	Description	Current Market
Film development and production	Eli Roth is among the most decorated and respected creators in horror cinema, and with his work at our core, The Horror Section will create thrilling horror film and television. The company will finance the development, production and distribution of its own slate of horror films. Additionally, the company will also serve as a producer on film and television properties that are financed by third-parties, such as studios or other production companies. The company aims to own and retain as many rights as possible, including IP rights, distribution rights, sequel/remake rights, among others.	Horror cinema generated \$2 billion in global box office at theaters in 2023 and approximately \$1.84 billion in 2024 (source: FranchiseRE ¹). Horror films have among if not the lowest median production budgets of any film genre, and continue to perform in theaters even as overall theater going has struggled since the COVID pandemic.

¹ See: <https://franchisere.substack.com/i/154939684/the-current-weekend-january-to-martin-luther-king-jr-weekend>.

The Horror Section Podcast	This weekly podcast will feature interviews and conversations with creators and talent from across the horror landscape – from directors, writers and producers to stars and up-and-coming creative voices.	Spoken-word-audio is a diverse and highly competitive landscape, however, the horror film segment remains highly fragmented across a vast array of hobbyist and semi-professional podcasts. The Horror Section podcast will lead with established voices in the genre, and will drive impact through both depth and quality of the interviews we book.
Fan Experiences	The Horror Section will partner with existing convention operators to offer a range of services that augment the existing experiences for attendees. Core to our offering will be a live show experience that ties to The Horror Section podcast. We will host in-depth and engaging conversations at conventions, and produce unique live experiences that may include film screenings, Q&As and panels with industry leaders.	There is a large offering of regional horror conventions that operate across North America, and indeed globally. Many, if not most, of these shows are operated as one-offs by small teams. We don't seek to compete with these shows directly, but instead partner with a few to bolster their existing offering and use our connections to both creators and marketers in Hollywood to drive incremental demand for the horror conventions and incremental revenue in the form of sponsorships.

D. Customer Base

Core to the Company's business is building direct relationships with fans and consumers. Our core customer base will be consumers of horror-themed content across several channels, including film, television, podcast and live experiences. The Company will have the opportunity to build a more direct-to-consumer distribution pipeline with the specialist film distributor Iconic Releasing. In collaboration with Iconic, the Company will distribute productions to theaters through a bespoke channel that fully integrates sales, operations and marketing in an economic package that is much more favorable to the Company than traditional studio distribution offerings.

In addition, to direct sales to individual customers, the Company will generate sales directly from entertainment companies, such as studios and distributors, through licensing owned content or serving as a producer-for-hire on an externally financed project.

USE OF PROCEEDS FROM THE OFFERING

The following table illustrates how we intend to use the proceeds received from this Offering. The values below are not inclusive of payments to financial and legal service providers, fees associated with bad actor checks and payment processing fees, all of which were incurred in the preparation of this Offering and are due in advance of the closing of the Offering.

Use of Proceeds	% of Proceeds if Minimum Offering Amount Raised	Amount if Minimum Offering Amount Raised	% of Proceeds if Maximum Offering Amount Raised	Amount if Maximum Offering Amount Raised
ODB Fees	5%	\$25,000	5%	\$250,000
Content	47%	\$235,000	47%	\$2,350,000
Operations/Legal/OH	14%	\$70,000	14%	\$700,000
Salaries	12%	\$60,000	12%	\$600,000
Investment Activities	10%	\$50,000	10%	\$500,000
Closing Costs	7%	\$35,000	7%	\$350,000
Brand and Marketing	5%	\$25,000	5%	\$250,000
Total	100%	\$500,000	100%	\$5,000,000.00

The Company intends to use the proceeds of the Offering, net of any federal and state income taxes, primarily for working capital purposes. Accordingly, our Board of Directors will have broad discretion over the application of the proceeds received from the Offering and may spend the proceeds from the Offering in ways with which Purchasers may not agree with. Our failure to apply such funds effectively could have a material adverse effect on our business, financial conditions, and results of operations. We cannot specify with certainty all of the particular uses for the net proceeds to be received upon the closing of the Offering. In addition, the amount and timing of our actual expenditures will depend upon numerous factors.

The Company reserves the right to alter the use of proceeds of the Offering.

MANAGEMENT OF THE COMPANY

The Company’s directors and officers, including their positions, are set forth below:

Name	Positions and Offices Held at the Company	Principal Occupation and Employment Responsibilities for the Last Three (3) Years	Education
Eli Roth	Chief Creative Officer and Director	<p>Chief Creative Officer and Director at the Company (Inception – Present); Responsibilities include developing and overseeing the creative vision of the company. Initiating new projects and collaborating on script development. Guiding all creative aspects of The Horror Section’s brand and position.</p> <p>Director, Writer, Producer and actor, with selective credits over the last three years that include: Borderlands (Film, D/W/P, 2024) Thanksgiving (Film, D/W/P, 2023), Fright Krewe (TV, W/P, 2023), The Haunted Museum (TV, P, 2021-23)</p>	BFA Film, NYU, 1994
Jonathan Schnaars	Chief Executive Officer and Director	<p>Chief Executive Officer and Director at the Company (Inception – Present); Responsibilities include overseeing all operational and business functions</p> <p>Principle, Double A Projects consulting 2024-2025 – Providing fractional executive services for creators and small media companies including finance, strategy and operations</p> <p>Chief Business Officer, Pushkin Industries, 2019-2024 – Oversaw all aspects of finance, strategy and business development for one of the largest independently financed audio production companies.</p>	BA, Duke, 2005 MBA, The Wharton School at The University of Pennsylvania, 2015

Christopher Woodrow	Director	Director at the Company (Feb 2025) Founder and Chairman of Media Capital Technologies (MCT). He has helped oversee the financing of over 15 feature films during the last three years through MCT's slate co-financing agreement with Lionsgate.	University of Alabama (attended)
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Eli Roth
Chief Creative Officer, Director



Writer / Director / Producer and Actor Eli Roth burst onto the film scene at the 2002 Toronto Film Festival, with his directorial debut *Cabin Fever*. Made independently for \$1.5 million dollars, the film sparked a bidding war, and went on to be Lionsgate's highest grossing film of 2003. Roth's follow-up film, *Hostel* which he wrote, produced and directed, presented and executive produced by Quentin Tarantino, earned him critical praise and was a massive worldwide hit, spawning a successful sequel, *Hostel Part II*, also written and directed by Roth.

In 2015, Lionsgate released Roth's Sundance thriller *Knock Knock*, which stars Keanu Reeves and Ana de Armas in her English language screen debut. Additionally, Roth co-wrote, produced and directed *The Green Inferno*, and directed the critically acclaimed family film *The House with a Clock in its Walls* starring Cate Blanchett and Jack Black for Amblin Entertainment, as well as the gritty hit action film *Death Wish* starring Bruce Willis for MGM, and the video game film *Borderlands* starring Cate Blanchett, Jamie Lee Curtis, Kevin Hart, Jack Black and Ariana Greenblatt.

As an actor, Roth starred in Quentin Tarantino's *Inglorious Basterds* as the bat-wielding Sgt. Donnie Donowitz, for which he and his cast members received the Screen Actors Guild Award for Best Ensemble. He also acted in Sam Levinson's HBO series "The Idol", and will soon appear alongside Vanessa Kirby in "The Night Always Comes" for Netflix.

As a producer, Roth has produced the hit films, *The Last Exorcism*, *The Man with the Iron Fists*, Jon Watts' directing debut *Clown* and the hit Emmy® Nominated Netflix series, *Hemlock Grove*. Roth hired an unknown Damien Chazelle to write the sequel to *The Last Exorcism*, starring Julia Garner and Ashley Bell. Roth's critically acclaimed docuseries "Eli Roth's History of Horror" ran for three seasons on AMC, as well as the #1 podcast that accompanied the series. Roth's fan favorite horror series "A

Ghost Ruined My Life,” “The Haunted Museum”, “Urban Legend”, and “My Possessed Pet” are all streaming on Max.

Roth’s critically acclaimed documentary about the harrowing shark fin trade *Fin*, produced with Leonardo DiCaprio, premiered to rave reviews in July 2021 as part of Discovery’s Shark Week, and went on to Best Documentary at the Ischia Global Film Festival.

Roth co-created the DreamWorks Animation kids series “Fright Krewe” for Peacock and Hulu, and co-wrote, produced and directed the hit horror film “Thanksgiving” for TriStar pictures, starring Patrick Dempsey. He is currently writing a sequel, as well as a TV series of “Hostel” starring Paul Giamatti.

Jonathan Schnaars
Chief Executive Officer, Director

As CEO, Jonathan will oversee all operational and business functions at The Horror Section. In his previous role as Chief Business Officer of Pushkin Industries, Jonathan helped drive revenue growth for the audio-focused content studio and oversaw all deal making across content, distribution and licensing. His purview included successful efforts to diversify into subscriptions and direct-to-consumer content sales. Before Pushkin, Jonathan spent 10+ years in digital advertising at Google, YouTube and the Facebook marketing partner SocialCode. Across his career Jonathan has led teams and organizations of varying sizes across different functional areas. He received his MBA from Wharton in 2015. Since 2007, Jonathan has produced and managed an indie horror podcast that reaches thousands of fans each month.



Christopher Woodrow
Director



c. Mr. Woodrow is the Founder and Chairman of Media Capital Technologies (MCT), a specialty finance company focused on strategic investments in premium content. The company provides capital to media and entertainment businesses, including major motion picture studios, significant independent production entities, and preeminent intellectual property rights-holders. He is responsible for guiding the strategic vision of MCT and oversees global corporate and business development for the company. Mr. Woodrow was the Founder and served as Chairman and CEO of Vendian Entertainment and Worldview Entertainment, motion

picture finance and production companies that produced over 30 notable feature films under his leadership. The films, including Fox Searchlight's critically acclaimed hit "Birdman", Warner Bros.' adaptation "Black Mass", and Lionsgate's success "Hacksaw Ridge", grossed more than \$700 million in worldwide box office revenue, were nominated for 16 Academy Awards, and won six Oscars, including Best Picture. Prior to this, Mr. Woodrow was the Managing Director of Prospect Point Capital, an investment company focused on structured finance and venture capital opportunities in media and entertainment. He was previously a Vice President at Citigroup Global Markets and worked in investment banking at Oppenheimer & Co. Mr. Woodrow began his career managing business development at Syrinex Communications, a pioneer in the manufacturing of the internet server appliance. He performed his undergraduate studies at the University of Alabama.

Board Composition and Risk Oversight

The Board of Directors of the Company is currently composed of three directors. There are no family relationships among the directors or any of the executive officers.

OWNERSHIP OF THE COMPANY

The Company's authorized capital stock consists of 22,000,000 shares of common stock of which 16,248,333 are issued and outstanding, par value \$0.001 per share (the "Common Stock").

The table below sets forth the beneficial owners (including individuals and entities) of the Company's outstanding voting equity securities, calculated on the basis of voting power, along with the amount they own.

Name	Amount and Type or Class Held	Percentage Ownership (in terms of voting power)
Eli Roth	10,000,000 shares of Common Stock	61.545%
Double A Projects LLC	3,333,333 shares of Common Stock	20.515%
MCT Entertainment Labs LLC	2,915,000 shares of Common Stock	17.940%

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

ODB Offering Engagement

We are currently a party to an offering engagement agreement, as effective as of May 14, 2025 (the “***Engagement Agreement***”), with ODB, who has agreed to provide certain offering private placement services, business advisory services, and facilitation services, including executing and delivering evidence of the Securities sold in this Offering to each Purchaser and the use of the Platform. ODB has made no commitment to purchase all or any part of the Securities. The term of the Engagement Agreement will continue until the later of (i) the Securities are no longer being listed on the Platform or (ii) all fees due to ODB being remitted unless otherwise terminated by either party upon thirty (30) days’ prior written notice or for cause pursuant to the Engagement Agreement.

ODB is not purchasing any of the Securities in this Offering and is not required to sell any specific number or dollar amount of Securities but will instead arrange and manage this Offering on the Platform.

Commission and Expenses: We have agreed to pay ODB a cash fee equal to the greater of (i) five percent (5%) of the dollar value of the Securities issued to Purchasers pursuant to the combined proceeds of each Offering at the time of Closing or (ii) \$0.00 (the “***Cash Commission***”). In addition to the Cash Commission, ODB will be entitled to a securities commission equivalent to two percent (2.0%) of the dollar value of the Securities issued to Purchasers pursuant to the combined proceeds of each Offering at the time of Closing (the “***Securities Commission***”).

Should we terminate the Engagement Agreement, other than for a breach of the Engagement Agreement by ODB, we have agreed to pay ODB a fee of \$10,000.00.

We have agreed to reimburse ODB, irrespective of the outcome of the Offering, for all payment processing servicing costs associated with related service providers. If the Offering has launched, such fees are approximately the greater of (i) \$2,500 or (ii) two percent (2.0%) of the Offering’s proceeds. In the event that no escrow accounts are opened for the Offering, we shall pay Republic Core LLC, an affiliate of ODB, a fee of \$1,500.

Under the Engagement Agreement with ODB, ODB may also pass through certain administrative expenses related to payment processing in the event of a withdrawn offering. We are responsible for all costs related to Purchaser payment disputes. We will pay to ODB various fees, which are not considered underwriting compensation. ODB has the right to assign this Engagement Agreement to an affiliate or successor.

We have agreed to indemnify ODB against liabilities relating to, arising out of or from the Engagement Agreement, the Securities, the Offering or violation of any law, acts or omissions, negligence or willful misconduct of the Company.

Related Party Transactions

The Company has conducted the following transactions with related persons:

- On January 29, 2025, the Company and Eli Roth entered into that certain Subscription Agreement, pursuant to which Mr. Roth purchased 10,000,000 shares of Common Stock of the Company in exchange for a purchase price equal to \$0.001 per share.
- On January 29, 2025, the Company and Double A Projects LLC entered into that certain Subscription Agreement, pursuant to which Double A Projects LLC purchased 3,333,333 shares of

Common Stock of the Company in exchange for a purchase price equal to \$0.001 per share. Jonathan Schnaars is a director of the Company and sole member of Double A Projects LLC.

- During 2024, the Company received advances from Eli Roth, MCT, and Jonathan Schnaars totaling \$89,028. These funds were advanced to the Company to pay for start-up costs and are non-interest bearing and do not have a maturity date. Those funds are also non-guaranteed, and the Company has not pledged any assets against those loans.
- In January of 2025, the Company entered into a services agreement with Media Capital Technologies Group Inc. (“*MCT*”) to provide the Company with financial services ranging from managing the offering and sale of company securities to assisting and advising on business and finance matters related to film financing. The term of this agreement will be for two years. MCT will receive an annual fee of \$300,000 as an advisory fee that will be payable in quarterly installments ending on January 1, 2027. For the first approved project and financed through MCT, there will be a deferred executive producer fee payable to MCT through the “waterfall” after principal recoupment. The Company agreed to invest 10% of the proceeds from the offering campaign that it will conduct through Regulation Crowdfunding in MCT Entertainment Labs LLC provided, however, that such investment shall not exceed \$1,000,000, in exchange for a pro-rate ownership interest not to exceed five percent. Christopher Woodrow, a director of the Company, is the founder and chairman of MCT.

RISK FACTORS, INVESTMENT CONSIDERATIONS AND POTENTIAL CONFLICTS OF INTEREST

Investing in the Securities involves a high degree of risk and may result in the loss of your entire investment. Before making an investment decision with respect to the Securities, we urge you to carefully consider the risks described in this section. In addition to the risks specified below, the Company is subject to the same risks that all companies in its business, and all companies in the economy, are exposed to. These include risks relating to economic downturns, political and economic events and technological developments (such as hacking and the ability to prevent hacking). Additionally, early-stage companies are inherently riskier than more developed companies. Prospective Purchasers should consult with their legal, tax and financial advisors prior to making an investment in the Securities. The Securities should only be purchased by persons who can afford to lose all of their investment.

A. Risks Related to the Company's Business and Industry

We have a limited operating history upon which you can evaluate our performance, and accordingly, our prospects must be considered in light of the risks that any new company encounters.

The Company is still in an early phase and we are just beginning to implement our business plan. There can be no assurance that we will ever operate profitably. The likelihood of our success should be considered in light of the problems, expenses, difficulties, complications and delays usually encountered by early stage companies. The Company may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

Global crises and geopolitical events, including without limitation, COVID-19 can have a significant effect on our business operations and revenue projections.

A significant outbreak of contagious diseases, such as COVID-19, in the human population could result in a widespread health crisis. Additionally, geopolitical events, such as wars or conflicts, could result in global disruptions to supplies, political uncertainty and displacement. Each of these crises could adversely affect the economies and financial markets of many countries, including the United States where we principally operate, resulting in an economic downturn that could reduce the demand for our products and services and impair our business prospects, including as a result of being unable to raise additional capital on acceptable terms, if at all.

The amount of capital the Company is attempting to raise in this Offering may not be enough to sustain the Company's current business plan.

In order to achieve the Company's near and long-term goals, the Company may need to procure funds in addition to the amount raised in the Offering. There is no guarantee the Company will be able to raise such funds on acceptable terms or at all. If we are not able to raise sufficient capital in the future, we may not be able to execute our business plan, our continued operations will be in jeopardy and we may be forced to cease operations and sell or otherwise transfer all or substantially all of our remaining assets, which could cause a Purchaser to lose all or a portion of their investment.

We may face potential difficulties in obtaining capital.

We may have difficulty raising needed capital in the future as a result of, among other factors, our lack of revenues from sales, as well as the inherent business risks associated with our Company and present and future market conditions. We will require additional funds to execute our business strategy and conduct our operations. If adequate funds are unavailable, we may be required to delay, reduce the scope of or eliminate

one or more of our research, development or commercialization programs, product launches or marketing efforts, any of which may materially harm our business, financial condition and results of operations.

We may not have enough authorized capital stock to issue shares of common stock to investors upon the conversion of any security convertible into shares of our common stock.

Unless we increase our authorized capital stock, we may not have enough authorized common stock to be able to obtain funding by issuing shares of our common stock or securities convertible into shares of our common stock. We may also not have enough authorized capital stock to issue shares of common stock to investors upon the conversion of any security convertible into shares of our common stock.

We may implement new lines of business or offer new products and services within existing lines of business.

As an early-stage company, we may implement new lines of business at any time. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, we may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved, and price and profitability targets may not prove feasible. We may not be successful in introducing new products and services in response to industry trends or developments in technology, or those new products may not achieve market acceptance. As a result, we could lose business, be forced to price products and services on less advantageous terms to retain or attract clients or be subject to cost increases. As a result, our business, financial condition or results of operations may be adversely affected.

We rely on other companies to provide components and services for our products.

We depend on suppliers and contractors to meet our contractual obligations to our customers and conduct our operations. Our ability to meet our obligations to our customers may be adversely affected if suppliers or contractors do not provide the agreed-upon supplies or perform the agreed-upon services in compliance with customer requirements and in a timely and cost-effective manner. Likewise, the quality of our products may be adversely impacted if companies to whom we delegate manufacture of major components or subsystems for our products, or from whom we acquire such items, do not provide components which meet required specifications and perform to our and our customers' expectations. Our suppliers may be unable to quickly recover from natural disasters and other events beyond their control and may be subject to additional risks such as financial problems that limit their ability to conduct their operations. The risk of these adverse effects may be greater in circumstances where we rely on only one or two contractors or suppliers for a particular component. Our products may utilize custom components available from only one source. Continued availability of those components at acceptable prices, or at all, may be affected for any number of reasons, including if those suppliers decide to concentrate on the production of common components instead of components customized to meet our requirements. The supply of components for a new or existing product could be delayed or constrained, or a key manufacturing vendor could delay shipments of completed products to us adversely affecting our business and results of operations.

We rely on various intellectual property rights, including trademarks, in order to operate our business.

The Company relies on certain intellectual property rights to operate its business. The Company's intellectual property rights may not be sufficiently broad or otherwise may not provide us a significant competitive advantage. In addition, the steps that we have taken to maintain and protect our intellectual property may not prevent it from being challenged, invalidated, circumvented or designed-around, particularly in countries where intellectual property rights are not highly developed or protected. In some

circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons, or countries may require compulsory licensing of our intellectual property. Our failure to obtain or maintain intellectual property rights that convey competitive advantage, adequately protect our intellectual property or detect or prevent circumvention or unauthorized use of such property, could adversely impact our competitive position and results of operations. We also rely on nondisclosure and noncompetition agreements with employees, consultants and other parties to protect, in part, trade secrets and other proprietary rights. There can be no assurance that these agreements will adequately protect our trade secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information or that third parties will not otherwise gain access to our trade secrets or other proprietary rights. As we expand our business, protecting our intellectual property will become increasingly important. The protective steps we have taken may be inadequate to deter our competitors from using our proprietary information. In order to protect or enforce our patent rights, we may be required to initiate litigation against third parties, such as infringement lawsuits. Also, these third parties may assert claims against us with or without provocation. These lawsuits could be expensive, take significant time and could divert management's attention from other business concerns. The law relating to the scope and validity of claims in the technology field in which we operate is still evolving and, consequently, intellectual property positions in our industry are generally uncertain. We cannot assure you that we will prevail in any of these potential suits or that the damages or other remedies awarded, if any, would be commercially valuable.

The Company's success depends on the experience and skill of the board of directors, its executive officers and key employees.

We are dependent on our board of directors, executive officers and key employees. These persons may not devote their full time and attention to the matters of the Company. The loss of our board of directors, executive officers and key employees could harm the Company's business, financial condition, cash flow and results of operations.

Although dependent on certain key personnel, the Company does not have any key person life insurance policies on any such people.

We are dependent on certain key personnel in order to conduct our operations and execute our business plan, however, the Company has not purchased any insurance policies with respect to those individuals in the event of their death or disability. Therefore, if any of these personnel die or become disabled, the Company will not receive any compensation to assist with such person's absence. The loss of such person could negatively affect the Company and our operations. We have no way to guarantee key personnel will stay with the Company, as many states do not enforce non-competition agreements, and therefore acquiring key man insurance will not ameliorate all of the risk of relying on key personnel.

Damage to our reputation could negatively impact our business, financial condition and results of operations.

Our reputation and the quality of our brand are critical to our business and success in existing markets, and will be critical to our success as we enter new markets. Any incident that erodes consumer loyalty for our brand could significantly reduce its value and damage our business. We may be adversely affected by any negative publicity, regardless of its accuracy. Also, there has been a marked increase in the use of social media platforms and similar devices, including blogs, social media websites and other forms of internet-based communications that provide individuals with access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact. Information posted may be adverse to our interests or may be inaccurate, each of which may harm

our performance, prospects or business. The harm may be immediate and may disseminate rapidly and broadly, without affording us an opportunity for redress or correction.

Our business could be negatively impacted by cyber security threats, attacks and other disruptions.

We continue to face advanced and persistent attacks on our information infrastructure where we manage and store various proprietary information and sensitive/confidential data relating to our operations. These attacks may include sophisticated malware (viruses, worms, and other malicious software programs) and phishing emails that attack our products or otherwise exploit any security vulnerabilities. These intrusions sometimes may be zero-day malware that are difficult to identify because they are not included in the signature set of commercially available antivirus scanning programs. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of our customers or other third-parties, create system disruptions, or cause shutdowns. Additionally, sophisticated software and applications that we produce or procure from third-parties may contain defects in design or manufacture, including “bugs” and other problems that could unexpectedly interfere with the operation of the information infrastructure. A disruption, infiltration or failure of our information infrastructure systems or any of our data centers as a result of software or hardware malfunctions, computer viruses, cyber-attacks, employee theft or misuse, power disruptions, natural disasters or accidents could cause breaches of data security, loss of critical data and performance delays, which in turn could adversely affect our business.

Security breaches of confidential customer information, in connection with our electronic processing of credit and debit card transactions, or confidential employee information may adversely affect our business.

Our business requires the collection, transmission and retention of personally identifiable information, in various information technology systems that we maintain and in those maintained by third parties with whom we contract to provide services. The integrity and protection of that data is critical to us. The information, security and privacy requirements imposed by governmental regulation are increasingly demanding. Our systems may not be able to satisfy these changing requirements and customer and employee expectations, or may require significant additional investments or time in order to do so. A breach in the security of our information technology systems or those of our service providers could lead to an interruption in the operation of our systems, resulting in operational inefficiencies and a loss of profits. Additionally, a significant theft, loss or misappropriation of, or access to, customers’ or other proprietary data or other breach of our information technology systems could result in fines, legal claims or proceedings.

The use of individually identifiable data by our business, our business associates and third parties is regulated at the state, federal and international levels.

The regulation of individual data is changing rapidly, and in unpredictable ways. A change in regulation could adversely affect our business, including causing our business model to no longer be viable. Costs associated with information security – such as investment in technology, the costs of compliance with consumer protection laws and costs resulting from consumer fraud – could cause our business and results of operations to suffer materially. Additionally, the success of our online operations depends upon the secure transmission of confidential information over public networks, including the use of cashless payments. The intentional or negligent actions of employees, business associates or third parties may undermine our security measures. As a result, unauthorized parties may obtain access to our data systems and misappropriate confidential data. There can be no assurance that advances in computer capabilities, new discoveries in the field of cryptography or other developments will prevent the compromise of our customer transaction processing capabilities and personal data. If any such compromise of our security or

the security of information residing with our business associates or third parties were to occur, it could have a material adverse effect on our reputation, operating results and financial condition. Any compromise of our data security may materially increase the costs we incur to protect against such breaches and could subject us to additional legal risk.

The Company is not subject to Sarbanes-Oxley regulations and may lack the financial controls and procedures of public companies.

The Company may not have the internal control infrastructure that would meet the standards of a public company, including the requirements of the Sarbanes Oxley Act of 2002. As a privately-held (non-public) company, the Company is currently not subject to the Sarbanes Oxley Act of 2002, and its financial and disclosure controls and procedures reflect its status as a development stage, non-public company. There can be no guarantee that there are no significant deficiencies or material weaknesses in the quality of the Company's financial and disclosure controls and procedures. If it were necessary to implement such financial and disclosure controls and procedures, the cost to the Company of such compliance could be substantial and could have a material adverse effect on the Company's results of operations.

We operate in a highly regulated environment, and if we are found to be in violation of any of the federal, state, or local laws or regulations applicable to us, our business could suffer.

We are also subject to a wide range of federal, state, and local laws and regulations, such as local licensing requirements, and retail financing, debt collection, consumer protection, environmental, health and safety, creditor, wage-hour, anti-discrimination, whistleblower and other employment practices laws and regulations and we expect these costs to increase going forward. The violation of these or future requirements or laws and regulations could result in administrative, civil, or criminal sanctions against us, which may include fines, a cease and desist order against the subject operations or even revocation or suspension of our license to operate the subject business. As a result, we have incurred and will continue to incur capital and operating expenditures and other costs to comply with these requirements and laws and regulations.

We cannot guarantee we will be successful in producing, distributing, selling, commercializing or exploiting our horror film and television, or any products created in connection therewith, or that if we are able to do so, that we will make a profit.

No assurance can be given that we will be successful in producing, distributing, selling, commercializing or exploiting any horror films and television, or any products created in connection therewith, to our targeted markets. Further, even if we do so, no assurance can be given that we will generate a profit from such sales. If we cannot generate a profit, we will have to suspend or cease operations and any investor in the Company may lose their entire investment.

We may not be able to implement our strategies of entering into the horror film and television production business effectively or at all.

Our growth strategy depends on our ability to successfully develop horror themed content by leveraging the talents of our personnel, their experience with horror production and our to-be-developed proprietary technology. Entry into such production business presents significant challenges and subjects our business to significant risks, including those risks set forth below. The inability to successfully manage these challenges could adversely affect our potential success in the production business with respect to horror films and television. Such failures would significantly limit our ability to grow our business and could also divert significant resources from our digital production and other businesses.

Our successful entry into the horror film and television production business faces various risks and challenges, including:

- the success of our horror film and television production business will be primarily dependent on audience acceptance of our content, which is extremely difficult to predict;
- the production and marketing of our horror themed content is capital-intensive and our capacity to generate cash from our films may be insufficient to meet our anticipated capital requirements;
- delays and increased expenditures due to creative problems, technical difficulties, talent availability, accidents, natural disasters or other events beyond the control of the production companies and distributors;
- the entrance of additional studios into the horror film and television market, which may result in increased competition for our audiences and for talented staff;
- the costs of producing and marketing horror film and television content have steadily increased and may increase in the future, which may make it more difficult for us to generate a profit or compete against other content creators;
- horror film and television production is subject to seasonal variations based on the timing of other releases, including theatrical motion picture and home entertainment content, and a short-term negative impact on our business during a time of high seasonal demand (such as might result from a natural disaster or a terrorist attack during the time of one of our theatrical or home entertainment releases) could have a disproportionate effect on our results for the year;
- a strike by one or more of the labor unions or similar groups that provide personnel essential to the production of feature films could delay or halt our proposed production activities;
- the strain on our personnel from the effort required to produce such horror film and television content and the time required for creative development of future content may hinder our ability to consistently release our content; and
- the profitable distribution of horror film and television content depends in large part on the availability of one or more capable distributors who are able to arrange for appropriate advertising and promotion, proper release dates, and any decision by those distributors not to distribute or promote our horror film and television content which we may produce or to promote competitors' content to a greater extent than they promote ours, or our inability to enter into profitable distribution arrangements with such distributors, could have an adverse effect on our proposed production business.

A substantial part of our business relies upon the success and popularity of horror film and television content. If other forms of entertainment prove to be more attractive to consumers than such content, our growth and operating results could be harmed.

A substantial part of our business relies on the popularity of horror film and television content. If other forms of content, or other entertainment with which horror film and television content compete for consumers' leisure time and disposable income, such as other genres of conventional motion pictures, television, digital streaming services, concerts, amusement parks and sporting events, become more popular than horror film and television content, our business and operating results could be harmed.

We cannot predict the effect that rapid technological change may have on our business or industry.

The entertainment industry in general, and the horror film and television sector thereof in particular, are rapidly evolving, primarily due to technological developments. The rapid growth of technology and shifting consumer tastes prevent us from being able to accurately predict the overall effect that technological growth may have on our potential revenue and profitability. If we are unable to develop and effectively market new technologies that adequately or competitively address the needs of these changing industries, it could have an adverse effect on our business and growth prospects

We expect to face intense competition.

Our films will compete with a variety of other programs. All of our competitors have greater financial resources, greater public and industry recognition and broader marketing capabilities than us. In addition, the market in which we operate is characterized by numerous small companies, with whose products we may be unfamiliar with, and which may be in direct competition with our products. Our inability to adequately compete with our competitors regardless of their respective size, may result in lost sales and will affect our overall profitability.

Loss of consumer confidence in our company or in our industry may harm our business.

Demand for our services may be adversely affected if consumers lose confidence in the quality of our products and services or the industry's practices. Adverse publicity may discourage businesses from buying advertising for our services, engaging in transactions with us, all of which could have a material adverse effect on our financial condition and results of operations. Various factors may adversely impact our reputation. Any litigation, disputes on tax matters and pay structures may subject us to negative attention in the press, which can damage reputation.

If we fail to effectively and efficiently advertise, the growth of our business may be compromised.

The future growth and profitability of our business will be dependent in part on the effectiveness and efficiency of our advertising and promotional expenditures, including our ability to (i) create greater awareness of our products, (ii) determine the appropriate creative message and media mix for future advertising expenditures, and (iii) effectively manage advertising and promotional costs in order to maintain acceptable operating margins. There can be no assurance that we will experience benefits from advertising and promotional expenditures in the future. In addition, no assurance can be given that our planned advertising and promotional expenditures will result in increased revenues, will generate levels of service and name awareness or that we will be able to manage such advertising and promotional expenditures on a cost-effective basis.

There may never be any Net Revenues.

In general, the economic performance of a motion picture is dependent on its domestic theatrical performance, which is a key factor in predicting revenue from other distribution channels and is determined by many factors, including the ability to produce content and develop stories and characters appealing to a broad audience and the effective marketing of the motion picture. The revenues to be received by the Company from the Qualifying Productions are therefore highly uncertain and speculative. There can be no assurance that any Net Revenues will be received by the Company, or that after customary deductions and expenses, the Company will be able to distribute Net Revenues to Purchasers.

Calculation of Net Revenues.

The basis for the calculation of Net Revenues the Purchaser will be entitled to receive from the release of a Qualifying Production are, or will be, detailed in one or more distribution agreement(s), and/or production agreements, none of which have yet been negotiated or finalized. The terms and conditions in the distribution agreement(s) and the production agreement, will be negotiated generally in accordance with industry standards but there is no guarantee that the calculation of Net Revenues will be favorable for the Company and the Purchasers.

Uncertainty of success of Qualifying Productions.

Net Revenues may fluctuate significantly and unexpectedly from period to period, and the results of any one period may not be indicative of the results for any future period. The Company cannot make, and has not made, any assurances (i) as to the amount of Net Revenues that will be or may be derived from or collected in connection with the distribution and exploitation of the Qualifying Productions, or (ii) that the Qualifying Productions will perform in any particular manner or will be favorably received by exhibitors or by the public, or will be released on a wide basis.

Changes in our business strategy, plans for growth or restructuring may increase our costs or otherwise affect our profitability.

As changes in our business environment occur, we may adjust our business strategies to meet these changes, which may include growing a particular area of business or restructuring a particular business or asset. In addition, external events including changing technology, changing consumer patterns, acceptance of our film offerings and changes in macroeconomic conditions, may impair the value of our assets. When these occur, we may incur costs to change our business strategy and may need to write down the value of assets. We may also expand existing or new business divisions. Some of these restructuring changes may have negative or low short-term returns and the ultimate prospects of the businesses may be uncertain or may not develop at a rate that supports our plans for growth or restructuring. In any of these events, our costs may increase, we may have significant charges associated with the write down of assets or returns on restricting may be lower than prior to the change in strategy, plans for growth or restructuring.

Our revenues and results of operations may fluctuate significantly.

Our results of operations depend significantly upon the commercial success of the motion picture, television and other content that we sell, license or distribute, which cannot be predicted with certainty. In particular, the underperformance at the box office of one or more motion pictures in any period may cause our revenue and earnings results for that period (and potentially, subsequent periods) to be less than anticipated, in some instances, to a significant extent. Accordingly, our results of operations may fluctuate significantly from period to period, and the results of any one period may not be indicative of the results for any future periods. Our results of operations also fluctuate due to the timing, mix, number and availability of our motion picture releases, as well as license periods for content. Our operating results may increase or decrease during a particular period or fiscal year due to differences in the number and/or mix of films released compared to the corresponding period in the prior fiscal year. Accordingly, our results of operations from year to year may not be directly comparable to prior reporting periods.

We do not have long-term arrangements with many of our production or co-financing partners.

We typically do not enter into long term production contracts with the creative producers of motion picture and television content that we produce, acquire or distribute. There is no guarantee that we will produce, acquire or distribute future content by any creative producer or co-financing partner, and a failure to do so could adversely affect our business, financial condition, operating results, liquidity and prospects.

Our success depends on external factors in the motion picture and television industry.

Generally, the popularity of our content depends on many factors, including the critical acclaim they receive, the format of their initial release, their talent, their genre and their specific subject matter, audience reaction, the quality and acceptance of content that our competitors release into the marketplace at or near the same time, critical reviews, the availability of alternative forms of entertainment and leisure activities, general economic conditions and other tangible and intangible factors, many of which we do not control and all of which may change. In addition, because a performance in ancillary markets, such as home video and pay and free television, is often related to its box office performance or television ratings, poor box office results or poor television ratings may negatively affect future revenue streams. Our success will depend on the experience and judgment of our management to select and develop new production opportunities.

We compete with other programming services, including cable programming, national broadcast television, and local broadcast television stations to secure desired programming, the competition for which has increased as the number of programming services has increased. Increased competition may drive up talent and production costs. Other programming services that are affiliated with programming sources such as movie or television studios or film libraries may have a competitive advantage over us in this area. Some of these competitors have exclusive contracts with motion picture studios or independent motion picture distributors or own films.

Because the motion picture industry is highly speculative and inherently risky, our motion pictures may not be commercially successful, in which case we will not be able to recover our costs or realize anticipated profits.

The motion picture industry is highly speculative and inherently risky. We cannot assure you that any motion picture we release, distribute, license, acquire or produce will be successful since the revenues derived from the production and distribution of a motion picture depend primarily upon its acceptance by the public, which cannot be predicted. The revenues derived also may not necessarily correlate to the production or distribution costs incurred. A motion picture's commercial success also depends upon the quality and acceptance of other competing films released into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which can change and cannot be predicted with certainty. Therefore, there is a substantial risk that some or all the motion pictures or other programs that we release, distribute, license, acquire or produce will not be commercially successful, resulting in costs not being recovered or anticipated profits not being realized. Additionally, forecasting film revenue and associated gross profits from our films prior to release is extremely difficult and may result in significant write-offs.

There are significant risks associated with the motion picture industry.

The completion and commercial success of a motion picture is extremely unpredictable, and the motion picture industry involves a substantial degree of risk. Each motion picture is an individual artistic work, and its commercial success is primarily determined by audience reaction, which is unpredictable. In addition, motion picture attendance is seasonal, with the greatest attendance typically occurring during the summer and holidays. The release of a film during a period of relatively low theater attendance is likely to affect the film's box office receipts adversely.

Domestic theatrical distribution is very competitive and dominated by major studio distributors.

Domestic theatrical distribution is very competitive. A substantial majority of the motion picture screens in the United States typically are committed at any one time to between 10 and 15 films distributed nationally

by major studio distributors that can command greater access to available screens. Although some theaters specialize in exhibiting independent motion pictures and art-house films, there is intense competition for screen availability for these films as well. The number of motion pictures released theatrically in the United States also has increased in recent years, which has increased competition for exhibition outlets and audiences.

We compete for audiences based on a number of factors, many of which are beyond our control.

Despite a general increase in movie theater attendance, the number of horror feature films released by competitors, particularly the major U.S. motion picture studios, may create an oversupply of product in the market, and may make it more difficult for our film to succeed. Oversupply of such products may become most pronounced during peak release times, such as school holidays, national holidays and the summer release season, when theater attendance has traditionally been highest. Although we may seek to release our film during peak release times, we cannot guarantee that we will be able to release all of our films during those times and, therefore, may miss potentially higher gross box-office receipts. If our competitors were to increase the number of films available for distribution and the number of exhibition screens remained static, it could be more difficult for us to release our film during an optimal release period.

B. Risks Related to the Offering

The Company intends to use an alternative method of providing an instruction called a Security Instruction Token. The Interests will be registered in the name of, and held of record by, the Custodian. If a Purchaser wishes to sell or transfer its Interests, such Purchaser must provide notice to the Custodian.

The Company intends to use an alternative method of providing an instruction called a SIT, or such other designation as the SIT might be changed to from time to time to provide an additional method for the Purchaser to provide a notification directing the transfer of the Interests. SITs are not intended to be a digital representation of the Interests, nor is the Company required to mint or release the SITs.

After purchasing the Securities in the Offering, Purchasers may be entitled to Revenue Share Interests and have the opportunity to receive SITs to their self-custodied Wallets by accessing the Purchasers' Republic Portfolio page, where there will be an option to receive SITs in the event that SITs are ultimately issued in connection with the Offering. The SITs may be issued before the lock-up period is over, but there will be built-in restrictions to restrict the transfer of any SITs before the lock-up is over. Additionally, to receive SITs, the transferee will need to go through onboarding, enter into various agreements with the Custodian, and get their Wallets whitelisted (KYC/AML, etc.). If a transferee fails to meet these requirements, the transfer of SITs will be blocked until the requirements are met.

The entire series of Securities purchased by Purchasers in the Offering through ODB's Platform and the Revenue Share Interests will be registered in the name of, and held of record by, the Custodian. Pursuant to each Purchaser's agreements with the Custodian, the Custodian is the legal holder of record for the Revenue Share Interests and the Securities purchased through ODB's Platform via Regulation Crowdfunding offerings. The Company, its agents or representatives shall deliver the Interests to the Custodian. The Interests will be subject to the terms and conditions of the Subscription Agreement, attached hereto as **Exhibit A** hereto, Custodial Services Agreement, attached **Exhibit C** hereto, and Omnibus Nominee Agreement, attached **Exhibit D** hereto. Purchasers will be required to sign new account forms with the Custodian to designate the Custodian as the legal holder of record for the Interests.

The Company and the Purchaser authorize the Custodian to hold the Interests in registered form in the Custodian's name or the name of its nominees for the benefit of the Purchaser and the Purchaser's permitted

assigns. The Company and Purchaser acknowledge and agree that the Custodian may assign any and all of its agreements with Purchaser, delegate its duties thereunder, and transfer Purchaser's Interests to any of its affiliates or to its successors and assigns, whether by merger, consolidation, or otherwise, in each case, without the consent of the Purchaser or the Company.

When a Purchaser wishes to sell or transfer their Interests, they must provide notice to the Custodian, which, subject to any applicable restrictions on transfers, will facilitate the transfer. Transfer of SITs may be one mechanism to do so subject to certain terms and conditions. SITs may be considered "securities" in the United States and are expected to be listed for transfer and exchange on securities marketplaces, including without limitation INX.

The Revenue Share Interests will be delivered to a Purchaser's Wallet. The Custodian is not responsible for creating and managing the Wallet on the Purchaser's behalf.

The way to hold the Revenue Share Interests is through a self-custody wallet that can be created by following the relevant instructions on the Platform. A new investor that would like to receive and hold the Revenue Share Interests would need to create a Wallet and complete the Know-Your-Customer (KYC) verification through ODB's Platform, and once verified, supply the digital wallet address to the Company. The Custodian is not responsible for creating and managing the Wallet on the Purchaser's behalf.

If a Purchaser does not create a Wallet, such Purchaser will not be entitled to receive any payment of any amounts of Revenue Share Interests.

Deliveries of payment of any amounts of Revenue Share Interests due to Purchaser herein will be made to a Purchaser's Wallet. In order to receive such payments, the Purchaser must create and provide the Company with a Wallet address that will be used to receive such payments. The Purchaser recognizes that this mechanism is the sole and exclusive means to receive payment and that no payment can be distributed without the Purchaser's provision of a Wallet address.

If the Purchaser transfers Interests to another person by way of SITs or otherwise, then the New Holder is deemed to be bound by the terms of the Instrument as a Purchaser for the period of time they hold such Interests.

If the Purchaser transfers Interests to another person by way of SITs or otherwise, then the New Holder is deemed to be bound by the terms of the Instrument as a Purchaser for the period of time they hold such Interests and the Purchaser irrevocably and unconditionally undertakes to ensure that each New Holder, prior to the transfer of Interests to them, expressly agrees to be bound by the Instrument as a Purchaser for the period of time they hold such Interests. By transferring any Interests, the Purchaser assigns all the Purchaser's rights, title and interest under the Instrument to the recipient of those Interests or to the owner of the wallet to which the Purchaser transfers any SITs.

The rights in the Revenue Share Interests are not severable from the Securities.

The rights in the Revenue Share Interests are not severable from the Securities (and vice versa), and all right, title and interest in and to the Revenue Share Interests shall follow the Securities (and vice versa).

The underlying blockchain may be the target of malicious cyberattacks or may contain exploitable flaws in its underlying code, which may result in security breaches and the loss or theft of SITs. If these technologies' security is compromised or if the protocols are subjected to attacks that frustrate or thwart access to and use of the SITs, secondary trading using SITs may be thwarted, which could seriously curtail the liquidity of the Interests and cause a decline in the market price of the Interests.

The SITs, and the networks, applications and other interfaces which will utilize it, as well as applications built upon the networks that will utilize it, are still in the early stages and are unproven, and there can be no assurances that the operation of the SITs will be uninterrupted or fully secure which may result in a complete loss of the SITs. Additionally, if the underlying blockchain or network is subject to unknown and known security attacks (such as double-spend attacks or other malicious attacks), this may materially and adversely affect the Company's reputation, even though the Company is not responsible for the attacked network. In any such event, Purchasers may lose all of their investment.

Real or perceived errors, failures, or bugs in the SITs, or in the software or systems of third-party developers utilizing the SITs, could adversely affect the Company and the value of the Interests.

Real or perceived errors, failures, vulnerabilities, or bugs in the SITs or in the software or systems of third-party developers utilizing the SITs, could harm the value of the Company and the Interests. Errors, failures, vulnerabilities, or bugs may occur and may cause errors or failures that cause SITs to be transferred without proper permissions, affecting the liquidity and effectiveness of resale of Interests via SITs. The Company will take all efforts to prevent such occurrences and will strive to ultimately maintain proper ownership records even in the event of fraudulent activity that results in an unauthorized transfer of an SIT, but there is a risk that such unauthorized transfers may be irreversible, perhaps because of local laws or otherwise. Any such errors, failures, vulnerabilities, or bugs may not be found until after the SITs have been deployed on a network, which could result in negative publicity, a decrease in user and developer satisfaction or adoption, loss of competitive position, or claims from third parties. We may not be able to promptly resolve these problems, if at all. Any of these incidents could materially and adversely harm the Company and the Interests.

The tax treatment of acquiring, holding, and where permitted, selling, exchanging, or otherwise disposing of the Interests in conjunction with the SITs is uncertain, and there may be adverse tax consequences for Purchasers upon certain future events.

The tax treatment of acquiring, holding, and where permitted, selling, exchanging, or otherwise disposing of the Interests in conjunction with the SITs is uncertain, and each Purchaser must seek its own tax advice in connection with a purchase of the Interests as described herein. The Company has not requested a ruling from any tax authority regarding the tax treatment of the Interests. Acquiring, holding, and where permitted, selling, exchanging, or otherwise disposing of the Interests in conjunction with the SITs may result in adverse tax consequences to Purchasers, including liability for withholding taxes and income taxes and responsibility for complying with certain tax reporting requirements. Each Purchaser should consult with and must rely upon the advice of its own tax advisors with respect to the tax treatment of acquiring, holding, selling, exchanging, or otherwise disposing of the Interests.

State and federal securities laws are complex, and the Company could potentially be found to have not complied with all relevant state and federal securities law in prior offerings of securities.

The Company has conducted previous offerings of securities and may not have complied with all relevant state and federal securities laws. If a court or regulatory body with the required jurisdiction ever concluded that the Company may have violated state or federal securities laws, any such violation could result in the Company being required to offer rescission rights to investors in such offering. If such investors exercised their rescission rights, the Company would have to pay to such investors an amount of funds equal to the purchase price paid by such investors plus interest from the date of any such purchase. No assurances can be given the Company will, if it is required to offer such investors a rescission right, have sufficient funds to pay the prior investors the amounts required or that proceeds from this Offering would not be used to pay such amounts.

In addition, if the Company violated federal or state securities laws in connection with a prior offering and/or sale of its securities, federal or state regulators could bring an enforcement, regulatory and/or other legal action against the Company which, among other things, could result in the Company having to pay substantial fines and be prohibited from selling securities in the future.

The SEC does not pass upon the merits of the Securities or the terms of the Offering, nor does it pass upon the accuracy or completeness of any Offering document or literature.

You should not rely on the fact that the Memorandum is accessible through the internet as an approval, endorsement or guarantee of compliance as it relates to this Offering. The SEC has not reviewed the Memorandum, nor any document or literature related to this Offering.

Neither the Offering nor the Securities have been registered under federal or state securities laws.

No governmental agency has reviewed or passed upon this Offering or the Securities. Neither the Offering nor the Securities have been registered under federal or state securities laws. Purchasers will not receive any of the benefits available in registered offerings, which may include access to quarterly and annual financial statements that have been audited by an independent accounting firm. Purchasers must therefore assess the adequacy of disclosure and the fairness of the terms of this Offering based on the information provided in the Memorandum and the accompanying exhibits.

The Company's management may have broad discretion in how the Company uses the net proceeds of the Offering.

Unless the Company has agreed to a specific use of the proceeds from the Offering, the Company's management will have considerable discretion over the use of proceeds from the Offering. You may not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately.

The Company has the right to limit individual Purchaser commitment amounts based on the Company's determination of a Purchaser's sophistication.

The Company may prevent any Purchaser from committing more than a certain amount in this Offering based on the Company's determination of the Purchaser's sophistication and ability to assume the risk of the investment. This means that your desired investment amount may be limited or lowered based solely on the Company's determination. This also means that other Purchasers may receive larger allocations of the Offering based solely on the Company's determination.

Uncertain Economic, Social and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world (such as the current conflict between the Russian Federation and Ukraine), fear of terrorist activity and/or military conflicts, global health pandemics, localized or global financial crises, trade wars or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Fund, its Portfolio

Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses.

C. Risks Related to the Securities

The Custodian shall serve as the legal title holder of the Securities. Purchasers will only obtain a beneficial ownership in the Securities.

The Company and the Purchaser shall appoint and authorize the qualified third-party Custodian for the benefit of the Purchaser, to hold the Securities in registered form in the Custodian's name or the name of the Custodian's nominees for the benefit of the Purchaser and Purchaser's permitted assigns. The Custodian may take direction from the Lead, who will act on behalf of the Purchaser, and the Custodian may be permitted to rely on the Lead's instructions related to the Securities. Purchasers may never become an equity holder, merely a beneficial owner of an equity interest.

Purchasers will not be entitled to any inspection or information rights other than those required by law.

Purchasers will not have the right to inspect the books and records of the Company or to receive financial or other information from the Company, other than as required by law. Other security holders of the Company may have such rights. Additionally, there are numerous methods by which the Company can terminate annual report obligations, resulting in no information rights, contractual, statutory or otherwise, owed to Purchasers. This lack of information could put Purchasers at a disadvantage in general and with respect to other security holders, including certain security holders who have rights to periodic financial statements and updates from the Company such as quarterly unaudited financials, annual projections and budgets, and monthly progress reports, among other things.

Each Purchaser must purchase the Securities in the Offering for the Purchaser's own account for investment.

Each Purchaser must purchase the Securities for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and each Purchaser must represent it has no present intention of selling, granting any participation in, or otherwise distributing the same. Each Purchaser must acknowledge and agree that the Subscription Agreement and the underlying Securities have not been, and will not be, registered under the Securities Act or any state securities laws, by reason of specific exemptions under the provisions thereof which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser representations.

Purchasers purchasing the Securities in this Offering may be significantly diluted as a consequence of subsequent financings.

The Securities being offered will be subject to dilution. The Company intends to issue additional equity to employees and third-party financing sources in amounts that are uncertain at this time, and as a consequence holders of Securities will be subject to dilution in an unpredictable amount. Such dilution will reduce Purchaser's control and economic interests in the Company. The amount of additional financing needed by Company will depend upon several contingencies not foreseen at the time of this offering. Each such round of financing (whether from the Company or other investors) is typically intended to provide the Company with enough capital to reach the next major corporate milestone. If the funds are not sufficient, the Company may have to raise additional capital at a price unfavorable to the existing investors, including the Purchasers. The availability of capital is at least partially a function of capital market conditions that are beyond the control of the Company. There can be no assurance that the Company will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Failure to obtain such financing on favorable terms could dilute or otherwise severely impair the value of the Securities.

There is no present market for the Securities and we have arbitrarily set the price.

The offering price was not established in a competitive market. We have arbitrarily set the price of the Securities with reference to the general status of the securities market and other relevant factors. The offering price for the Securities should not be considered an indication of the actual value of the Securities and is not based on our asset value, net worth, revenues or other established criteria of value. We cannot guarantee that the Securities can be resold at the offering price or at any other price.

There is no guarantee of a return on a Purchaser's investment.

There is no assurance that a Purchaser will realize a return on their investment or that they will not lose their entire investment. For this reason, each Purchaser should read this Memorandum and all exhibits carefully and should consult with their attorney and business advisor prior to making any investment decision.

IN ADDITION TO THE RISKS LISTED ABOVE, RISKS AND UNCERTAINTIES NOT PRESENTLY KNOWN, OR WHICH WE CONSIDER IMMATERIAL AS OF THE DATE OF THE MEMORANDUM, MAY ALSO HAVE AN ADVERSE EFFECT ON OUR BUSINESS AND RESULT IN THE TOTAL LOSS OF YOUR INVESTMENT.

TAX AND OTHER CONSIDERATIONS

A. Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax considerations relating to the Company and does not purport to address all of the U.S. federal income tax consequences that may be applicable. For example, except as expressly described below, the discussion does not address the tax consequences of the disposition of shares in the Company. This discussion is based on laws, including the Internal Revenue Code of 1986, as amended (the “*Code*”), regulations and other authorities in effect as of the date of this Memorandum, all of which are subject to change, possibly with retroactive effect. The U.S. federal income taxation of corporations is extremely complex, involving, among other things, significant issues as to the character, timing of realization and sourcing of gains and losses. **Prospective Purchasers are urged to consult their own tax advisors prior to investing in the Company with respect to their particular tax situations, including, in the case of prospective Purchasers subject to special rules under U.S. federal income tax laws (such as banks, dealers in securities, life insurance companies, tax-exempt investors and non-U.S. investors), with reference to any special issues that investment in the Company may raise for such persons.** The activities of a Purchaser unrelated to such Purchaser’s status as a Purchaser of Securities of the Company may affect the tax consequences to such Purchaser of an investment in the Company.

B. Treatment as Corporation

The Company will be treated as a corporation for U.S. federal income tax purposes.

C. Non-U.S. Purchaser

Below is a discussion of certain U.S. federal income tax considerations applicable to a nonresident alien individual or non-U.S. corporation that is considering an investment in the Company and does not purport to address all of the U.S. federal income tax consequences that may be applicable to any particular Purchaser. This discussion does not address the tax consequences of investing in the Company to non-U.S. Purchasers subject to special rules under U.S. federal income tax laws, such as non-U.S. governments and their controlled entities, trusts, former U.S. citizens or residents, and individual non-U.S. Purchasers that have a “tax home” in the United States. Prospective Purchasers are urged to consult with their tax advisors with reference to their specific tax situations. The discussion assumes that a non-U.S. Purchaser is not and will not be engaged in a trade or business within the United States, has and will have no U.S. source income apart from its investment in the Company, and, in the case of a non-U.S. individual, has not been (and will not be) present in the United States for 183 days or more in any taxable year.

A non-U.S. Purchaser is subject to U.S. federal withholding tax at the then-applicable rate (or a lower treaty rate, if applicable) on its distributive share of any U.S. source interest (subject to certain exemptions), dividends and certain other income received by the Company.

D. Certain Other Tax Considerations

The foregoing discussion does not address the U.S. state and local tax consequences of an investment in the Company. Purchasers may be subject to U.S. state and local taxation, and tax return filing requirements, in the jurisdictions of the Company’s activities. Purchasers may not receive the relevant tax information prior to when their tax return reporting obligations become due and may need to file for extensions. Prospective Purchasers are urged to consult their own tax advisors regarding U.S. state and local tax matters.

The Company may be subject to withholding and other taxes imposed by, and Purchasers may be subject to taxation and reporting requirements in the jurisdictions of the Company's activities. Tax conventions between such countries and the jurisdiction in which a Purchaser is a resident may reduce or eliminate certain of these taxes. A taxable Purchaser may be entitled to claim foreign tax credits or deductions with respect to such taxes, subject to applicable limitations.

E. Closing Requirements

In order to complete the closing process in this Offering, each Purchaser will be required to complete such documentation as may be requested by ODB on behalf of the Company, which may include, without limitation: (1) the execution and delivery of a Subscription Agreement; (2) completion of purchaser qualification requirements (status as an Accredited Investor under Regulation D and KYC/AML or KYB (if applicable) screening requirements; (3) clearance from ODB's regulation best interest requirements, and (4) confirmation by ODB of receipt of funds (collectively, the "**Closing Requirements**"). The proceeds of this Offering will be disbursed to the Company intermittently throughout the closing process, provided that all applicable Closing Requirements associated with such proceeds must be satisfied prior to disbursement.

F. Offering Exemption

The Securities are being offered and will be sold in reliance on the exemption from the registration requirements of the Securities Act provided in accordance with the terms of Regulation D promulgated thereunder and pursuant to various exemptions provided by state securities laws. Accordingly, no offer or sale will be made to any person unless the Company reasonably believes prior to making any sale that such person has such knowledge and experience in financial and business matters that such person is capable of evaluating the merits and risks of an investment in the Company. In addition, the Company must reasonably believe that each person is acquiring the Securities for his, her, or its own account as an investment and not for resale.

G. Transfer Restrictions

The Securities have not been, and will not be, registered under the Securities Act, or under any applicable state law, and they may not be offered for sale, sold, transferred or pledged without registration under the Securities Act and any applicable state law, or, unless, in the opinion of counsel satisfactory to the Company, such registration is not required, and no such transfer will be recognized unless made in compliance with such laws and requirements.

H. Anti-Money Laundering Regulations

In addition to submitting documentation to confirm one's status as an accredited investor all potential Purchasers of the Securities will need to complete requisite know-your-customer and anti-money laundering procedures to purchase the Securities.

THE SECURITIES AND ARE RECOMMENDED ONLY FOR PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY WITH RESPECT TO SUCH INVESTMENT.

* * *

EXHIBIT A
(Subscription Agreement)

THE HORROR SECTION, INC.
SUBSCRIPTION AGREEMENT

THE SECURITIES ARE BEING OFFERED PURSUANT TO SECTION 4(A)(2) AND REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”) AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. NO FEDERAL OR STATE SECURITIES ADMINISTRATOR HAS REVIEWED OR PASSED ON THE ACCURACY OR ADEQUACY OF THE OFFERING MATERIALS FOR THESE SECURITIES. THERE ARE SIGNIFICANT RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN AND NO RESALE MARKET MAY BE AVAILABLE AFTER RESTRICTIONS EXPIRE. THE PURCHASE OF THESE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

IF THE INVESTOR LIVES OUTSIDE THE UNITED STATES, IT IS THE INVESTOR’S RESPONSIBILITY TO FULLY OBSERVE THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUBSCRIPTION OF THE SECURITIES, INCLUDING OBTAINING REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER REQUIRED LEGAL OR OTHER FORMALITIES. THE COMPANY RESERVES THE RIGHT TO DENY THE SUBSCRIPTION OF THE SECURITIES BY ANY FOREIGN SUBSCRIBER.

The Board of Directors of:

THE HORROR SECTION, INC.
223 S. Beverly Drive, Suite A
Beverly Hills, CA 90212

Ladies and Gentlemen:

The undersigned (the “**Investor**”) understands that The Horror Section, Inc., a Delaware corporation (the “**Company**”), is conducting an offering (the “**Offering**”) under Section 4(a)(2) of the Securities Act of 1933, as amended (the “**Securities Act**”) and Regulation D promulgated thereunder. The Investor has received and carefully read all the information contained in the Fourth Amended and Restated Private Placement Memorandum, as amended and supplemented from time to time, provided to Investor separately (the “**Offering Memorandum**”) and this Subscription Agreement (the “**Subscription Agreement**”), both of which are available on www.republic.com/horrorsectionreg-d (the “**Platform**”). The Company is offering to accredited investors up to 1,623,376 shares of its Common Stock, \$0.001 par value per share (“**Securities**”) at a price of \$3.08 per share (the “**Purchase Price**”). The minimum subscription amount per Investor is \$1,000 (“**Minimum Subscription Amount**”) and the maximum subscription amount per Investor is \$2,500,000 (“**Maximum Subscription Amount**”), each of which may be waived by the Company in its sole discretion. The minimum amount to be raised in the Offering is \$500,000 (the “**Minimum Offering Amount**”) and the maximum amount to be raised in the Offering is up to \$5,000,000 (the “**Maximum Offering Amount**”). If the Offering is oversubscribed beyond the Maximum Offering Amount, the Company will sell Securities in its sole discretion. The Company is offering the Securities to prospective investors through OpenDeal Broker LLC d/b/a the Capital R (“**ODB**”). ODB is a registered FINRA/SEC broker dealer.

The Company will pay ODB a cash commission as follows: five percent (5%) of the dollar value of the Securities issued to investors pursuant to the proceeds of the Offering at the time of Closing. In addition, the

Company will pay ODB a securities commission equivalent to two percent (2%) of the dollar value of the Securities issued to the investors in the Offering.

(1) Subscription; Custodian; Securities Entitlement; Proxy; Net Revenue Participation.

(a) Subscription. Subject to the terms of this Subscription Agreement and the Offering Memorandum, the Investor hereby subscribes to purchase the number of Securities equal to the quotient of the Investor's total subscription amount as indicated on the signature page hereto and/or through the Platform divided by the Purchase Price and shall pay the aggregate Purchase Price in the manner specified in the Offering Memorandum and as per the directions of ODB through the Platform. Such subscription shall be deemed to be accepted by the Company only when this Subscription Agreement is countersigned and delivered on the Company's behalf and subject to Section 2. The Offering will expire on the earlier to occur of: (i) the date on which the Maximum Offering Amount has been subscribed for and accepted by the Company and a final closing is conducted, or (ii) May 15, 2026, except the Company may extend or terminate the offering period to such date and time as determined in its sole and exclusive discretion (the "**Offering Period**") without notice. The Company reserves the right to reject any payments not made within the Offering Period.

(b) Custodian; Securities Entitlement. The Company and the Investor authorize BitGo Trust Company, Inc. and its successors and assigns (the "**Custodian**"), as the custodian for the benefit of the Investor, to hold the Securities in registered form in its name or the name of its nominees for the benefit of the Investor and the Investor's permitted assigns. The Investor acknowledges and agrees that upon any acceptance of this Subscription Agreement, the Company shall issue and deliver the Securities to the Custodian, who shall solely hold such securities for the benefit of the Investor and shall be a "protected purchaser" of such Securities within the meaning of Section 8-303 of the Delaware Uniform Commercial Code, which shall be in book entry uncertificated form, and that the Investor shall hold and acquire only a "securities entitlement" within the meaning of Section 8-501 of the Delaware Uniform Commercial Code in the Securities equal to the ratio of the Investor's purchase amount to the aggregate purchase amounts of the Securities in the Offering. Company and Investor acknowledge and agree that the Custodian may assign any and all of its agreements with Investor, delegate its duties thereunder, and transfer Investor's Securities to any of its affiliates or to its successors and assigns, whether by merger, consolidation, or otherwise, in each case, without the consent of the Investor or the Company. Investor acknowledges and agrees that Investor may not assign or transfer any of its rights or obligations under such agreements without the Custodian's prior written consent, and any attempted transfer or assignment in violation hereof shall be null and void.

(c) Irrevocable Proxy. Immediately prior to any issuance and delivery of the Securities to the Custodian, the undersigned hereby irrevocably appoints the Chief Executive Officer of the Company, as the sole and exclusive proxy of the undersigned, to the maximum extent permitted under the Delaware General Corporation Law, with full power of substitution and resubstitution and power to act alone, as the undersigned's proxy and attorney-in-fact, to vote and exercise any and all voting rights with respect of the Securities that now are or hereafter may be owned by the undersigned, whether directly or indirectly, including, for the avoidance of any doubt, as a holder of any securities entitlement if the Securities, by the undersigned and any and all other shares or securities of the Company issued or issuable in respect thereof on or after the date hereof (together, the "**Proxy Shares**"). The proxy identified above is hereby authorized and empowered by the undersigned to act as such undersigned's proxy to vote, and consent with respect to, the total number of Proxy Shares in respect of the undersigned at every annual and special meeting of the stockholders of the Company, including any postponement, recess or adjournment thereof, or in any other circumstance, however called, and to execute consents, approvals and waivers on any matter submitted to the undersigned or any other class of capital stock of the Company for written consent or written resolution, or to vote at a meeting of stockholders or to express consent or dissent to

corporate action in writing without a meeting (including, without limitation, the power to execute and deliver written consents pursuant to Section 228(a) of the Delaware General Corporation Law or as otherwise authorized thereunder). Any and all prior proxies given by the undersigned with respect to the Securities or the Proxy Shares are hereby revoked. The foregoing proxy is coupled with an interest and is irrevocable until, and the undersigned agrees not to grant any subsequent proxies with respect thereof that will become effective prior to, the tenth anniversary of the date this Subscription Agreement is accepted by the Company, upon which date this proxy shall terminate, but until such date, it shall remain in full force and effect, including, for the avoidance of any doubt, upon and after the issuance and delivery of the Securities to the Custodian.

(d) Net Revenue Participation. Each Investor shall be entitled to receive from the Company an amount equal to (1) such Investor's Participation Rate (defined below) multiplied by (2) ten percent (10%) of the Net Revenue (defined below) actually received by the Company on or before the fifth anniversary of June 22, 2025 or such later date as reasonably determined by the Company ("**Revenue Share Interest**").

(i) Payment. The Company shall make payment of any amounts due to the Investor under Section 1(d) on an annual basis within one hundred and twenty (120) days of the end of each preceding fiscal year. In order to receive such payments, Investor must create and provide the Company with a self-custodied Republic digital wallet ("**Republic Wallet**") address that will be used to receive such payments. The Investor recognizes that this mechanism is the sole and exclusive means to receive payment and that no payment can be distributed without the Investor's provision of a Republic Wallet address. Republic Wallet addresses can be created by following the relevant instructions on republic.com. The Company makes no representation that any Qualifying Production will generate any, or any particular amount of, Net Revenue.

(ii) Definitions.

(A) An Investor's "**Participation Rate**," rounded to the nearest millionths (*e.g.*, 0.012345 or, expressed as a percentage, 1.2345%), and determined as of any measuring date, is equal to the quotient of (x) the number of outstanding shares of the common stock of the Company then-held by the Investor divided by (y) the number of then-outstanding shares of the common stock of the Company (assuming the conversion of all securities convertible, exercisable and exchangeable into shares of common stock of the Company).

(B) A "**Qualifying Production**" means each feature-length motion picture financed or produced, in whole or in part, by the Company, as reasonably determined by the Company.

(C) "**Net Revenue**" shall be defined, computed, accounted for and paid in accordance with the standard definition of the applicable financier/distributor of each Qualifying Production applicable to the Company and on a most favored nations basis with the Company.

(e) Transferability.

(i) As used herein, "**Interest**" shall mean, collectively, the Securities and

Revenue Share Interest.

- (ii) Security Instruction Tokens. Within one hundred and eighty (180) days of the Initial Closing, the Investor may be able to receive one digital blockchain token (the “**Security Instruction Token**” or “**SIT**”) for each Interest to the Investor’s unique wallet address on the applicable blockchain. These SITs, if issued, will be tools to transfer ownership of the Interests. The Company has the right, but not the obligation, to mint and distribute to, or for the benefit of, the Investor one or more types of SITs on a blockchain network, which may serve as an administrative arrangement to the Interests or as a technological means of providing a transfer instruction to the Company or an entitlement order to a securities intermediary holding the Interests on behalf of others. The SITs, if issued, may embody certain rights, preferences, privileges, and restrictions of the respective Interests to which they relate or may provide the means to give such instructions or entitlement orders.
- (iii) If the Investor transfers Interests to another person by way of SITs or otherwise, then that person (“**New Holder**”) is deemed to be bound by the terms of this Subscription Agreement as an Investor for the period of time they hold such Interests, and the Investor irrevocably and unconditionally undertakes to ensure that each New Holder, prior to the transfer of Interests to them, expressly agrees to be bound by this Subscription Agreement as an Investor for the period of time they hold such Interests. By transferring any Interests, the Investor assigns all the Investor’s rights, title and interest under this Subscription Agreement to the recipient of those Interests or to the owner of the wallet to which the Investor transfers any SITs. The rights in the Revenue Share Interests are not severable from the Securities (and vice versa), and all right, title and interest in and to the Revenue Share Interests shall follow the Securities (and vice versa).
- (iv) SIT Ownership Treatment. Neither the Company nor any other person will be liable for treating the owner of the wallet in which any SIT is held (except as otherwise required by law or as ordered by a court of competent jurisdiction) as the owner of the Interest to which it is linked.
- (v) Written Notice. The Company agrees that, if any rule of law (including any legislation, rule of common law, rule of equity or customary law) requires written notice to effect the transfer of any Interests, such notice is deemed given as an electronic record by inclusion of the relevant transaction on the Platform or via transfer of an SIT on a block on the blockchain in accordance with clause 1(e)(iii) above.
- (vi) Voidability. Notwithstanding any other provision in this Section 1, the Company reserves the right to treat as void any transfer of Interests which the Company reasonably believes to be unlawful or fraudulent for any reason, including based on a transfer of SITs, which the Company reserves the right to reissue in such cases.

(2) Closing.

(a) Closing. Subject to Section 2(b), an initial closing of the sale and purchase of the Securities pursuant to this Subscription Agreement (“**Initial Closing**”) shall take place through the Platform upon the Company receiving subscriptions equal to the Minimum Offering Amount. Thereafter, the Company may hold one or more additional closings until the Company determines to cease having any additional closings during the Offering Period (each a “**Closing**”). The Company expects that its final Closing shall occur no later than May 15, 2026, except the Company may extend or terminate the Offering Period to such date and time as determined in its sole and exclusive discretion. All funds received will be immediately available to the Company and the Company shall not be required to place any funds in escrow for any purpose or subjection to any condition or occurrence.

(b) Closing Conditions. Closing is conditioned upon satisfaction of all the following conditions:

(i) at the time of the Initial Closing, the Company shall have received subscriptions for Securities having an aggregate investment amount of at least the Minimum Offering Amount;

(ii) the Investor shall have delivered to the Company an executed counterpart signature, which is attached hereto as Exhibit A, as a condition to the issuance of the Securities, agreeing to be bound as an “Stockholder” in accordance with Section 6.1 of that certain Stockholders Agreement dated January 29, 2025 (“**Stockholders Agreement**”), which is attached hereto as Exhibit B; and

(iii) the representations and warranties of the Company contained in Section 5 hereof and of the Investor contained in Section 4 hereof shall be true and correct as of the Closing in all respects with the same effect as though such representations and warranties had been made as of the Closing.

(3) Termination of the Offering; Other Offerings. The Investor understands that the Company may terminate the Offering at any time. The Investor further understands that during and following termination of the Offering, the Company may undertake offerings of other securities, which may or may not be on terms more favorable to an investor than the terms of this Offering.

(4) Investor’s Representations. The Investor represents and warrants to the Company and the Company’s agents as follows:

(a) The Investor understands and accepts that the purchase of the Securities involves various risks, including the risks outlined in the Offering Memorandum and in this Subscription Agreement. The Investor can bear the economic risk of this investment and can afford a complete loss thereof; the Investor has sufficient liquid assets to pay the full purchase price for the Securities; and the Investor has adequate means of providing for its current needs and possible contingencies and has no present need for liquidity of the Investor’s investment in the Company.

(b) The Investor acknowledges that at no time has it been expressly or implicitly represented, guaranteed or warranted to the Investor by the Company or any other person that a percentage of profit and/or amount or type of gain or other consideration will be realized because of the purchase of the Securities or otherwise about the success of the Company.

(c) The Investor (i) qualifies as an “accredited investor” as defined by Rule 501(a) promulgated under the Securities Act, (ii) has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of the prospective investment (iii) has

truthfully submitted the required information to ODB to evidence these representations, and (iv) will promptly provide such additional information as may reasonably be required and requested by the Company for compliance with securities laws of the state in which the Investor is located. The Investor agrees and covenants that the Investor will maintain accurate and up-to-date contact information (including email and mailing address) on the Platform and will promptly update such information in the event it changes or is no longer accurate.

(d) The Investor has received and reviewed a copy of the Offering Memorandum. With respect to information provided by the Company, the Investor has relied solely on the information contained in the Offering Memorandum to make the decision to purchase the Securities and has had an opportunity to ask questions and receive answers about the Offering Memorandum, the Offering and the Investor's investment in the Securities.

(e) The Investor confirms that it is not relying and will not rely on any communication (written or oral) of the Company, ODB, or any of their respective affiliates, as investment advice or as a recommendation to purchase the Securities. It is understood that information and explanations related to the terms and conditions of the Securities provided in the Offering Memorandum or otherwise by the Company, ODB or any of their respective affiliates shall not be considered investment advice or a recommendation to purchase the Securities, and that neither the Company, ODB nor any of their respective affiliates is acting or has acted as an advisor to the Investor in deciding to invest in the Securities. The Investor acknowledges that neither the Company, ODB nor any of their respective affiliates have made any representation regarding the proper characterization of the Securities for purposes of determining the Investor's authority or suitability to invest in the Securities.

(f) The Investor is familiar with the business and financial condition and operations of the Company, including all as generally described in the Offering Memorandum. The Investor has had access to such information concerning the Company and the Securities as it deems necessary to enable it to make an informed investment decision concerning the purchase of the Securities.

(g) The Investor understands that, unless the Investor notifies the Company in writing to the contrary at or before the Closing, each of the Investor's representations and warranties contained in this Subscription Agreement will be deemed to have been reaffirmed and confirmed as of the Closing, taking into account all information received by the Investor.

(h) The Investor acknowledges that the Company has the right in its sole and absolute discretion to abandon this Offering at any time prior to the completion of the Offering. This Subscription Agreement shall thereafter have no force or effect and the Company shall return any previously paid subscription price of the Securities, without interest thereon, to the Investor.

(i) The Investor understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

(j) The Investor confirms that the Company has not (i) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Securities or (ii) made any representation to the Investor regarding the legality of an investment in the Securities under applicable legal investment or similar laws or regulations. In deciding to purchase the Securities, the Investor is not relying on the advice or recommendations of the Company and the Investor has made its own independent decision, alone or in consultation with its investment advisors, that the investment in the Securities is suitable and appropriate for the Investor.

(k) The Investor has such knowledge, skill and experience in business, financial and investment matters that the Investor is capable of evaluating the merits and risks of an investment in the Securities. With the assistance of the Investor's own professional advisors, to the extent that the Investor has deemed appropriate, the Investor has made its own legal, tax, accounting and financial evaluation of the merits and risks of an investment in the Securities and the consequences of this Subscription Agreement. The Investor has considered the suitability of the Securities as an investment in light of its own circumstances and financial condition and the Investor is able to bear the risks associated with an investment in the Securities and its authority to invest in the Securities.

(l) The Investor is acquiring the Securities solely for the Investor's own beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities. The Investor understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of the Investor and of the other representations made by the Investor in this Subscription Agreement. The Investor understands that the Company is relying upon the representations and agreements contained in this Subscription Agreement (and any supplemental information provided by the Investor to the Company or ODB) for the purpose of determining whether this transaction meets the requirements for such exemptions. The Investor understands the Securities may not be resold unless registered under the Securities Act and applicable state securities laws or an exemption from such registration is available. The Company is and will be under no obligation to register the Securities under the Securities Act or any state securities laws.

(m) The Investor understands that the Securities are restricted from transfer for a period of time under applicable federal securities laws and that the Securities Act and the rules of the Securities and Exchange Commission ("SEC") provide in substance that the Investor may dispose of the Securities only pursuant to an effective registration statement under the Securities Act or an exemption therefrom, after which certain state restrictions may apply. The Investor understands that the Company has no obligation or intention to register any of the Securities, or to take action so as to permit sales pursuant to the Securities Act. Even if and when the Securities become freely transferable, a secondary market in the Securities may not develop. Consequently, the Investor understands that the Investor must bear the economic risks of the investment in the Securities for an indefinite period of time.

(n) The Investor agrees: (i) that the Investor will not sell, assign, pledge, give, transfer or otherwise dispose of the Securities or any interest therein or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Securities under the Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable state securities laws; (ii) that the certificates representing the Securities will bear a legend making reference to the foregoing restrictions; and (iii) that the Company and its affiliates shall not be required to give effect to any purported transfer of such Securities except upon compliance with the foregoing restrictions. The Investor will not sell or otherwise transfer any of the Securities except in compliance with the provisions of all applicable securities laws and any other agreement to which the undersigned is bound with respect to the Company and/or the Securities. The Investor understands that (i) there are significant restrictions on the transfer of the Securities, and (ii) an investment in the Securities is and will be extremely illiquid.

(o) The Investor acknowledges and agrees that the Securities are "restricted securities" as defined in Rule 144 promulgated under the Securities Act as in effect from time to time and must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. The Investor is aware of the provisions of Rule 144, which permits limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions,

including, among other things, for illustrative purposes only: the availability of certain current public information about the Company, the resale occurring following the required holding period under Rule 144 and the number of shares being sold during any three-month period not exceeding specified limitations.

(p) If the Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), the Investor hereby represents and warrants to the Company that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Subscription Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. The Investor's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Investor's jurisdiction.

(q) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(r) The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act or any state securities laws and are offered and sold hereby pursuant to Section 4(a)(2) of the Securities Act. The Investor understands that neither this instrument nor the underlying securities may be resold or otherwise transferred unless they are registered under the Securities Act and applicable state securities laws.

(s) The Investor understands that no public market now exists for any of the securities issued by the Company, and that the Company has made no assurances that a public market will ever exist for this instrument and the securities to be acquired by the Investor hereunder.

(t) The Investor is not (i) a citizen or resident of a geographic area in which the subscription of or holding of the Subscription Agreement and the underlying securities is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals List, the U.S. Department of State's Debarred Parties List or other applicable sanctions lists. The Investor hereby represents and agrees that if the Investor's country of residence or other circumstances change such that the above representations are no longer accurate, the Investor will immediately notify Company. The Investor further represents and warrants that it will not knowingly sell or otherwise transfer any interest in the Subscription Agreement or the underlying securities to a party subject to U.S. or other applicable sanctions.

(u) If the Investor is a corporate entity: (i) such corporate entity is duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to enter into this Subscription Agreement; (ii) the execution, delivery and performance by the Investor of the Subscription Agreement is within the power of the Investor and has been duly authorized by all necessary actions on the part of the Investor; (iii) to the knowledge of the Investor, it is not in violation of its current charter or bylaws, any material statute, rule or regulation applicable to the Investor; and (iv) the performance of this Subscription Agreement does not and will not violate any material judgment, statute, rule or regulation applicable to the Investor; result in the acceleration of any material indenture or

contract to which the Investor is a party or by which it is bound, or otherwise result in the creation or imposition of any lien upon the Amount.

(v) **HIGH RISK INVESTMENT. THE INVESTOR UNDERSTANDS THAT AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK.** The Investor acknowledges that (a) any projections, forecasts or estimates as may have been provided to the Investor are purely speculative and cannot be relied upon to indicate actual results that may be obtained through this investment; any such projections, forecasts and estimates are based upon assumptions which are subject to change and which are beyond the control of the Company or its management; (b) the tax effects which may be expected by this investment are not susceptible to absolute prediction, and new developments and rules of the Internal Revenue Service (the “IRS”), audit adjustment, court decisions or legislative changes may have an adverse effect on one or more of the tax consequences of this investment; and (c) the Investor has been advised to consult with his own advisor regarding legal matters and tax consequences involving this investment.

(w) Investor is solely responsible for implementing reasonable measures for securing any digital wallet, vault or other storage mechanism the Investor uses to receive and hold the SITs, including, without limitation, any requisite private key(s) or other credentials necessary to access the storage mechanism(s). If Investor’s private key(s) or other access credentials are lost, Investor may lose access to the SITs.

(5) **Company Representations.** The Investor understands that upon issuance to the Investor of any Securities, the Company will be deemed to have made the following representations and warranties to the Investor as of the date of such issuance:

(a) **Corporate Power.** The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) **Enforceability.** This Subscription Agreement, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors’ rights generally, or (b) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

(c) **Valid Issuance.** The Securities, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Subscription Agreement and the Offering Memorandum, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer arising under this Subscription Agreement, the Stockholders Agreement, the Certificate of Incorporation, as amended and/or restated from time to time, and Bylaws of the Company, or under applicable state and federal securities laws and liens or encumbrances created by or imposed by a subscriber.

(d) **Authorization.** The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued hereunder, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. The Company is not in violation of (i) its current charter or bylaws; (ii) any material statute, rule or regulation applicable to the Company; or (iii) any material indenture or contract to which

the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company or its operations.

(e) No Conflict. The execution, delivery and performance of and compliance with this Subscription Agreement and the issuance of the Securities will not result in any violation of, or conflict with, or constitute a default under, the Company's Certificate of Incorporation and Bylaws, each as amended, and will not result in any violation of, or conflict with, or constitute a default under, any agreements to which the Company is a party or by which it is bound, or any statute, rule or regulation, or any decree of any court or governmental agency or body having jurisdiction over the Company, except for such violations, conflicts, or defaults which would not individually or in the aggregate, have a material adverse effect on the business, assets, properties, financial condition or results of operations of the Company.

(f) Operation. The performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(g) Consents. No consents, waivers, registrations, qualifications or approvals are required in connection with the execution, delivery and performance of this Subscription Agreement and the transactions contemplated hereby, other than: (i) the Company's corporate, board and/or shareholder approvals which have been properly obtained, made or effected, as the case may be, and (ii) any qualifications or filings under applicable securities laws.

(6) Indemnification. The Investor acknowledges that the Company and the Custodian and each of their respective founders, officers, directors, employees, agents, and affiliates, are relying on the truth and accuracy of the foregoing representations and warranties in offering Securities for sale to the Investor without having first registered the issuance of the Securities under the Securities Act or the securities laws of any state. The Investor also understands the meaning and legal consequences of the representations and warranties in this Subscription Agreement, and the Investor agrees to indemnify and hold harmless the Company and the Custodian and each of their respective founders, officers, directors, employees, agents, and affiliates from and against any and all loss, damage or liability, including costs and expenses (including reasonable attorneys' fees), due to or arising out of a breach of any such representations or warranties or any failure, or alleged failure, to fulfill any covenants or agreements contained in this Subscription Agreement.

(7) Market Stand-Off and Power of Attorney.

(a) In connection with any IPO (as defined below), the Investor shall not directly or indirectly, without the prior written consent of the managing underwriter: (A) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Capital Stock (whether such shares or any such securities are then issued hereunder or are thereafter acquired); or (B) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; whether any such transaction described in clause (A) or (B) above is to be settled by delivery of Capital Stock or other securities, in cash, or otherwise. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final

prospectus for the offering as may be requested by the Company or such underwriter (the “**Lock-up Period**”). In no event, however, shall such period exceed two hundred seventy (270) days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions.

(b) The foregoing provisions will: (x) apply only to the IPO and will not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement; (y) not apply to the transfer of any shares to any trust for the direct or indirect benefit of the Investor or the immediate family of the Investor, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer will not involve a disposition for value; and (z) be applicable to the Investor only if all officers and directors of the Company are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than 5% of the outstanding common stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for common stock. Notwithstanding anything herein to the contrary, the underwriters in connection with the IPO are intended third-party beneficiaries of these provisions will have the right, power and authority to enforce the provisions hereof as though they were a party hereto. The Investor further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with the IPO that are consistent with the above or that are necessary to give further effect thereto.

(c) In order to enforce the foregoing covenant, the Company may impose stop transfer instructions with respect the Investor’s registrable securities of the Company (and the Company shares or securities of every other person subject to the foregoing restriction) until the end of the Lock-up Period. The Investor agrees that a legend reading substantially as follows will be placed on all certificates representing all of the Investor’s registrable securities of the Company:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD BEGINNING ON THE EFFECTIVE DATE OF THE COMPANY’S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE COMPANY’S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SECURITIES.

(d) For consideration received and acknowledged, each Investor, in its capacity as a securityholder of the Company, hereby appoints the Chief Executive Officer and/or Chief Financial Officer of the Company to act as its true and lawful attorney with full power and authority on its behalf to execute and deliver all documents and instruments and take all other actions necessary in connection with the matters covered by this section and any lock-up agreement required to be executed pursuant to an underwriting agreement in connection with any initial public offering of Company. Such appointment shall be for the limited purposes set forth above.

(e) “**IPO**” means: (A) the completion of an underwritten initial public offering of Capital Stock by the Company pursuant to: (I) a final prospectus for which a receipt is issued by a securities commission of the United States or of a province of Canada, or (II) a registration statement which has been filed with the SEC and is declared effective to enable the sale of Capital Stock by the Company to the public, which in each case results in such equity securities being listed and posted for trading or quoted on

a recognized exchange; (B) the Company's initial listing of its Capital Stock (other than shares of Capital Stock not eligible for resale under Rule 144 under the Securities Act) on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC that registers shares of existing capital stock of the Company for resale, as approved by the Company's board of directors, where such listing shall not be deemed to be an underwritten offering and shall not involve any underwriting services; or (C) the completion of a reverse merger or take-over whereby an entity (I) whose securities are listed and posted for trading or quoted on a recognized exchange, or (II) is a reporting Company in the United States or the equivalent in any foreign jurisdiction, acquires all of the issued and outstanding Capital Stock of the Company.

(f) **“Capital Stock”** means the capital stock of the Company, including, without limitation, common stock and preferred stock.

(8) **Obligations Irrevocable.** Following the Closing, the obligations of the Investor shall be irrevocable. The Company, the Custodian and ODB, and each of their respective affiliates and agents, are each hereby authorized and instructed to accept and execute any instructions in respect of the Securities given by the Investor in written or electronic form. The Custodian and ODB may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instructions or other instrument believed in good faith to be genuine or to be signed by properly authorized persons of the Investor.

(9) **Legend.** The certificates, book entry or other form of notation representing the Securities sold pursuant to this Subscription Agreement will be notated with a legend or designation, which communicates in some manner that the Securities were issued pursuant to Section 4(a)(2) of the Securities Act.

(10) **Notices.** All notices or other communications given or made hereunder shall be in writing and delivered to the Investor's email address provided to ODB or to the Company at the address set forth at the beginning of this Subscription Agreement, or such other place as the Investor, the Investor or the Company from time to time designate in writing in or through the Platform.

(11) **Governing Law.** Notwithstanding the place where this Subscription Agreement may be executed by any of the parties hereto, the parties expressly agree that all the terms and provisions hereof shall be construed in accordance with and governed by the laws of the Delaware without regard to the principles of conflicts of laws.

(12) **Submission to Jurisdiction.** With respect to any suit, action or proceeding relating to any offers, purchases or sales of the Securities by the Investor (**“Proceedings”**), the Investor irrevocably submits to the jurisdiction of the federal or state courts located at the location of the Company's principal place of business, which submission shall be exclusive unless none of such courts has lawful jurisdiction over such Proceedings.

(13) **Entire Subscription Agreement.** This Subscription Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended only by a writing executed by all parties.

(14) **Waiver, Amendment.** Any provision of this Subscription Agreement may be amended, waived or modified only upon the written consent of the majority of the holders of capital stock entitled to vote as outlined in the Company's Certificate of Incorporation, as amended (the **“Lead”**).

(15) **Waiver of Jury Trial.** THE INVESTOR IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF

THE TRANSACTIONS CONTEMPLATED BY THIS SUBSCRIPTION AGREEMENT.

(16) Invalidity of Specific Provisions. If any provision of this Subscription Agreement is held to be illegal, invalid, or unenforceable under the present or future laws effective during the term of this Subscription Agreement, such provision shall be fully severable; this Subscription Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Subscription Agreement, and the remaining provisions of this Subscription Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Subscription Agreement.

(17) Titles and Subtitles. The titles of the sections and subsections of this Subscription Agreement are for convenience of reference only and are not to be considered in construing this Subscription Agreement.

(18) Counterparts. This Subscription Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(19) Electronic Execution and Delivery. A digital reproduction, portable document format (“.pdf”) or other reproduction of this Subscription Agreement may be executed by one or more parties hereto and delivered by such party by electronic signature (including signature via DocuSign or similar services), electronic mail or any similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes.

(20) Binding Effect. The provisions of this Subscription Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

(21) Survival. All representations, warranties and covenants contained in this Subscription Agreement shall survive (i) the acceptance of the subscription by the Company, (ii) changes in the transactions, documents and instruments described in the Offering Memorandum which are not material, or which are to the benefit of the Investor and (iii) the death or disability of the Investor.

(22) Notification of Changes. The Investor hereby covenants and agrees to notify the Company upon the occurrence of any event prior to the closing of the purchase of the Securities pursuant to this Subscription Agreement, which would cause any representation, warranty, or covenant of the Investor contained in this Subscription Agreement to be false or incorrect. The Investor agrees that, upon demand, it will promptly furnish any information, and execute and deliver such documents, as reasonably required by the Company and/or the Portal.

(23) Tokenization and Fractionalization. The Company has the right, but not the obligation, to mint and distribute to, or for the benefit of, the Investor one or more types of digital tokens (“**Tokens**”) on a blockchain network, which may serve as a digital representation of, securities entitlement or economic arrangement to, the Securities or as a technological means of providing a transfer instruction to the Company or an entitlement order to a securities intermediary holding the Securities or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Capital Stock on behalf of others. Tokens, if issued, may embody certain rights, preferences, privileges, and restrictions of the respective Securities to which they relate or may provide the means to give such instructions or entitlement orders. All securities issued under this instrument, whether in the form of Tokens or otherwise, may be issued in

whole or fractional parts, in the Company's sole discretion.

[End of Page]

IN WITNESS WHEREOF, the parties have executed this Subscription Agreement as of _____.

COMPANY:

THE HORROR SECTION, INC.

By: _____
Name: Jonathan Schnaars
Title: Chief Executive Officer

INVESTOR:

By: _____
Name: _____
Title: _____

Price per Security: _____
Number of Securities Purchased: _____
Total Subscription Amount: _____

The Investor is an “accredited investor” as that term is defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act.

Please indicate Yes or No by checking the appropriate box:

Accredited

Not Accredited

EXHIBIT A
**(Counterpart Signature to the
Stockholders Agreement dated January 29, 2025)**

IN WITNESS WHEREOF, the parties have executed this Stockholders Agreement as of the date first written above.

STOCKHOLDER:

By: _____
Name:
Title:

EXHIBIT B
(Stockholders Agreement dated January 29, 2025)

STOCKHOLDERS AGREEMENT

This STOCKHOLDERS AGREEMENT (this “**Agreement**”) is made as of January 29, 2025, by and among THE HORROR SECTION, Inc., a Delaware corporation (the “**Company**”), and the stockholders party hereto (the “**Stockholders**”).

RECITALS

WHEREAS, the parties desire to enter into this Agreement to set forth their agreements and understandings with respect to certain matters relating to their ownership of capital stock of the Company, including how shares of the capital stock of the Company held by them will be voted in connection with the election of directors of the Company, certain matters requiring stockholder approval, and the issuance of new shares of capital stock by the Company.

NOW, THEREFORE, the parties agree as follows:

1. Voting Provisions Regarding the Board.

1.1 Definitions. For purposes of this Agreement:

(a) “**Affiliate**” means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or other investment fund now or hereafter existing that is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person.

(b) “**Board**” means the members of the board of directors of the Company.

(c) “**Common Stock**” means the Company’s stock, \$.001 par value per share.

(d) “**New Securities**” means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

(e) “**Person**” means any individual, corporation, partnership, trust, limited liability company, association, or other entity.

(f) “**Shares**” shall mean and include any securities of the Company that the holders of which are entitled to vote for members of the Board, including, without limitation, all shares of Common Stock, by whatever name called, now owned or subsequently acquired by a Stockholder, however acquired, whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

(g) Any reference in this Agreement to “**vote**” or “**voting**” or similar language shall include, without limitation, action by written consent of the stockholders.

1.2 Board Composition. For a period of three (3) years following the date hereof, each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of stockholders at which an election of directors is held or

pursuant to any written consent of the stockholders, in favor of such person who may be designated by MCT Entertainment Labs LLC (“MCT”).

1.3 Failure to Designate a Director Candidate; Vacancies. In the absence of any designation from the Person with the right to designate a director as specified above, the individual then serving in such director position shall be reelected if willing to serve unless such individual has been removed as provided herein, and otherwise such Board seat shall remain vacant until filled as provided above. Similarly, in the absence of the requisite approval of the Board and/or the Company’s stockholders, as applicable, of an individual to serve as a director as specified above, the individual then serving in such director position shall be reelected if willing to serve unless such individual has been removed as provided herein, and otherwise such Board seat shall remain vacant until filled as provided above. Any vacancies created by the resignation, removal or death of a director elected pursuant to Section 1.2 shall be filled only pursuant to the provisions of this Section 1.3.

1.4 Removal of Board Members. Each Stockholder also agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) a director elected or serving pursuant to Section 1.2, or reelected pursuant to Section 1.3, shall be promptly removed from office upon the occurrence of written request of any Person who would be entitled to designate a replacement for such director pursuant to Section 1.2 to remove such director; and

(b) no director elected or serving pursuant to Section 1.2, or reelected pursuant to Section 1.3, may be removed from office other than for cause unless such removal is made in accordance with Section 1.4(a).

1.5 Stockholder Action. All Stockholders agree to execute any written consents required to perform the obligations of this Section 1, and the Company agrees to call a special meeting of stockholders for the purpose of electing, removing or replacing directors upon the written request of any Person entitled to designate a director. To the extent that the stockholders of the Company are entitled to cumulative voting, if less than the entire Board is to be removed, no director may be removed without cause if the votes cast against removal would be sufficient to elect such director if then cumulatively voted at an election of the entire Board.

1.6 No Liability for Election of Designated or Approved Directors. No Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating or approving a person for election as a director for any act or omission by such designated or approved person in such person’s capacity as a director of the Company, nor shall any Stockholder have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

1.7 Directors’ and Officers’ Insurance Policy. No later than thirty (30) days following the date hereof, the Company shall obtain, from one or more financially sound and reputable insurers, directors’ and officers’ liability insurance in an amount and on terms and conditions approved by MCT, and the Company will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board, including the written approval of MCT, determines that such insurance should be discontinued. No such policy shall be cancelable by the Company without prior written approval by MCT.

1.8 Management Incentive Plan. Each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control, from time to time and at all times, in whatever manner as shall be necessary to the extent required to cause to be issued up to

400,000 shares to be used for the alignment and incentivization of Company management as recommended by the Board.

2. MCT Approval Rights. Notwithstanding anything in this Agreement, the Bylaws, the Certificate of Incorporation of the Company, as amended, or any other governing documents of the Company, neither the Company, nor Eli Roth (“**Roth**”), nor Double A Projects LLC (“**Schnaars**”) will, and will not permit any successor to, enter into any commitment to, will not take any steps in furtherance of and neither the Board nor any director nor officer will authorize the Company or any successor, directly or indirectly, to do any of the following, without the prior written approval of MCT:

2.1 enter into any agreement, arrangement, transaction, or understanding or series of related agreements, arrangements, transactions, or understandings between (x) the Company or any of its subsidiaries and (y) any stockholder, director or officer of the Company or any of its subsidiaries or any of their affiliates;

2.2 approve the annual capital and operating budgets of the Company and its subsidiaries (not including project-specific budgets) for fiscal years 2025, 2026 and 2027, or cause or permit the Company and its subsidiaries to operate other than in accordance with a budget that has been approved in accordance with this Section 2.2; or

2.3 change the rights, preferences or privileges held by MCT in the Company, whether by contract, amendment to the Company’s Certificate of Incorporation, Bylaws or otherwise, in a manner that that is disproportionately adverse to MCT relative to the rights of Roth or Schnaars or otherwise effect any transaction that disproportionately benefits Roth or Schnaars relative to MCT.

3. Right of First Offer. Subject to the terms and conditions of this Section 3 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to MCT, Roth and Schnaars (together, the “**Major Stockholders**”). Each of the Major Stockholders shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among itself and its Affiliates; provided that each such Affiliate agrees to enter into this Agreement, as amended, and any other governing document of the Company reasonably requested by the Board.

3.1 The Company shall give notice (the “**Offer Notice**”) to the Major Stockholders, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

3.2 By notification to the Company within twenty (20) days after the Offer Notice is given, the Major Stockholders (or their respective Affiliates) may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Shares then held by such Major Stockholder (including all Shares then issuable upon conversion and/or exercise, as applicable, of any preferred stock and any other derivative securities then held by such Major Stockholder) bears to the total Shares of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of any preferred stock and any other derivative securities then outstanding). The closing of any sale pursuant to this Section 3.2 shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 3.3.

3.3 If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 3.2, the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 3.2, offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the

offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Stockholders in accordance with this Section 3.

3.4 The right of first offer in this Section 3 shall not be applicable to issuances of New Securities to employees of the Company without consideration.

4. Remedies.

4.1 Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxies of the party and hereby grants a power of attorney to the President of the Company (the “**Proxyholder**”), with full power of substitution, with respect to the matters set forth herein, including, without limitation, votes regarding the composition of the Board, and hereby authorizes each of them to represent and vote, if and only if the party (i) fails to vote within five (5) business days after request by the Company or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is inconsistent with the terms of this Agreement, all of such party’s Shares in favor of the election or removal of persons as members of the Board determined pursuant to and in accordance with the terms and provisions of this Agreement or to take any action reasonably necessary to effect this Agreement. The power of attorney granted hereunder shall authorize each Proxyholder to execute and deliver any documentation required by this Agreement on behalf of any party failing to do so within five business days after request by the Company. Each of the proxy and power of attorney granted pursuant to this Section 4.1 is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 45 hereof. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 45 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

4.2 Specific Enforcement. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of the Company and the Stockholders shall be entitled to an injunction to prevent breaches of this Agreement, and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction. Each party to this Agreement agrees to use commercially reasonable efforts to cooperate in seeking and agreeing to an expedited schedule in any litigation seeking an injunction or order of specific performance.

4.3 Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5. Term. This Agreement shall be effective as of the date hereof and shall continue in effect until and shall terminate upon the earliest to occur of (a) the consummation of the Company’s first underwritten public offering of its Common Stock (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction) and (b) termination of this Agreement in accordance with Section 6.8 below.

6. Miscellaneous.

6.1 Additional Parties. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Common Stock after the date hereof, as a condition to the issuance of such shares the Company shall require that any purchaser of such shares become a party to this Agreement by executing and delivering a counterpart signature page to this Agreement agreeing to be bound by and subject to the terms of this Agreement as a Stockholder hereunder. Each such Person shall thereafter be deemed a Stockholder for all purposes under this Agreement. The Company shall amend Schedule A to include such purchaser as a Stockholder, but failure to update Schedule A shall not negate such Stockholder's rights and obligations pursuant to this Agreement.

6.2 Transfers. Each transferee or assignee of any Shares subject to this Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to the Company's recognition of such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Agreement by executing and delivering a counterpart signature page in this Agreement, agreeing to be bound by and subject to the terms of this Agreement in the same capacity as the transferor. Upon the execution and delivery of a counterpart signature page to this Agreement by any transferee, such transferee shall be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Agreement and shall be deemed to be a Stockholder, as applicable. The Company shall not permit the transfer of the Shares subject to this Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Section 6.2. Each certificate instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by the Company with the legend set forth in Section 6.12. The Company shall amend Schedule A to include such transferee as a Stockholder, as applicable, but the Company's failure to update Schedule A to this Agreement shall not negate such Stockholder's rights and obligations pursuant to this Agreement.

6.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

6.4 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.5 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. E-SIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.6 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.7 Notices.

(a) General. All notices and other communications given or made pursuant to this Agreement shall be in writing (including electronic mail as permitted in this Agreement) and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified, (ii) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (iii) five days after having been sent by

registered or certified mail, return receipt requested, postage prepaid, or (iv) one business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth in Schedule A to this Agreement, or (as to the Company) to the principal office of the Company and to the attention of the Chief Executive Officer, or, in any case, to such electronic mail address or address as subsequently modified by written notice given in accordance with this Section 6.7. If notice is given to the Company, a copy (which copy shall not constitute notice) shall also be sent to the counsel's address listed in Schedule A.

(b) Consent to Electronic Notice. Each Stockholder consents to the delivery of any stockholder notice pursuant to the Delaware General Corporation Law (the "DGCL"), as amended or superseded from time to time, by electronic mail pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Stockholder's name on the Schedule A hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic mail is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Stockholder agrees to promptly notify the Company of any change in its electronic mail address, and that failure to do so shall not affect the foregoing.

6.8 Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated (other than pursuant to Section 6) and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by Roth, Schnaars and MCT. Notwithstanding the foregoing:

(a) Schedule A to this Agreement may be amended by the Company from time to time in accordance with Sections 6.1 and 6.2 without the consent of the other parties hereto; and

(b) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party.

The Company shall give prompt written notice of any amendment, modification, termination, or waiver hereunder to any party that did not consent in writing thereto. Any amendment, modification, termination, or waiver effected in accordance with this Section 6.8 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, modification, termination or waiver. For purposes of this Section 6.8, the requirement of a written instrument may be satisfied in the form of an action by written consent of the Stockholders circulated by the Company and executed by the Stockholder parties specified, whether or not such action by written consent makes explicit reference to the terms of this Agreement.

6.9 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.10 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11 Entire Agreement. This Agreement (including the Exhibits and Schedule hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between or among any of the parties are expressly canceled.

6.12 Share Certificate Legend. Each certificate, instrument, or book entry representing any Shares issued after the date hereof shall be notated by the Company with a legend reading substantially as follows:

“THE SHARES REPRESENTED HEREBY ARE SUBJECT TO A STOCKHOLDERS AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT STOCKHOLDERS AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN.”

The Company, by its execution of this Agreement, agrees that it will cause the certificates, instruments, or book entry evidencing the Shares issued after the date hereof to be notated with the legend required by this Section 6.12 of this Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of such Shares upon written request from such holder to the Company at its principal office. The parties to this Agreement do hereby agree that the failure to cause the certificates, instruments, or book entry evidencing the Shares to be notated with the legend required by this Section 6.12 herein and/or the failure of the Company to supply, free of charge, a copy of this Agreement as provided hereunder shall not affect the validity or enforcement of this Agreement.

6.13 Stock Splits, Dividends and Recapitalizations. In the event of any issuance of Shares or the voting securities of the Company hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Agreement and shall be notated with the legend set forth in Section 6.12.

6.14 Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to the Agreement need not make explicit reference to the terms of this Agreement.

6.15 Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to carry out the intent of the parties hereunder.

6.16 Dispute Resolution.

Any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of either party's intellectual property rights for which a provisional remedy or equitable relief is sought, shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within 30 days after names of potential arbitrators have been proposed by Judicial Arbitration and

Mediation Services, Inc. (“JAMS”), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by JAMS. The arbitration shall take place in Los Angeles, California in accordance with the JAMS rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to the issues to be arbitrated, (b) depositions of all party witnesses, and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with the Rules of Civil Procedure for the Superior Court of the State of Delaware, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings.

Each of the parties to this Agreement consents to personal jurisdiction for any equitable action sought in the U.S. District Court for the District of Delaware or any court of the State of Delaware having subject matter jurisdiction.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION AGREEMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.17 Costs of Enforcement. Each party will bear its own costs in respect of any disputes arising under this Agreement. The prevailing party shall be entitled to reasonable attorney’s fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.


6.18 Aggregation of Stock. All Shares held or acquired by a Stockholder and/or its Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement, and such Affiliates may apportion such rights as among themselves in any manner they deem appropriate.

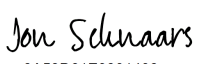
[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Stockholders Agreement as of the date first written above.

COMPANY:


THE HORROR SECTION, INC.

Signed by:
By: 
Name: Eli Roth
Title: Director

Signed by:
By: 
Name: Jon Schnaars
Title: Director

STOCKHOLDERS:

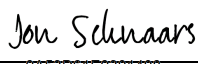
MCT ENTERTAINMENT LABS LLC

Signed by:
By: 
Name: K. Blaine Johnston
Title: Chief Operating Officer

ELI ROTH

Signed by:
By: 
Name: Eli Roth

DOUBLE A PROJECTS LLC

Signed by:
By: 
Name: Jon Schnaars
Title: Sole Member

SCHEDULE A

STOCKHOLDERS

Eli Roth

16030 Ventura Blvd.
#380
Encino, CA 91436
er@eliroth.com

With a copy to:

Carlos Goodman
9665 Wilshire Blvd
5th Floor
Beverly Hills, 90212

Double A Projects LLC

50 East 96th Street
Apt 2B
New York, NY 10128
Jon@2aprojects.com

With a copy to:

Ed Klaris
161 Water Street
Suite 904
New York, NY 10038

MCT Entertainment Labs LLC

855 N. Croft Ave., #210
Los Angeles, CA 90069
blaine.johnston@mediacap.io

With a copy to:

Willkie Farr & Gallagher LLP
2029 Century Park East, Suite 2900
Los Angeles, California 90067
Attention: Andrew Kramer, Esq. and Steve Hurdle, Esq.
Email: akramer@willkie.com and shurdle@willkie.com

EXHIBIT B
(Financial Statements)

The Horror Section, Inc. (the “Company”) a Delaware Corporation

Financial Statements (audited) and
Independent Auditor’s Report

Year ended December 31, 2024



Independent Auditor's Report

To Management
The Horror Section, Inc.

We have audited the accompanying balance sheet of The Horror Section, Inc. as of December 31, 2024, and the related statement of operations and comprehensive loss, changes in stockholder's deficit, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Opinion

We believe that our audits provide a reasonable basis for our opinion. In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of The Horror Section, Inc. as of December 31, 2024, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Going Concern

As discussed in Note 8, certain conditions indicate that the Company may be unable to continue as a going concern. The accompanying financial statements do not include any adjustments that might be necessary should the Company be unable to continue as a going concern. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. Our opinion is not modified with respect to this matter.

Vince Mongio, CPA, EA, CIA, CFE, MACC
Miami, FL
February 14th, 2025

Vincenzo Mongio

**THE HORROR SECTION, INC.
BALANCE SHEET (AUDITED)**

December 31, 2024

Assets

Current Assets:

Prepaid Expenses	\$	10,000
Total Current Assets		10,000

Other Assets:

Deferred Offering Costs		25,000
Total Other Assets		25,000
Total Assets	\$	35,000

Liabilities and Stockholders'

Equity (Deficit)

Liabilities

Current Liabilities:

Due to Related Parties	\$	89,028
Total Current Liabilities		89,028
Total Liabilities		89,028

Stockholders' Equity (Deficit)

Common Stock, \$0.01 Par Value - 5,000 Shares Authorized, 0 Shares Issued and Outstanding as of December 31, 2024		-
Additional Paid In Capital, Net of Offering Costs		-
Accumulated Deficit		(54,028)
Total Stockholders' Equity (Deficit)		(54,028)
Total Liabilities and Stockholders' Equity (Deficit)	\$	35,000

THE HORROR SECTION, INC.
STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS (AUDITED)

For the Year Ended
December 31, 2022

Revenues:		
Revenues	\$	-
Total Revenues	\$	-
Cost of Sales		
Cost of Sales	\$	-
Total Cost of Sales	\$	-
Gross Profit	\$	-
Operating Expenses:		
Legal and Professional	\$	54,028
Total Operating Expenses	\$	54,028
Other (Income) Expense:		
Total Other (Income) Expense	\$	-
Loss from Continuing Operations Before Income Taxes	\$	(54,028)
Provision for Income Taxes	\$	-
Net Loss	\$	(54,028)
Other Comprehensive Loss, Net of Tax		
Total Other Comprehensive Loss, Net of Tax	\$	(54,028)
Total Comprehensive Loss	\$	(54,028)

**THE HORROR SECTION, INC.
STATEMENT OF CASH FLOWS**

**For the Year Ended December 31,
2024**

OPERATING ACTIVITIES

Net Loss	\$	(54,028)
Changes in operating assets and liabilities:		
Prepaid Expenses		(10,000)
Deferred Offering Costs		(25,000)
Net Cash Flows used in Operating Activities	\$	(89,028)

INVESTING ACTIVITIES

Net Cash Flows from Investing Activities	\$	-
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FINANCING ACTIVITIES

Proceeds from Related Party Payables	\$	89,028
Net Cash Flows from Financing Activities	\$	89,028

Net change in cash	\$	-
Cash and Equivalents at the beginning of the year		-
Cash and Equivalents at the end of the year	\$	-

THE HORROR SECTION, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2024

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount			
Balance as of May 20, 2024	-	\$ -	\$ -	\$ -	\$ -
Net Loss	-	-	-	(54,028)	(54,028)
Balance on December 31, 2024	-	\$ -	\$ -	\$ (54,028)	\$ (54,028)

The Horror Section, Inc.
Notes to the Audited Financial Statements
December 31st, 2024
\$USD

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

The Horror Section, Inc. (“the Company”) was formed in Delaware on May 20, 2024. The Company will be a fan-owned 360 media company focused on building the world’s premiere horror brand. It is founded by iconic filmmaker and actor, Eli Roth, and plans to produce premium and unhinged content for audiences worldwide in the form of movies, podcasts, and fan experiences.

The Company plans to conduct a crowdfunding campaign under regulation CF to raise operating capital during 2025.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Our financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Our fiscal year ends on December 31. The Company has no interest in variable interest entities and no predecessor entities.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased. The Company does not have any restrictions on its cash balance.

Fair Value of Financial Instruments

ASC 820 “*Fair Value Measurements and Disclosures*” establishes a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

These tiers include:

Level 1: defined as observable inputs such as quoted prices in active markets;

Level 2: defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3: defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Concentrations of Credit Risks

The Company’s financial instruments that are exposed to concentrations of credit risk primarily consist of its cash and cash equivalents. The Company places its cash and cash equivalents with financial institutions of high credit worthiness. The Company’s management assesses the financial strength and credit worthiness of any parties to which it extends funds, and as such, it believes that any associated credit risk exposures are limited.

As of December 31, 2024, the Company has not opened any bank accounts.

Revenue Recognition

The Company recognizes revenue from the sale of products and services in accordance with ASC 606, "Revenue Recognition" following the five steps procedure:

- Step 1: Identify the contract(s) with customers
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to performance obligations
- Step 5: Recognize revenue when or as performance obligations are satisfied

The Company will identify and analyze its performance obligations with respect to customer contracts once the first contract is signed.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs are charged to expense. When equipment is retired or sold, the cost and related accumulated depreciation are eliminated from the accounts and the resultant gain or loss is reflected in income. Depreciation will be provided using the straight-line method, based on useful lives of the assets.

The Company reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. The Company did not have any property and equipment as of the year ended December 31, 2024.

General and Administrative

General and administrative expenses consist of payroll and related expenses for employees and independent contractors involved in general corporate functions, including finance, business development, and other miscellaneous expenses. Material operating expenses such as legal, accounting, and other professional services have been presented separately from general and administrative.

Income Taxes

The Company is subject to corporate income and state income taxes in the state it does business. We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, we determine deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. We record uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) we determine whether it is more likely

than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company does not have any uncertain tax provisions. The Company's primary tax jurisdictions are the United States. The Company's primary deferred tax assets are its net operating loss (NOL) carryforwards which approximates its retained earnings as of the date of these financials. A deferred tax asset as a result of NOLs have not been recognized due to the uncertainty of future positive taxable income to utilize the NOL.

As of the date of these financials, the Company has not filed its tax returns for its initial year of existence and is in the process of doing so.

Recent Accounting Pronouncements

The FASB issues ASUs to amend the authoritative literature in ASC. There have been a number of ASUs to date that amend the original text of ASC. Management believes that those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to us or (iv) are not expected to have a significant impact on our financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

The Company follows ASC 850, "Related Party Disclosures," for the identification of related parties and disclosure of related party transactions. During 2024, the Company received advances from its main members of management and present shareholders totaling \$89,028. These funds were advanced to the Company to pay for start up costs and are non-interest bearing and do not have a maturity date. Those funds are also non-guaranteed and the Company has not pledged any assets against those loans.

NOTE 4 – COMMITMENTS, CONTINGENCIES, COMPLIANCE WITH LAWS AND REGULATIONS

We are currently not involved with or know of any pending or threatening litigation against the Company or any of its officers. Further, the Company is currently complying with all relevant laws and regulations.

NOTE 5 – LIABILITIES AND DEBT

During 2024, the Company received advances from its principal members of management and current shareholders. These amounts totaled \$89,028. Refer to Note 3 for related party transactions.

NOTE 6 – EQUITY

Upon its initial incorporation in May 2024, the Company authorized 5,000 shares of Common Stock with a par value of \$0.01 per share. Each share of common stock is entitled to one vote.

In January of 2025, the Company amended its articles of incorporation to increase the number of authorized shares of Common Stock to 22,000,000 with a par value of \$0.001. Refer to Note 7 for subsequent events.

NOTE 7 – SUBSEQUENT EVENTS

In January of 2025, the Company amended its Article of Incorporation to increase the number of authorized shares of Common Stock to 22,000,000 with a par value of \$0.001.

Further, in January of 2025, the Company sold a total of 16,248,333 shares of Common Stock for at a sale price of \$0.001 per share for total proceeds of \$16,248.

Lastly, in January of 2025, the Company entered into a services agreement with Media Capital Technologies Group Inc. ("MCT") to provide the Company with financial services ranging from managing the offering and sale of company securities to assisting and advising on business and finance matters related to film financing. The term of this

agreement will be for two years. MCT will receive an annual fee of \$300,000 as an advisory fee that will be payable in quarterly installments ending on January 1, 2027. For the first approved project and financed through MCT, there will be a deferred executive producer fee payable to MCT through the “waterfall” after principal recoupment. The Company agreed to invest 10% of the proceeds from the offering campaign that it will conduct through Regulation Crowdfunding in MCT Entertainment Labs LLC provided, however, that such investment shall not exceed \$1,000,000, in exchange for a pro-rate ownership interest not to exceed five percent.

NOTE 8 – GOING CONCERN

The accompanying balance sheet has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The entity has not commenced principal operations and will likely realize losses prior to generating positive working capital for an unknown period of time. During the next twelve months, the Company intends to finance its operations with funds from a crowdfunding campaign and other potential investment capital opportunities. The Company’s ability to continue as a going concern in the next twelve months following the date the financial statements were available to be issued is dependent upon its ability to produce revenues and/or obtain financing sufficient to meet current and future obligations and deploy such to produce profitable operating results. Management has evaluated these conditions and plans to generate revenues and raise capital as needed to satisfy its capital needs. No assurance can be given that the Company will be successful in these efforts. These factors, among others, raise substantial doubt about the ability of the Company to continue as a going concern for a reasonable period of time. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities.

EXHIBIT C
(Custodial Services Agreement)



BITGO CUSTODIAL SERVICES AGREEMENT

This Custodial Services Agreement (this “Agreement”) is made as of the later date of the signatures below (the “Effective Date”) by and between:

CLIENT (ENTITY OR INDIVIDUAL) NAME (“CLIENT”)
[ADDRESS]

and Custodian. This Agreement governs Client’s use of the Custodial Services and the Wallet Services (each as defined below, and collectively, the “Services”) provided or made available by Custodian.

Definitions:

- (a) “Agreement” means this Custodial Agreement, as it may be amended from time to time, and includes all schedules and exhibits to this Custodial Agreement, as they may be amended from time to time.
- (b) “Applicable Law” means any applicable statute, rule, regulation, regulatory guideline, order, law, ordinance or code; the common law and laws of equity; any binding court order, judgment or decree; any applicable industry code, rule, guideline, policy or standard enforceable by law (including as a result of participation in a self-regulatory organization), and any official interpretations of any of the foregoing.
- (c) “Assets” means, as applicable, Digital Assets, Securities, and/or Fiat Currency.
- (d) “Authorized Persons” means any person authorized by the Client to give Instructions to the Custodian or perform other operations through the Company Site on behalf of the Client (i.e. viewer, admin, enterprise owner, viewer with additional video rights, etc.).
- (e) “Bank” means either (a) a U.S. banking institution insured by the Federal Deposit Insurance Corporation (FDIC) or (b) an organization that is organized under the laws of a foreign country, or a territory of the United States that is recognized as a bank by the bank supervisory or monetary authority of the country of its organization or the country in which its principal banking operations are located.
- (f) “Custodian” means BitGo Trust Company, Inc., a South Dakota trust company duly organized and chartered under § 51A-6A-1(12A) of the South Dakota Banking Law and licensed to act as custodian of Client’s Assets on Client’s behalf.
- (g) “Digital Assets” means digital assets, virtual currencies, tokens, or coins, held for Client under the terms of this Agreement.
- (h) “Fiat Currency” means certain supported fiat currencies, such as U.S. Dollars.
- (i). “Platform Provider” means the third-party hosted application that electronically refers Client to the Custodian for access to the Services with no integration agreement via API.
- (j) “Securities” means, without limitation, common stock and other equity securities, shares, units, bonds, debentures and other debt securities, notes, mortgages, or other obligations, and any instruments representing rights to receive, purchase, or subscribe for the same, or representing any other rights or interests therein.

1. SERVICES.

1.1. Custodian. Client authorizes, approves, and directs Custodian to establish and maintain one or more custody accounts on its books (each a “Custodial Account”), pursuant to the terms of this Agreement, for the receipt, safekeeping, and maintenance of supported Digital Assets, Fiat Currency, and Securities (“Custodial Services”).

1.2. Wallet Software and Non-Custodial Wallet Service.

(a) Custodian also provides Client with the option to create non-custodial wallets that support certain Digital Assets via an API and web interface (“Wallet Services”). Wallet Services are provided by BitGo, Inc, an affiliate of Custodian (“BitGo Inc.”). Wallet Services provide access to wallets where BitGo Inc. holds a minority of the keys, and Client is responsible for holding a majority of the keys (“Client Keys”).

(b) The Wallet Services do not send or receive Fiat Currency or Digital Assets. The Wallet Services enable Client to interface with virtual currency networks to view and transmit information about a public cryptographic key commonly referred to as a blockchain address. As further set forth in Section 3.5, Client assumes all responsibility and liability for securing the Client Keys. Further, Client assumes all responsibility and liability for creation, storage, and maintenance of any backup keys associated with accounts created using the Wallet Services.

(c) Client’s use of the Wallet Services is subject to the terms and conditions set forth at <https://www.bitgo.com/terms> (the “Wallet Terms”), as they may be amended from time to time. In the event of a conflict between the Wallet Terms and the terms of this Agreement, the terms of this Agreement shall control.

1.3. Fiat Services.

(a) As part of Custodial Services, Client may use Custodian to safeguard Fiat Currency in a Custodial Account for Client’s benefit (“Fiat Services”). Custodian will custody Fiat Currency in one or more of the following “Customer Omnibus Accounts”, as determined by Custodian: (i) deposit accounts established by Custodian with a Bank (each an “Omnibus Deposit Account”); (ii) money market accounts established by Custodian at a Bank (each, a “Money Market Account”) and/or (iii) such other accounts as may be agreed between Client and Custodian in writing from time to time.

(b) Each Customer Omnibus Account shall be titled in the name of Custodian or in the name of Custodian for the benefit of its customers, in either case under the control of Custodian. Each Customer Omnibus Account shall be maintained separately and apart from Custodian’s business, operating, and reserve accounts. Each Omnibus Account constitutes a banking relationship between Custodian and the relevant Bank and shall not constitute a custodial relationship between Custodian and Bank.

(c) Client acknowledges and agrees that Custodian may hold some or any portion of Fiat Currency in accounts that may or may not receive interest or other earnings. Client hereby agrees that the amount of any such interest or earnings attributable to such Fiat Currency in Customer Omnibus Accounts shall be retained by Custodian as additional consideration for its services under this Agreement, and nothing in this Agreement entitles Client to any portion of such interest or earnings. In addition, Custodian may receive earnings or compensation for a Customer Omnibus Account in the form of services provided at a reduced rate or similar compensation. Client agrees that any such compensation shall be retained by Custodian, Client understands and agrees that Client is not entitled to any portion of such compensation, and no portion of any such compensation shall be paid to or for Client. Client further acknowledges that Client’s rights in the Customer Omnibus Accounts is

limited to the specific amount of Fiat Currency Client custodies via the Fiat Services, as may be limited herein and by applicable law.

- (d) Client acknowledges and agrees that it may send Fiat Currency to Custodian or from Custodian to an external account either by wire deposit or Automated Clearing House (“ACH”) transfer. Wire deposits and ACH transfers are subject to differing processes, rules, and timelines. Client agrees to the terms and conditions presented in Appendix 2 of this Agreement (the “ACH Transfer Terms & Conditions”), which will apply to any ACH transfer that Client chooses to initiate to or from Custodian.
- (e) Wire deposits sent before 4 PM ET by domestic or international wire from Client’s account(s) at a depository institution that has been approved by Custodian will typically settle and be credited to Custodian’s Omnibus Account on the same day or next business day. Wire withdrawals initiated before 4 PM ET will typically be processed on the same day or next business day. Wire deposits may not be credited and wire withdrawals may not be processed outside of normal banking hours. Client agrees and understands that wire deposit settlement times and wire withdrawal transfer times are subject to factors outside of Custodian’s control, including, among other things, processes and operations related to the Customer Bank Account and the Custodian’s Bank.

1.4. Securities Services.

- (a) To Custodial Account. Subject to the terms of this Agreement, Client may transfer Securities from itself, an external provider, or other third parties to a Custodial Account. Prior to any transfer of Securities to a Custodial Account, Client will send Instructions to Custodian. The Custodian is not obligated to credit any Securities to the Account before the Custodian actually receives such Securities by final settlement.
 - i. Upon receiving such Instructions and verifying the transferred Securities and that such Instructions comply with Section 2.3, Custodian will provide Client with settlement instructions, including specific account details and delivery instructions. Client will initiate the transfer by instructing their current holding institution or broker to deliver the Securities to the Custodian. The transfer will be executed following established industry practices and relevant regulations.
 - ii. Custodian will reconcile the received Securities with the Client's Account records and confirm the successful transfer to the Account.
- (b) From Custodial Account. Subject to the terms of this Agreement, Client may initiate the transfer of Securities from the Custodial Account by sending Instructions to Custodian.
 - i. Upon receiving the Instructions and verifying the request complies with Section 2.3, Custodian will provide Client with settlement instructions for the requested transfer. Client will follow the provided instructions to initiate the transfer from the Custodial Account.
 - ii. Custodian will provide Client with a confirmation of the pending transfer.
 - iii. If Instructions would result in the transfer of Securities exceeding the available balance in the Account, Custodian may reject such Instructions at its sole discretion.

- iv. If Client separately maintains one or more blockchain-based tokens, including self-custodied blockchain-based tokens, associated with securities entitlements in the Account (“Security Instruction Token(s)” or “SIT(s)”), and Client subsequently sells or otherwise transfers SITs on a third-party securities exchange, alternative trading system, or similar trading venue, Client acknowledges and agrees that Custodian will recognize such transfer as an Instruction by Client to Custodian, and Custodian shall transfer a corresponding amount of securities entitlements from the Client’s Account to the account of the acquirer of such SITs.

1.5. Third-Party Payments. The Custodial Services are not intended to facilitate third-party payments of any kind, which shall include the use of Fiat Currency, Securities, and/or Digital Assets. As such, Custodian has no control over, or liability for, the delivery, quality, safety, legality or any other aspect of any goods or services that Client may purchase or sell to or from a third party (including other users of Custodial Services) involving Assets that Client intends to store, or have stored, in Client’s Custodial Account.

1.6. API Access.

- (a) Most Services are provided through <https://www.bitgo.com/> or any associated websites or application programming interfaces (“APIs”) (collectively, the “Company Site”). Client may elect to utilize the APIs either directly or indirectly within an independently developed application (“Developer Application”).
- (b) All API-based Services are subject to usage limits and the terms and conditions set forth at <https://www.bitgo.com/legal/services-agreement> (the “API Terms”), as they may be amended from time to time. In the event of a conflict between the API Terms and the terms of this Agreement, the terms of this Agreement shall control. If Client exceeds a usage limit, Custodian may provide assistance to seek to reduce Client usage so that it conforms to that limit. If Client is unable or unwilling to abide by the usage limits, Client will order additional quantities of the applicable Services promptly upon request or pay Custodian’s invoices for excess usage.

1.7. Fees. The fees associated with the Services shall be calculated, invoiced and paid in accordance with Schedule A (“Fee Schedule”). Custodian reserves the right to revise its Fee Schedule at any time following the Initial Term, provided that Custodian will provide Client with at least thirty (30) days’ advance notice of any such revision. Within such 30-day period, Client may terminate this Agreement in accordance with Section 5.4 and discontinue the Services hereunder at no additional charge to Client.

1.8. Acknowledgement of Risks.

- (a) General Risks; No Investment, Tax, or Legal Advice; No Brokerage. CLIENT ACKNOWLEDGES THAT CUSTODIAN DOES NOT PROVIDE INVESTMENT, TAX, OR LEGAL ADVICE, NOR DOES CUSTODIAN BROKER TRANSACTIONS ON CLIENT’S BEHALF. CLIENT ACKNOWLEDGES THAT CUSTODIAN HAS NOT PROVIDED AND WILL NOT PROVIDE ANY ADVICE, GUIDANCE OR RECOMMENDATIONS TO CLIENT WITH REGARD TO THE SUITABILITY OR VALUE OF ANY DIGITAL ASSETS OR SECURITIES, AND THAT CUSTODIAN HAS NO LIABILITY REGARDING ANY SELECTION OF A DIGITAL ASSET OR SECURITY THAT IS HELD BY CLIENT THROUGH CLIENT’S CUSTODIAL ACCOUNT AND THE CUSTODIAL SERVICES OR THE WALLET SERVICES. ALL DEPOSIT AND WITHDRAWAL TRANSACTIONS ARE EXECUTED BASED ON CLIENT’S INSTRUCTIONS, AND CLIENT IS SOLELY RESPONSIBLE FOR DETERMINING WHETHER ANY INVESTMENT, INVESTMENT STRATEGY, OR RELATED

TRANSACTION INVOLVING DIGITAL ASSETS OR SECURITIES IS APPROPRIATE FOR CLIENT BASED ON CLIENT'S INVESTMENT OBJECTIVES, FINANCIAL CIRCUMSTANCES, AND RISK TOLERANCE. CLIENT SHOULD SEEK LEGAL AND PROFESSIONAL TAX ADVICE REGARDING ANY TRANSACTION.

(b) Material Risk in Investing in Digital Currencies. CLIENT ACKNOWLEDGES THAT:

- (1) VIRTUAL CURRENCY IS NOT LEGAL TENDER, IS NOT BACKED BY THE GOVERNMENT, AND ACCOUNTS AND VALUE BALANCES ARE NOT SUBJECT TO FEDERAL DEPOSIT INSURANCE CORPORATION OR SECURITIES INVESTOR PROTECTION CORPORATION PROTECTIONS;
- (2) LEGISLATIVE AND REGULATORY CHANGES OR ACTIONS AT THE STATE, FEDERAL, OR INTERNATIONAL LEVEL MAY ADVERSELY AFFECT THE USE, TRANSFER, EXCHANGE, AND VALUE OF VIRTUAL CURRENCY;
- (3) TRANSACTIONS IN VIRTUAL CURRENCY MAY BE IRREVERSIBLE, AND, ACCORDINGLY, LOSSES DUE TO FRAUDULENT OR ACCIDENTAL TRANSACTIONS MAY NOT BE RECOVERABLE;
- (4) SOME VIRTUAL CURRENCY TRANSACTIONS SHALL BE DEEMED TO BE MADE WHEN RECORDED ON A PUBLIC LEDGER, WHICH IS NOT NECESSARILY THE DATE OR TIME THAT THE CUSTOMER INITIATES THE TRANSACTION;
- (5) THE VALUE OF VIRTUAL CURRENCY MAY BE DERIVED FROM THE CONTINUED WILLINGNESS OF MARKET PARTICIPANTS TO EXCHANGE FIAT CURRENCY FOR VIRTUAL CURRENCY, WHICH MAY RESULT IN THE POTENTIAL FOR PERMANENT AND TOTAL LOSS OF VALUE OF A PARTICULAR VIRTUAL CURRENCY SHOULD THE MARKET FOR THAT VIRTUAL CURRENCY DISAPPEAR;
- (6) THERE IS NO ASSURANCE THAT A PERSON WHO ACCEPTS A VIRTUAL CURRENCY AS PAYMENT TODAY WILL CONTINUE TO DO SO IN THE FUTURE;
- (7) THE VOLATILITY AND UNPREDICTABILITY OF THE PRICE OF VIRTUAL CURRENCY RELATIVE TO FIAT CURRENCY MAY RESULT IN SIGNIFICANT LOSS OVER A SHORT PERIOD OF TIME;
- (8) THE NATURE OF VIRTUAL CURRENCY MAY LEAD TO AN INCREASED RISK OF FRAUD OR CYBER ATTACK;
- (9) THE NATURE OF VIRTUAL CURRENCY MEANS THAT ANY TECHNOLOGICAL DIFFICULTIES EXPERIENCED BY THE LICENSEE MAY PREVENT THE ACCESS OR USE OF A CUSTOMER'S VIRTUAL CURRENCY; AND
- (10) ANY BOND OR TRUST ACCOUNT MAINTAINED BY THE LICENSEE FOR THE BENEFIT OF ITS CUSTOMERS MAY NOT BE SUFFICIENT TO COVER ALL LOSSES INCURRED BY CUSTOMERS.

(c) CLIENT ACKNOWLEDGES THAT USING DIGITAL ASSETS AND ANY RELATED NETWORKS AND PROTOCOLS, INVOLVES SERIOUS RISKS. CLIENT AGREES THAT IT HAS READ AND ACCEPTS THE RISKS LISTED IN THIS SECTION 1.6, WHICH IS NON-EXHAUSTIVE AND WHICH MAY NOT CAPTURE ALL RISKS ASSOCIATED WITH CLIENT'S ACTIVITY. IT IS CLIENT'S DUTY TO LEARN ABOUT ALL THE RISKS INVOLVED WITH DIGITAL ASSETS AND ANY RELATED PROTOCOLS AND NETWORKS. CUSTODIAN MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE VALUE OF DIGITAL ASSETS OR THE SECURITY OR PERFORMANCE OF ANY RELATED NETWORK OR PROTOCOL.

- (d) Risks in Relation to Securities Transactions. SUBJECT TO THE TERMS OF THIS AGREEMENT, THE CLIENT MAY TRANSFER SECURITIES FROM ITSELF, AN EXTERNAL PROVIDER, OR OTHER THIRD PARTIES TO A CUSTODIAL ACCOUNT. THE CLIENT WILL BEAR THE SOLE RISK AND EXPENSE ASSOCIATED WITH THE TRANSFER OF SECURITIES, INCLUDING ANY DELAYS OR INABILITY TO ACHIEVE FINAL SETTLEMENT AS REQUIRED BY THIS AGREEMENT. THE CUSTODIAN WILL FOLLOW ESTABLISHED INDUSTRY PRACTICES AND RELEVANT REGULATIONS TO FACILITATE THE TIMELY SETTLEMENT OF SECURITIES TRANSACTIONS. HOWEVER, THE CUSTODIAN WILL NOT BE LIABLE FOR ANY DELAYS OR FAILURES IN SETTLEMENT ARISING FROM CIRCUMSTANCES BEYOND ITS REASONABLE CONTROL OR THAT ARE ATTRIBUTABLE TO THE ACTIONS OR OMISSIONS OF THIRD PARTIES INVOLVED IN THE SETTLEMENT PROCESS. THE CLIENT ACKNOWLEDGES THAT THE SETTLEMENT OF SECURITIES MAY INVOLVE INTERMEDIARY ENTITIES, SUCH AS CLEARINGHOUSES, DEPOSITORY, OR TRANSFER AGENTS, AND THAT THE CUSTODIAN'S ROLE IS LIMITED TO THE CUSTODY, AND TRANSFER, AND PROVISION OF OTHER SERVICES WITH RESPECT TO OF THE SECURITIES AS INSTRUCTED BY THE CLIENT.

2. CUSTODIAL ACCOUNT.

2.1. Registration; Authorized Persons

- (a) To use the Custodial Services, Client must create a Custodial Account by providing Custodian with all information requested. Custodian may, in its sole discretion, refuse to allow Client to establish a Custodial Account, limit the number of Custodial Accounts, and/or decide to subsequently terminate a Custodial Account.
- (b) Client will maintain an updated and current list of Authorized Persons at all times on the Company Site and will immediately notify Custodian of any changes to the list of Authorized Persons by updating the list on the Company Site, including for termination of employment, or otherwise. Client shall make available all necessary documentation and identification information, as reasonably requested by Custodian to confirm: (i) the identity of each Authorized Person; (ii) that each Authorized Person is eligible to be deemed an "Authorized Person" as defined in this Agreement; and (iii) the party(ies) requesting the changes in the list of Authorized Persons have valid authority to request changes on behalf of Client.

- 2.2. General.** The Custodial Services allow Client to deposit supported Assets to Client's Account, and to withdraw supported Assets from Client's Custodial Account to an external location, in each case, pursuant to Instructions Client provides through the Company Site (each such transaction is a "Custody Transaction"). The Assets stored in Client's Custodial Account will not be commingled with other Assets without express action taken by Client and will be held in custody pursuant to the terms of this Agreement. Custodian reserves the right to refuse to process or to cancel any pending Custody Transaction: as required by Applicable Law; to enforce transaction, threshold, and condition limits; or if Custodian reasonably believes that the Custody Transaction may violate or facilitate the violation of any Applicable Law, regulation or rule of a governmental authority or self-regulatory organization. Custodian cannot reverse a Custody Transaction which has been broadcast to a Digital Asset network.

2.3. Instructions.

- (a) Custodian acts upon instructions ("Instructions") given by Authorized Persons that are received and verified by Custodian in accordance with its procedures and this Agreement.
- (b) Instructions will be required for any action requested of the Custodian. Instructions shall continue in full force and effect until canceled (if possible) or executed.
- (c) The Custodian shall be entitled to rely upon any Instructions it receives from an Authorized Person (or from a person reasonably believed by the Custodian to be an Authorized Person) pursuant to this Agreement.
- (d) The Custodian may assume that any Instructions received hereunder are not in any way inconsistent with the provisions of organizational documents of the Client or of any vote, resolution, or proper authorization and that the Client is authorized to take the actions specified in the Instructions.
- (e) Client must verify all transaction information prior to submitting Instructions to the Custodian. The Custodian shall have no duty to inquire into or investigate the validity, accuracy or content of any Instructions.
- (f) If any Instructions are ambiguous, incomplete, or conflicting, Custodian may refuse to execute such Instructions until any ambiguity, incompleteness, or conflict has been resolved. Custodian may refuse to execute Instructions if, in its sole opinion, such Instructions are outside the scope of its duties under this Agreement or are contrary to any Applicable Law.
- (g) Client is responsible for Losses (as defined below) resulting from inaccurate Instructions (e.g., if Client provides the wrong destination address for executing a withdrawal transaction). Custodian does not guarantee the identity of any user, receiver, requestee, or other party to a Custody Transaction. Custodian shall have no liability whatsoever for failure to perform pursuant to such Instructions except in the case of Custodian's gross negligence, fraud, or willful misconduct.
- (h) Unless otherwise directed by Client and confirmed by Custodian in writing, Client expressly acknowledges and agrees that the Platform Provider shall constitute an Authorized Person. Any and all Instructions received by the Custodian, whether electronically or otherwise, from the Platform Provider will be deemed as proper Instructions.

2.4. Digital Asset Deposits and Withdrawals.

- (a) Prior to initiating a deposit of Digital Assets to Custodian, Client must confirm that Custodian offers Custodial Services for that specific Digital Asset. The list of supported Digital Assets is currently available at: <https://www.bitgo.com/resources/coins>. The foregoing list or foregoing URL may be updated or changed from time to time in Custodian's sole discretion. By initiating a deposit of Digital Assets to a Custodial Account, Client attests that Client has confirmed that the Digital Asset being transferred is supported by Custodian.
- (b) Client must initiate any withdrawal request through Client's Custodial Account to a Client wallet address. Custodian will process withdrawal requests for amounts under \$250,000, either in a single transaction or aggregated in a series of transactions, during a rolling 24 hour period without video verification, to a Client-whitelisted address which has been previously used to which Client has made a withdraw to at least once. The time of such a request shall be considered the time of transmission of such notice from Client's Custodial Account. Custodian reserves the right to request video verification for any transaction or series of transactions under the threshold of \$250,000. Custodian will require video verification for withdrawal requests greater than \$250,000 or requests

made to a new address, either in a single transaction or aggregated in a series of transactions, during a rolling 24 hour period; provided, Custodian can require video calls for amounts less than \$250,000 if it deems necessary for security, compliance, or any other purposes in its sole discretion. The initiation of the 24 hour time period to process the withdrawal request shall be considered at the time at which client completes video verification.

- (c) As further set forth in Section 3.5, Client must manage and keep secure any and all information or devices associated with deposit and withdrawal procedures, including YubiKeys and passphrases or other security or confirmation information. Custodian reserves the right to charge or pass through network fees (e.g. miner fees or validator fees) to process a Digital Asset transaction on Client's behalf. Custodian will notify Client of the estimated network fee at or before the time Client authorizes the transaction.

2.5. Access Time.

- (a) Custodian requires up to 24 hours (excluding weekends and US federal holidays) between any request to withdraw Digital Assets or Securities from Client's Custodial Account and submission of Client's withdrawal to the applicable Digital Asset network.
- (b) Custodian reserves the right to take additional time beyond the 24 hour period if such time is required to verify security processes for large or suspicious transactions. Any such processes will be executed reasonably and in accordance with Custodian documented protocols, which may change from time to time at the sole discretion of Custodian.
- (c) Custodian makes no representations or warranties with respect to the availability and/or accessibility of the Digital Assets or Securities. Custodian will make reasonable efforts to ensure that Client initiated deposits are processed in a timely manner, but Custodian makes no representations or warranties regarding the amount of time needed to complete processing of deposits which is dependent upon factors outside of Custodian's control.

2.6. Supported Digital Assets. The Custodial Services are available only in connection with those Digital Assets that Custodian supports (list currently available at <https://www.bitgo.com/resources/coins>). The Digital Assets that Custodian supports may change from time to time in Custodian's discretion. Custodian assumes no obligation or liability whatsoever regarding any unsupported Digital Asset sent or attempted to be sent to it, or regarding any attempt to use the Custodial Services for Digital Assets that Custodian does not support. Custodian may, from time to time, determine types of Digital Assets that will be supported or cease to be supported by the Custodial Services. Custodian will use commercially reasonable efforts to provide Client with thirty (30) days' prior written notice before ceasing to support a Digital Asset, unless Custodian is required to cease such support sooner to comply with Applicable Law or in the event such support creates an urgent security or operational risk in Custodian's reasonable discretion (in which event Custodian will provide as much notice as is practicable under the circumstances). Under no circumstances should Client attempt to use the Custodial Services to deposit or store any Digital Assets that are not supported by Custodian. Depositing or attempting to deposit Digital Assets that are not supported by Custodian will result in such Digital Asset being unretrievable by Client and Custodian.

2.7. Advanced Protocols. Unless specifically announced on the Custodian or Company website, Custodian does not support airdrops, side chains, or other derivative, enhanced, or forked protocols, tokens, or coins which supplement or interact with a Digital Asset supported by Custodian (collectively, "Advanced Protocols"). Client shall not use its Custodial Account to

attempt to receive, request, send, store, or engage in any other type of transaction involving an Advanced Protocol. Custodian assumes absolutely no responsibility whatsoever in respect to Advanced Protocols.

2.8. Operation of Digital Asset Protocols.

- (a) Custodian does not own or control the underlying software protocols which govern the operation of Digital Assets supported on the Custodian platform. By using the Custodial Services, Client acknowledges and agrees that (i) Custodian is not responsible for operation of the underlying protocols and that Custodian makes no guarantee of their functionality, security, or availability; and (ii) the underlying protocols are subject to sudden changes in operating rules (a.k.a. “forks”), and (iii) that such forks may materially affect the value, function, and/or even the name of the Digital Assets that Client stores in Client’s Custodial Account. In the event of a fork, Client agrees that Custodian may temporarily suspend Custodian operations with respect to the affected Digital Assets (with or without advance notice to Client) and that Custodian may, in its sole discretion, decide whether or not to support (or cease supporting) either branch of the forked protocol entirely. Client acknowledges and agrees that Custodian assumes absolutely no liability whatsoever in respect of an unsupported branch of a forked protocol or its determination whether or not to support a forked protocol.
- (b) Client agrees that all “airdrops” (free distributions of certain Digital Assets) and forks will be handled by Custodian pursuant to its fork policy (the “Fork Policy”) (currently available at www.bitgo.com/resources/bitgo-fork-policy). Client acknowledges that Custodian is under no obligation to support any airdrops or forks, or handle them in any manner, except as detailed above and in the Fork Policy. Client further acknowledges that Custodian, at its sole discretion, may update the Fork Policy from time to time and/or the URL at which it is available and Client agrees that Client is responsible for reviewing any such updates. Client is under no obligation to provide notification to Client of any modification to the Fork Policy.

2.9. Account Statements.

- (a) Custodian will provide Client with an electronic account statement every calendar quarter. Each statement will be provided via the Custodian’s website and notice of its posting will be sent via electronic mail.
- (b) The Client will have forty-five (45) days to file any written objections or exceptions with the Custodian after the posting of a Custodial Account statement online. If the Client does not file any objections or exceptions within a forty-five (45) day period, this shall indicate the Client’s approval of the statement and will preclude the Client from making future objections or exceptions regarding the information contained in the statement. Such approval by the Client shall be full acquittal and discharge of Custodian regarding the transactions and information on such statement.
- (c) To value Digital Assets held in the Client’s account, the Custodian will electronically obtain USD equivalent prices from digital asset market data with amounts rounded up to the seventh decimal place to the right. Custodian cannot guarantee the accuracy or timeliness of prices received and the prices are not to be relied upon for any investment decisions for the Client’s account.

- 2.10. Independent Verification.** If Client is subject to Rule 206(4)-2 under the Investment Advisers Act of 1940, Custodian shall, upon written request, provide Client’s authorized independent public accountant confirmation of, or access to, information sufficient to confirm (i) Client’s

Digital Assets as of the date of an examination conducted pursuant to Rule 206(4)-2(a)(4), and (ii) Client's Digital Assets are held either in a separate account under Client's name or in accounts under Client's name as agent or trustee for Client's clients.

2.11. Support and Service Level Agreement. Custodian will use commercially reasonable efforts: (i) to provide reasonable technical support to Client, by email or telephone, during Custodian's normal business hours (9:30 AM to 6 PM ET); (ii) to respond to support requests in a timely manner; (iii) resolve such issues by providing updates and/or workarounds to Client (to the extent reasonably possible and practical), consistent with the severity level of the issues identified in such requests and their impact on Client's business operations; (iv) abide by the terms of the Service Level Agreement currently made available at <https://www.bitgo.com/resources/bitgo-service-level-agreement> (as Service Level Agreement or the URL at which it is made available may be amended from time to time); and (vii) to make Custodial Accounts available via the internet 24 hours a day, 7 days a week.

2.12. Clearing and Settlement Services.

- (a) Custodian may offer clearing and settlement services (the "Settlement Services") that facilitate the settlement of transactions of Digital Assets, Securities, or Fiat Currency between Client and Client's trade counterparty that also has a Custodial Account with Custodian ("Settlement Partner"). Client acknowledges that the Settlement Service is an API product complemented by a Web user interface (UI). Clients may utilize the Settlement Services by way of settlement of one-sided requests with counterparty affirmation or one-sided requests with instant settlement; and two-sided requests with reconciliation. Client understands that the Assets available for use within the Settlement Services may not include all of Client's Assets under custody. For the avoidance of doubt, use of the API product is subject to the terms and conditions set forth in Section 1.4 of this Agreement.
- (b) The Settlement Services allow Client to submit, through the Custodian's settlement platform, a request to settle a purchase or sale of Assets with a Settlement Partner. Client authorizes Custodian to accept Client's cryptographic signature submitted by way of the Settlement Services API. When a cryptographic signature is received by way of the Settlement Services along with the settlement transaction details, Client is authorizing Custodian to act on Client's direction to settle such transaction.
- i. A one-sided request with counterparty affirmation requires Client to submit a request, including its own cryptographic signature on the trade details, via API calls. Custodian will notify the Settlement Partner and lock funds of both parties while waiting for the Settlement Partner to affirm the request. Custodian will settle the trade immediately upon affirmation and the locked funds will be released.
 - ii. A one-sided request with instant settlement requires one side of the trade to submit a request, including cryptographic signatures of both parties to the trade, via API calls. Custodian will settle the trade immediately.
 - iii. A two-sided request with reconciliation requires that both Client and Settlement Partner submit requests via API calls, with each party providing their own cryptographic signatures. Custodian will reconcile the trades and settle immediately upon successful reconciliation.
 - iv. In any one-sided or two sided request, the Settlement Partner must be identified and selected by Client prior to submitting a settlement request.

- v. Client may submit a balance inquiry through the settlement platform, to verify that Settlement Partner has a sufficient balance of the applicable Asset(s) to be transacted before the Parties execute a transaction. This balance inquiry function is to be utilized only for the purpose of executing a trade transaction to ensure the Settlement Partner has sufficient Assets to settle the transaction. Client hereby expressly authorizes and consents to Custodian providing access to such information to Client's Settlement Partner in order to facilitate the settlement.
 - vi. Client and Settlement Partner's Custodial Accounts must have sufficient Assets prior to initiating any settlement request. The full amount of assets required to fulfill a transaction are locked until such order has been completed. All orders are binding on Client and Client's Custodial Account. Custodian does not guarantee that any settlement will be completed by any Settlement Partner. Client may not be able to withdraw an offer (or withdraw its acceptance of an offer) prior to completion of a settlement and Custodian shall not be liable for the completion of any order after a cancellation request has been submitted.
 - vii. Client acknowledges and accepts responsibility for ensuring only an appropriate Authorized Person of its Custodial Account has access to the API key(s).
 - viii. Client further understands and agrees that Client is solely responsible for any decision to enter into a settlement by way of the Settlement Services, including the evaluation of any and all risks related to any such transaction and has not relied on any statement or other representation of Custodian. Client understands that Custodian is a facilitator and not a counterparty to any settlement; and, as a facilitator, Custodian bears no liability with respect to any transaction and does not assume any clearing risk.
 - ix. Any notifications that Client may receive regarding the Settlement Services are Client's responsibility to review in a timely manner.
- (c) Upon execution of the settlement, the Settlement Services shall provide Client, by electronic means, a summary of the terms of the transaction, including: the type of Digital Asset or Securities purchased or sold; the delivery time; and the purchase or sale price. Settlement of a transaction is completed in an omnibus account by way of offsetting ledger transactions.
 - (d) Custodian reserves the right to refuse to settle any transaction, or any portion of any transaction, for any reason, at its sole discretion. Custodian bears no responsibility if any such order was placed or active during any time the Settlement Services system is unavailable or encounters an error; or, if any such order triggers certain regulatory controls.
 - (e) Client understands and agrees that Custodian may charge additional fees for the Settlement Services furnished to Client as indicated in the Fee Schedule attached as Schedule A and any amendments to Schedule A.
 - (f) Clearing and settlement transactions shall be subject to all Applicable Law.

3. USE OF SERVICES.

- 3.1. Company Site and Content.** Custodian hereby grants Client a limited, nonexclusive, non transferable, revocable, royalty-free license, subject to the terms of this Agreement, to access and

use the Company Site and related content, materials, information (collectively, the “Content”) solely for using the Services in accordance with this Agreement. Any other use of the Company Site or Content is expressly prohibited and all other right, title, and interest in the Company Site or Content is exclusively the property of Custodian and its licensors. Client shall not copy, transmit, distribute, sell, license, reverse engineer, modify, publish, or participate in the transfer or sale of, create derivative works from, or in any other way exploit any of the Content, in whole or in part. “www.bitgo.com,” “BitGo,” “BitGo Custody,” and all logos related to the Custodial Services or displayed on the Company Site are either trademarks or registered marks of Custodian or its licensors. Client may not copy, imitate or use them without Custodian’s prior written consent in each instance.

- 3.2. Website Accuracy.** Although Custodian intends to provide accurate and timely information on the Company Site, the Company Site (including, without limitation, the Content, but excluding any portions thereof that are specifically referenced in this Agreement) may not always be entirely accurate, complete, or current and may also include technical inaccuracies or typographical errors. In an effort to continue to provide Client with as complete and accurate information as possible, such information may be changed or updated from time to time without notice, including without limitation information regarding Custodian policies, products and services. Accordingly, Client should verify all information before relying on it, and all decisions based on information contained on the Company Site are Client’s sole responsibility and Custodian shall have no liability for such decisions. Links to third-party materials (including without limitation websites) may be provided as a convenience but are not controlled by Custodian. Custodian is not responsible for any aspect of the information, content, or services contained in any third-party materials or on any third-party sites accessible from or linked to the Company Site.
- 3.3. Third-Party or Non-Permissioned Users.** Client acknowledges that granting permission to a third party or non-permissioned user to take specific actions on Client’s behalf does not relieve Client of any of Client’s responsibilities under this Agreement and may violate the terms of this Agreement. Client is fully responsible for all activities taken on Client’s Custodial Account (including, without limitation, acts or omissions of any third party or non-permissioned user with access to Client’s Custodial Account). Further, Client acknowledges and agrees that Client will not hold Custodian responsible for, and will indemnify, defend and hold harmless the Custodian Indemnitees (as defined below) from and against any Losses arising out of or related to any act or omission of any party using Client’s Custodial Account (including, without limitation, acts or omissions of any third party or non-permissioned user with access to Client’s Custodial Account). Client must notify Custodian immediately if a third party or non-permissioned user accesses or connects to Client’s Custodial Account by contacting Client’s Custodial Account representative or by emailing security@bitgo.com from the email address associated with Client’s Custodial Account.
- 3.4. Prohibited Use.** Client acknowledges and agrees that Custodian may monitor use of the Services and the resulting information may be utilized, reviewed, retained and or disclosed by Custodian in aggregated and non-identifiable forms for its legitimate business purposes or in accordance with Applicable Law. Client will not use the Services, directly or indirectly via the Developer Application, to: (i) upload, store or transmit any content that is infringing, libelous, unlawful, tortious, violate privacy rights, or that includes any viruses, software routines or other code designed to permit unauthorized access, disable, erase, or otherwise harm software, hardware, or data; (ii) engage in any activity that interferes with, disrupts, damages, or accesses in an unauthorized manner the Services, servers, networks, data, or other properties of Custodian or of its suppliers or licensors; (iii) develop, distribute, or make available the Developer Application in any way in furtherance of criminal, fraudulent, or other unlawful activity; (iv) make the

Services available to, or use any Services for the benefit of, anyone other than Client or end users of the Developer Application; (v) sell, resell, license, sublicense, distribute, rent or lease any Services, or include any Services in a Services bureau or outsourcing offering; (vi) permit direct or indirect access to or use of any Services in a way that circumvents a contractual usage limit; (vii) obscure, remove, or destroy any copyright notices, proprietary markings or confidential legends; (viii) to build a competitive product or service; (ix) distribute the Developer Application in source code form in a manner that would disclose the source code of the Services; or (x) reverse engineer, decrypt, decompile, decode, disassemble, or otherwise attempt to obtain the human readable form of the Services, to the extent such restriction is permitted by applicable law. Client will comply with the restrictions set forth in Appendix 1.

3.5. Security; Client Responsibilities.

- (a) Client is responsible for maintaining adequate security and control of any and all Client Keys, IDs, passwords, hints, personal identification numbers, non-custodial wallet keys, API keys, yubikeys, 2-factor authentication devices or backups, or any other codes that Client uses to access the Services. Any loss or compromise of the foregoing information and/or Client's personal information may result in unauthorized access to Client's Custodial Account by third parties and the loss or theft of Assets. Client is responsible for keeping Client's email address and telephone number up to date in Client's profile in order to receive any notices or alerts that Custodian may send Client. Custodian assumes no responsibility for any loss that Client may sustain due to compromise of login credentials due to no fault of Custodian and/or failure to follow or act on any notices or alerts that Custodian may send to Client. In the event Client believes Client's Custodial Account information has been compromised, Client will contact Custodian Support immediately at security@bitgo.com.
- (b) Client will ensure that all Authorized Persons will be adequately trained to safely and securely access the Services, including understanding of general security principles regarding passwords and physical security of computers, keys, and personnel.
- (c) Client will immediately notify Custodian of any unauthorized access, use or disclosure of Client's Account credentials, or any relevant breach or suspected breach of security (including breach of Client's systems, networks or developer applications). Client will provide Custodian with all relevant information Custodian reasonably requests to assess the security of the assets, Custodial Accounts and wallets.

3.6. Taxes. The Client will, for all tax purposes, be treated as the owner of all Assets held by the Custodian pursuant to this Agreement. It is the Client's sole responsibility to determine whether and to what extent Taxes and Tax reporting obligations may apply to the Client with respect to its Assets, Custodial Accounts, and transactions, and the Client will timely pay all such taxes and will file all returns, reports, and disclosures required by Applicable Law. Client is solely responsible for any taxes applicable to any deposits or withdrawals Client conducts through the Custodial Services, and for withholding, collecting, reporting, and/or remitting the correct amount of taxes to the appropriate tax authorities. Client's deposit and withdrawal history is available by accessing Client's Custodial Account through the Company Site or by contacting Custodian directly. If Custodian or an affiliate of Custodian has a legal obligation to pay or collect taxes for which Client is responsible, Client will be invoiced for the relevant amount and Client will pay that amount unless Client provides the Custodian or relevant affiliate of Custodian with a valid tax exemption certificate authorized by the appropriate taxing authority.

3.7. Third Party Providers. Client acknowledges and agrees that the Services may be provided from time to time by, through or with the assistance of affiliates of or vendors to Custodian, including

BitGo Inc. as described above. Custodian shall remain liable for its obligations under this Agreement in the event of any breach of this Agreement caused by such affiliates or any vendor.

3.8. Developer Applications.

- (a) Subject to Custodian's acceptance of Client as a developer, and subject to Client's performance of its obligations under this Agreement, Custodian grants Client a nonassignable, non-transferrable, revocable, personal and non-exclusive license under Custodian's applicable intellectual property rights to use and reproduce the Custodian software development kit for Developer Applications.
- (b) Client agrees that all end users of any Developer Application will be subject to the same use restrictions that bind Client under this Agreement (including under Section 3.4 (Prohibited Use) and Appendix 1).
- (c) Client is solely responsible and has sole liability for Client's end users that access or use the Services via the Developer Application and all acts or omissions taken by such end users will be deemed to have been taken (or not taken) by Client. Client is responsible for the accuracy, quality and legality of Developer Application content and user data. Client will comply with, and ensure that Client's Developer Application and end users comply with all Applicable Law.

4. CUSTODIAN OBLIGATIONS.

- 4.1. Insurance.** Custodian will obtain and/or maintain insurance coverage in such types and amounts as are commercially reasonable for the Custodial Services provided hereunder. Client acknowledges that any insurance related to theft of Digital Assets will apply to Custodial Services only (where keys are held by Custodian) and not Wallet Services for non-custodial accounts (where keys are held by Client).
- 4.2. Standard of Care.** Custodian will use commercially reasonable efforts in performing its obligations under this Agreement. Subject to the terms of this Agreement, Custodian shall not be responsible for any loss or damage suffered by Client as a result of the Custodian performing such duties unless the same results from an act of gross negligence, fraud, or willful misconduct on the part of the Custodian. Custodian shall not be responsible for the title, validity or genuineness of any of the Assets (or any evidence of title thereto) received or delivered by it pursuant to this Agreement.
- 4.3. Business Continuity Plan.** Custodian has established a business continuity plan that will support its ability to conduct business in the event of a significant business disruption ("SBD"). This plan is reviewed and updated annually, and can be updated more frequently, if deemed necessary by Custodian in its sole discretion. Should Custodian be impacted by an SBD, Custodian aims to minimize business interruption as quickly and efficiently as possible. To receive more information about Custodian's business continuity plan, please send a written request to security@bitgo.com.

5. TERM; TERMINATION.

- 5.1. Initial Term; Renewal Term.** This Agreement will commence on the Effective Date and will continue for one (1) year, unless earlier terminated in accordance with the terms of this Agreement (the "Initial Term"). After the Initial Term, this Agreement will automatically renew for successive one-year periods (each a "Renewal Term"), unless either party notifies the other of its intention not to renew at least sixty (60) days prior to the expiration of the then-current Term. "Term" means the Initial Term and any Renewal Term.

5.2. Termination for Breach. Either party may terminate this Agreement if the other party breaches a material term of this Agreement and fails to cure such breach within thirty (30) calendar days following written notice thereof from the other party.

5.3. Suspension, Termination, or Cancellation by Custodian.

(a) Custodian may suspend or restrict Client's access to the Custodial Services and/or deactivate, terminate or cancel Client's Custodial Account if:

- i. Custodian is so required by a facially valid subpoena, court order, or binding order of a government authority;
- ii. Custodian reasonably suspects Client of using Client's Custodial Account in connection with a Prohibited Use or Prohibited Business, as set forth in Appendix 1 to this Agreement;
- iii. Custodian perceives a risk of legal or regulatory non-compliance associated with Client's Custodial Account activity or the provision of the Custodial Account to Client by Custodian (including but not limited to any risk perceived by Custodian in the review of any materials, documents, information, statements or related materials provided by Client after execution of this Agreement);
- iv. Custodian service partners are unable to support Client's use;
- v. Client takes any action that Custodian deems as circumventing Custodian's controls, including, but not limited to, opening multiple Custodial Accounts, abusing promotions which Custodian may offer from time to time, or otherwise misrepresenting of any information set forth in Client's Custodial Account;
- vi. Client fails to pay fees for a period of 90 days; or
- vii. Client's Custodial Account has no Digital Assets, Fiat Currency, or Securities for 180 consecutive days.

(b) If Custodian suspends or restricts Client's access to the Custodial Services and/or deactivates, terminates or cancels Client's Custodial Account for any reason, Custodian will provide Client with notice of Custodian's actions via email unless prohibited by Applicable Law. Client acknowledges that Custodian's decision to take certain actions, including limiting access to, suspending, or closing Client's Custodial Account, may be based on confidential criteria that are essential to Custodian's compliance, risk management, or and security protocols. Client agrees that Custodian is under no obligation to disclose the details of any of its internal risk management and security procedures to Client.

(c) If Custodian terminates Client's Custodial Account, this Agreement will automatically terminate on the later of (i) the effective date of such cancellation or (ii) the date on which all of Client's funds are withdrawn.

5.4. Effect of Termination. On termination of this Agreement, (A) Client will shall withdraw all Assets associated with Client's Custodial Account within ninety (90) days after Custodial Account termination or cancellation unless such withdrawal is prohibited by Applicable Law (including but not limited to applicable sanctions programs or a facially valid subpoena, court order, or binding order of a government authority); (B) Client will pay all fees owed or accrued to Custodian through the date of Client's withdrawal of funds, which may include any applicable withdrawal fee; (C) Client authorizes Custodian to cancel or suspend any pending deposits or withdrawals as of the effective date of termination; and (D) the definitions set forth in this Agreement and Sections 1. 7, 1. 8, 5.4, 6, 8, 9.1, 10, 11, and 12 will survive.

5.5. Early Termination. Client may terminate this Agreement before the end of the current term if Client: (a) provides Custodian at least thirty (30) days written notice of Client's intent to exercise

its termination right under this Section, (b) pays all outstanding amounts due under this Agreement through the date of termination and (c) pays a one-time early termination fee equal to the highest monthly fees due, excluding any Onboarding Fee, for any month of Services before such termination multiplied by the number of months remaining in the term, including partial months (the “Early Termination Fee”). Such termination will not be deemed effective unless and until (1) Client removes all assets from Custodial Accounts and Wallet Services, and (2) BitGo receives such Early Termination Fee, which Client understands and acknowledges will not be deemed a penalty but a figure reasonably calculated to reflect remaining payment due to Custodian in return for Client’s term commitment. Client may not cancel the subscription of Services before the expiration of their current term, except as specified herein.

6. DISPUTE RESOLUTION. THE PARTIES AGREE THAT ALL CONTROVERSIES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE USE OF THE SERVICES (“DISPUTES”), WHETHER ARISING PRIOR, ON, OR SUBSEQUENT TO THE EFFECTIVE DATE, SHALL BE ARBITRATED AS FOLLOWS: The Parties irrevocably agree to submit all Disputes between them to binding arbitration conducted under the Commercial Dispute Resolution Procedures of the American Arbitration Association (the “AAA”), including the Optional Procedures for Large Complex Commercial Disputes. The place and location of the arbitration shall be in Sioux Falls, South Dakota. All arbitration proceedings shall be closed to the public and confidential and all related records shall be permanently sealed, except as necessary to obtain court confirmation of the arbitration award. The arbitration shall be conducted before a single arbitrator selected jointly by the parties. The arbitrator shall be a retired judge with experience in custodial and trust matters under South Dakota law. If the parties are unable to agree upon an arbitrator, then the AAA shall choose the arbitrator. The language to be used in the arbitral proceedings shall be English. The arbitrator shall be bound to the strict interpretation and observation of the terms of this Agreement and shall be specifically empowered to grant injunctions and/or specific performance and to allocate between the parties the costs of arbitration, as well as reasonable attorneys’ fees and costs, in such equitable manner as the arbitrator may determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either party shall have the right, without waiving any right or remedy available to such party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such party, pending the selection of the arbitrator hereunder or pending the arbitrator’s determination of any dispute, controversy or claim hereunder.

7. REPRESENTATIONS, WARRANTIES, AND COVENANTS.

7.1. By Client. Client represents, warrants, and covenants to Custodian that:

- (a) To the extent applicable, Client operates in full compliance with all Applicable Law in each jurisdiction in which Client operates, including without limitation applicable securities and commodities laws and regulations, efforts to fight the funding of terrorism and money laundering, sanctions regimes, licensing requirements, and all related regulations and requirements. Client ensures full compliance with all Applicable Laws in each jurisdiction where they engage in activities. This includes adherence to laws and regulations on securities and commodities, combating

terrorism financing and money laundering, sanctions, licensing requirements, and other relevant legal obligations and requirements.

- (b) To the extent Client creates receive addresses to receive Digital Assets from third-parties, Client represents and warrants that the receipt of said Digital Assets is based on lawful activity.
- (c) Client shall have conducted and satisfied any and all due diligence procedures required by Applicable Law with respect to such third parties prior to placing with Custodian any Digital Assets, Securities or Fiat Currency associated with such third party.
- (d) Client will not use any Services for any illegal activity, including without limitation illegal gambling, money laundering, fraud, blackmail, extortion, ransoming data, the financing of terrorism, other violent activities or any prohibited market practices, including without limitation the prohibited activities and business set forth in Appendix 1.
- (e) To the extent applicable, Client is currently and will remain at all times in good standing with all relevant government agencies, departments, regulatory or supervisory bodies in all relevant jurisdictions in which Client does business and Client will immediately notify Custodian if Client ceases to be in good standing with any applicable regulatory authority;
- (f) Client will promptly provide such information as Custodian may reasonably request from time to time regarding: (i) Client's policies, procedures, and activities which relate to the Custodial Services in any manner, as determined by Custodian in its sole and absolute discretion; and (ii) any transaction which involves the use of the Services, to the extent reasonably necessary to comply with Applicable Law, or the guidance or direction of, or request from any regulatory authority or financial institution, provided that such information may be redacted to remove confidential commercial information not relevant to the requirements of this Agreement;
- (g) Client either owns or possesses lawful authorization to transact with all Assets involved in the Custody Transactions;
- (h) Client has the full capacity and authority to enter into and be bound by this Agreement and the person executing or otherwise accepting this Agreement for Client has full legal capacity and authorization to do so;
- (i) All information provided by Client to Custodian in the course of negotiating this Agreement and the on-boarding of Client as Custodian's customer and user of the Custodial Services is complete, true, and accurate in all material respects, including with respect to the ownership of Client, no material information has been excluded; and no other person or entity has an ownership interest in Client except for those disclosed in connection with such onboarding; and
- (j) Client is not owned in part or in whole, nor controlled by any person or entity that is, nor is it conducting any activities on behalf of, any person or entity that is (i) the subject of any sanctions administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, or any other Governmental Authority with jurisdiction over Custodian or its affiliates with respect to U.S. sanctions laws; (ii) identified on the Denied Persons, Entity, or Unverified Lists of the U.S. Department of Commerce's Bureau of Industry and Security; or (iii) located, organized or resident in a country or territory that is, or whose government is, the subject of U.S. economic sanctions, including, without limitation, the Crimean, Donetsk, and Luhansk regions of Ukraine, Cuba, Iran, North Korea, or Syria.

7.2. By Custodian. Custodian represents, warrants, and covenants to Client that:

- (a) Custodian will safekeep the Digital Assets and segregate all Digital Assets from both the (i) property of Custodian, and (ii) assets of other customers of Custodian, except for Digital Assets specifically moved into shared accounts by Client;
- (b) Custodian will maintain adequate capital and reserves to the extent required by Applicable Law;
- (c) Custodian is duly organized, validly existing and in good standing under the applicable South Dakota laws, has all corporate powers required to carry on its business as now conducted, and is duly qualified to do business in each jurisdiction where such qualification is necessary; and
- (d) Custodian has the full capacity and authority to enter into and be bound by this Agreement and the person executing or otherwise accepting this Agreement for Custodian has full legal capacity and authorization to do so.

7.3. Notification. Without limitation of either party's rights or remedies, each party shall immediately notify the other party if, at any time after the Effective Date, any of the representations, warranties, or covenants made by it under this Agreement fail to be true and correct as if made at and as of such time. Such notice shall describe in reasonable detail the representation, warranty, or covenant affected, the circumstances giving rise to such failure and the steps the notifying party has taken or proposes to take to rectify such failure.

8. DISCLAIMER. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, CUSTODIAN SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND/OR NON-INFRINGEMENT. CUSTODIAN DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES THAT ACCESS TO THE COMPANY SITE, ANY PART OF THE SERVICES, OR ANY OF THE MATERIALS CONTAINED IN ANY OF THE FOREGOING WILL BE CONTINUOUS, UNINTERRUPTED, OR TIMELY; BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM OR OTHER SERVICES; OR BE SECURE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR-FREE.

9. CONFIDENTIALITY, PRIVACY, DATA SECURITY.

9.1. Confidentiality.

- (a) As used in this Agreement, "Confidential Information" means any non-public, confidential or proprietary information of a party ("Discloser") including, without limitation information relating to Discloser's business operations or business relationships, financial information, pricing information, business plans, customer lists, data, records, reports, trade secrets, software, formulas, inventions, techniques, and strategies. A party receiving Confidential Information of Discloser ("Recipient") will not disclose it to any unrelated third party without the prior written consent of the Discloser, except as provided in subsection (B) below and has policies and procedures reasonably designed to create information barriers with respect to such party's officers, directors, agents, employees, affiliates, consultants, contractors and professional advisors. Recipient will protect such Confidential Information from unauthorized access, use and disclosure. Recipient shall not use

Discloser's Confidential Information for any purpose other than to perform its obligations or exercise its rights under this Agreement. The obligations herein shall not apply to any (i) information that is or becomes generally publicly available through no fault of Recipient, (ii) information that Recipient obtains from a third party (other than in connection with this Agreement) that, to recipient's best knowledge, is not bound by a confidentiality agreement prohibiting such disclosure; or (iii) information that is independently developed or acquired by Recipient without the use of or reference to Confidential Information of Discloser.

- (b) Notwithstanding the foregoing, Recipient may disclose Confidential Information of Discloser to the extent required under Applicable Law; provided, however, Recipient shall first notify Discloser (to the extent legally permissible) and shall afford Discloser a reasonable opportunity to seek a protective order or other confidential treatment. For the purposes of this Agreement, no affiliate of Custodian shall be considered a third party and Custodian may share Client's Confidential Information with affiliates, as authorized by Client; provided that Custodian causes such entity to undertake the obligations in this Section 9.1.
- (c) Confidential Information includes all documents and other tangible objects containing or representing Confidential Information and all copies or extracts thereof or notes derived therefrom that are in the possession or control of Recipient and all of the foregoing shall be and remain the property of the Discloser. Confidential Information shall include the existence and the terms of this Agreement. At Discloser's request or on termination of this Agreement (whichever is earlier), Recipient shall return or destroy all Confidential Information; provided, however, Recipient may retain one copy of Confidential Information (i) if required by law or regulation, or (ii) pursuant to a bona fide and consistently applied document retention policy; provided, further, that in either case, any Confidential Information so retained shall remain subject to the confidentiality obligations of this Agreement. For the avoidance of doubt, aggregated Depersonalized Information (as hereinafter defined) shall not be Confidential Information. "Depersonalized Information" means data provided by or on behalf of Client in connection with the Custodial Services and all information that is derived from such data, that has had names and other personal information removed such that it is not reasonably linkable to any person, company, or device.

9.2. Privacy. Client acknowledges that Client has read the BitGo Privacy Notice, available at <https://www.bitgo.com/privacy>.

9.3. Security. Custodian has implemented and will maintain a reasonable information security program that includes policies and procedures that are reasonably designed to safeguard Custodian's electronic systems and Client's Confidential Information from, among other things, unauthorized disclosure, access, or misuse, including, by Custodian and its affiliates. In the event of a data security incident Custodian will provide all notices required under Applicable Law.

10. INDEMNIFICATION.

10.1. Indemnity. Client will defend, indemnify and hold harmless Custodian, its affiliates and service providers, and each of its or their respective officers, directors, agents, employees, and representatives, from and against any liabilities, damages, losses, costs and expenses, including but not limited to reasonable attorneys' fees and costs resulting from any third-party claim, demand, action or proceeding (a "Claim") arising out of or related to Client's (i) use of Services; (ii) breach of this Agreement, or (iii) violation of any Applicable Law in connection with its use of Services.

10.2. Indemnification Process.

- (a) Custodian will (i) provide Client with prompt notice of any indemnifiable Claim under Section 10.1 (provided that the failure to provide prompt notice shall only relieve Client of its obligation to the extent it is materially prejudiced by such failure and can demonstrate such prejudice); (ii) permit Client to assume and control the defense of such action upon Client's written notice to Custodian of Client's intention to indemnify, with counsel acceptable to Custodian in its reasonable discretion; and (iii) upon Client's written request, and at no expense to Custodian, provide to Client all available information and assistance reasonably necessary for Client to defend such Claim. Custodian shall be permitted to participate in the defense and settlement of any Claim with counsel of Custodian's choice at Custodian's expense (unless such retention is necessary because of Client's failure to assume the defense of such Claim, in which event Client shall be responsible for all such fees and costs). Client will not enter into any settlement or compromise of any such Claim, which settlement or compromise would result in any liability to any Custodian Indemnitee or constitute any admission of or stipulation to any guilt, fault or wrongdoing, without Custodian's prior written consent.
- (b) Client acknowledges and agrees that any Losses imposed on Custodian (whether in the form of fines, penalties, or otherwise) as a result of a violation by Client of any Applicable Law, may at Custodian's discretion, be passed on to Client and Client acknowledges and represents that Client will be responsible for payment to Custodian of all such Losses.

11. LIMITATIONS OF LIABILITY.

- 11.1. NO CONSEQUENTIAL DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND SUBJECT TO THE EXCEPTIONS PROVIDED IN SECTION 11.3 BELOW, IN NO EVENT SHALL CUSTODIAN, ITS AFFILIATES AND SERVICE PROVIDERS, OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES OR REPRESENTATIVES, BE LIABLE FOR ANY LOST PROFITS OR ANY SPECIAL, INCIDENTAL, INDIRECT, INTANGIBLE, OR CONSEQUENTIAL DAMAGES, WHETHER BASED IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, ARISING OUT OF OR IN CONNECTION WITH AUTHORIZED OR UNAUTHORIZED USE OF THE COMPANY SITE OR THE SERVICES, OR THIS AGREEMENT, EVEN IF CUSTODIAN HAS BEEN ADVISED OF OR KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.
- 11.2. LIMITATION ON DIRECT DAMAGES.** TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW AND SUBJECT TO THE EXCEPTIONS PROVIDED IN SECTION 11.3 BELOW, IN NO EVENT SHALL THE AGGREGATE LIABILITY OF CUSTODIAN, ITS AFFILIATES AND SERVICE PROVIDERS, OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, EMPLOYEES OR REPRESENTATIVES, EXCEED THE FEES PAID OR PAYABLE TO CUSTODIAN UNDER THIS AGREEMENT DURING THE 3-MONTH PERIOD IMMEDIATELY PRECEDING THE FIRST INCIDENT GIVING RISE TO SUCH LIABILITY.
- 11.3. EXCEPTIONS TO EXCLUSIONS AND LIMITATIONS OF LIABILITY.** THE EXCLUSIONS AND LIMITATIONS OF LIABILITY IN SECTION 11.1 AND SECTION 11.2 WILL NOT APPLY TO CUSTODIAN'S FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE. CUSTODIAN'S LIABILITY FOR GROSS NEGLIGENCE SHALL BE LIMITED TO THE VALUE OF THE AFFECTED ASSETS .

12. MISCELLANEOUS.

- 12.1. Notice.** All notices under this Agreement shall be given in writing, in the English language, and shall be deemed given when personally delivered, when sent by email, or three days after being sent by prepaid certified mail or internationally recognized overnight courier to the addresses set forth in the signature blocks below (or such other address as may be specified by party following written notice given in accordance with this Section).
- 12.2. Publicity.** Client hereby consents to Custodian's identification of Client as a customer of the Services, including in marketing and/or investor materials, and Custodian hereby consents to Client's use of Custodian's name and/or approved logos or promotional materials to identify Custodian as its custodial service provider as contemplated by this Agreement. Notwithstanding the foregoing, Custodian may revoke its consent to such publicity under this Section at any time for any reason, and upon notice, Client will cease any further use of Custodian's name, logos, and trademarks and remove all references and/or postings identifying Custodian as soon as possible.
- 12.3. Entire Agreement.** This Agreement, any appendices or attachments to this Agreement, the BitGo Privacy Policy, and all disclosures, notices or policies available on the BitGo website that are specifically referenced in this Agreement, comprise the entire understanding and agreement between Client and Custodian as to the Custodial Services, and supersedes any and all prior discussions, agreements, and understandings of any kind (including without limitation any prior versions of this Agreement) and every nature between and among Client and Custodian with respect to the subject matter hereof. Section headings in this Agreement are for convenience only and shall not govern the meaning or interpretation of any provision of this Agreement.
- 12.4. Computer Viruses.** Custodian shall not bear any liability, whatsoever, for any damage or interruptions caused by any computer viruses, spyware, scareware, Trojan horses, worms or other malware that may affect Client's computer or other equipment, or any phishing, spoofing or other attack, unless such damage or interruption directly resulted from Custodian's gross negligence, fraud, or willful misconduct. Custodian advises the regular use of a reputable and readily available virus screening and prevention software. Client should also be aware that SMS and email services are vulnerable to spoofing and phishing attacks and should use care in reviewing messages purporting to originate from Custodian. Client should always log into Client's Custodial Account through the Company Site to review any deposits or withdrawals or required actions if Client has any uncertainty regarding the authenticity of any communication or notice.
- 12.5. No Waiver.** The waiver by a party of any breach or default will not constitute a waiver of any different or subsequent breach or default.
- 12.6. Amendments.** Any modification or addition to this Agreement must be in a writing signed by a duly authorized representative of each of the parties. Client agrees that Custodian shall not be liable to Client or any third party for any modification or termination of the Custodial Services, or suspension or termination of Client's access to the Custodial Services, except to the extent otherwise expressly set forth herein.
- 12.7. Assignment.** Client may not assign any rights and/or licenses granted under this Agreement without the prior written consent of Custodian. Custodian may not assign any of its rights without the prior written consent of Client; except that Custodian may assign this Agreement without the prior consent of Client to any Custodian affiliates or subsidiaries or pursuant to a transfer of all or substantially all of Custodian's business and assets, whether by merger, sale of assets, sale of stock, or otherwise. Any attempted transfer or assignment in violation hereof shall be null and void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their successors, and permitted assigns.

- 12.8. Severability.** If any provision of this Agreement shall be determined to be invalid or unenforceable, such provision will be changed and interpreted to accomplish the objectives of the provision to the greatest extent possible under any applicable law and the validity or enforceability of any other provision of this Agreement shall not be affected.
- 12.9. Survival.** All provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including, without limitation, sections pertaining to suspension or termination, Custodial Account cancellation, debts owed to Custodian, general use of the Company Site, disputes with Custodian, indemnification, and general provisions, shall survive the termination or expiration of this Agreement.
- 12.10. Governing Law.** The laws of the State of South Dakota, without regard to principles of conflict of laws, will govern this Agreement and any claim or dispute that has arisen or may arise between Client and Custodian, except to the extent governed by federal law of the United States of America.
- 12.11. Force Majeure.** Custodian shall not be liable for delays, suspension of operations, whether temporary or permanent, failure in performance, or interruption of service which result directly or indirectly from any cause or condition beyond the reasonable control of Custodian, including but not limited to, any delay or failure due to any act of God, natural disasters, act of civil or military authorities, act of terrorists, including but not limited to cyber-related terrorist acts, hacking, government restrictions, exchange or market rulings, civil disturbance, war, strike or other labor dispute, fire, interruption in telecommunications or Internet services or network provider services, failure of equipment and/or software, other catastrophe or any other occurrence which are beyond the reasonable control of Custodian.
- 12.12. Relationship of the Parties.** Nothing in this Agreement shall be deemed or is intended to be deemed, nor shall it cause, Client and Custodian to be treated as partners, joint ventures, or otherwise as joint associates for profit, or either Client or Custodian to be treated as the agent of the other.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, this Agreement is executed as of the Effective Date.

BITGO TRUST COMPANY, INC.

[CLIENT NAME]

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

Address for Notice:

Address for Notice:

6216 Pinnacle Place
Suite 101
Sioux Falls, SD 57108
Attn: Legal
Email: legal@bitgo.com

Attn:

Email:

APPENDIX 1: PROHIBITED USE, PROHIBITED BUSINESSES AND CONDITIONAL USE

1.1 Prohibited Use. Client may not use Client's Custodial Account to engage in the following categories of activity ("Prohibited Uses"). The Prohibited Uses extend to any third party that gains access to the Custodial Services through Client's account or otherwise, regardless of whether such third party was authorized or unauthorized by Client to use the Custodial Services associated with the Custodial Account. The specific types of use listed below are representative, but not exhaustive. If Client is uncertain as to whether or not Client's use of Custodial Services involves a Prohibited Use, or have questions about how these requirements applies to Client, please contact Custodian at trustonboarding@bitgo.com.

By opening a Custodial Account, Client confirms that Client will not use Client's Custodial Account to do any of the following:

- **Unlawful Activity:** Activity which would violate, or assist in violation of any law, statute, ordinance, or regulation, sanctions programs administered in the countries where Custodian conducts business, including, but not limited to, the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), or which would involve proceeds of any unlawful activity; publish, distribute or disseminate any unlawful material or information.
- **Abusive Activity:** Actions which impose an unreasonable or disproportionately large load on Custodian's infrastructure, or detrimentally interfere with, intercept, or expropriate any system, data, or information; transmit or upload any material to the Site that contains viruses, Trojan horses, worms, or any other harmful or deleterious programs; attempt to gain unauthorized access to the Site, other Custodial Accounts, computer systems or networks connected to the Site, through password mining or any other means; use Custodial Account information of another party to access or use the Site; or transfer Client's Custodial Account access or rights to Client's Custodial Account to a third party, unless by operation of law or with the express permission of Custodian.
- **Abuse Other Users:** Interfere with another Custodian user's access to or use of any Custodial Services; defame, abuse, extort, harass, stalk, threaten or otherwise violate or infringe the legal rights (such as, but not limited to, rights of privacy, publicity and intellectual property) of others; incite, threaten, facilitate, promote, or encourage hate, racial intolerance, or violent acts against others; harvest or otherwise collect information from the Site about others, including, without limitation, email addresses, without proper consent.
- **Fraud:** Activity which operates to defraud Custodian, Custodian users, or any other person; provide any false, inaccurate, or misleading information to Custodian.
- **Gambling:** Lotteries; bidding fee auctions; sports forecasting or odds making; fantasy sports leagues with cash prizes; Internet gaming; contests; sweepstakes; games of chance.
- **Intellectual Property Infringement:** Engage in transactions involving items that infringe or violate any copyright, trademark, right of publicity or privacy or any other proprietary right under the law, including but not limited to sales, distribution, or access to counterfeit music, movies, software, or other licensed materials without the appropriate authorization from the rights holder; use of Custodian intellectual property, name, or logo, including use of Custodian trade or service marks, without express consent from Custodian or in a manner that otherwise harms Custodian, or Custodian's brand; any action that implies an untrue endorsement by or affiliation with Custodian.

- **Written Policies:** Client may not use the Custodial Account or the Custodial Services in a manner that violates, or is otherwise inconsistent with, any operating instructions promulgated by Custodian.

1.2. Prohibited Businesses. The following categories of businesses, business practices, and sale items are barred from the Custodial Services (“Prohibited Businesses”). The specific types of use listed below are representative, but not exhaustive. If Client is uncertain as to whether or not Client’s use of the Custodial Services involves a Prohibited Business or has questions about how these requirements apply to Client, please contact us at trustinboarding@bitgo.com.

By opening a Custodial Account, Client confirms that Client will not use the Custodial Services in connection with any of the following businesses, activities, practices, or items:

- Individuals convicted of an offense related to drug trafficking, financial crimes, arms trafficking, human smuggling, or human trafficking
- Individuals or entities that own or operate virtual currency mixers or wallets with built-in mixers.
- Shell banks (a shell bank is a financial institution that does not have a physical presence in any country, unless it is controlled by, or is under common control with, a depository institution, credit union, or another foreign financial institution that maintains a physical presence either in the U.S. or a foreign country).
- Anonymous and fictitiously named accounts
- Companies that issue bearer shares.
- Business involved in the sale of narcotics or controlled substances.
- Any individual or entity designated under any trade, economic, or financial sanctions laws, regulations, embargoes, or restrictive measures imposed, administered, or enforced by the U.S. or the United Nations, including Specially Designated Nationals (“SDNs”) and Blocked Persons.
- Any unlicensed/unregulated banks, remittance agents, exchanges houses, casa de cambio, bureaux de change or money transfer agents.
- Individuals and entities who trade in conflict diamonds, which are rough diamonds that have not been certified in accordance with the Kimberley Process Certification Scheme.
- Individuals and entities designated as a Primary Money Laundering Concern by the U.S. Treasury under Section 311 of the USA PATRIOT Act.
- Any foreign banks operating with a banking license issued by a foreign country that has been designated as non-cooperative with international AML principles or procedures by FATF; or a banking license issued by a foreign country that has been designated by the Secretary of the Treasury as warranting special measures due to money laundering concerns.

BITGO CUSTODIAL SERVICES AGREEMENT FEE SCHEDULE A AND ADDITIONAL TERMS

This Schedule A forms part of the Custodial Services Agreement by and between Client and Custodian (the "Agreement") and is effective as of the Effective Date. The parties hereto agree that the fees associated with Services (as defined below) for Client shall be as set forth below. All capitalized terms not defined herein shall have the meaning ascribed in the Agreement.

I. Expanded Definition of Services. Under this fee structure, Client may be provided access to additional services provided by Custodian or its affiliates. As such, the definition of “Services” as used in the Agreement shall be modified to mean Custodial Services, Wallet Services and the additional services set forth below. **Each additional service is subject to additional terms and conditions and risk disclosures as set forth in Appendix 1 to this Fee Schedule.**

- MMI Services, including access to one or more MMI wallets.
- NFT Custody.
- Staking (where available).

II. Fees. The Fees associated with Services for Client are as follows:

1. Onboarding Fee.

The Client implementation fee set forth below is a one-time flat fee assessed to cover onboarding and implementation costs (the “Onboarding Fee”).

The Onboarding Fee will be \$ _____.

2. Digital Asset Storage Fee and Fixed Monthly Fee.

The “Digital Asset Storage Fee” is calculated at the end of each calendar month based on the aggregate USD market value of average holdings held by Client in (i) Custodial Accounts, (ii) wallets provided as Wallet Services; and (iii) MMI wallets.

Throughout the Term, Client will be assessed a fixed monthly Asset Storage Fee (subject to overage fees), as set forth below:

Product	Fixed Monthly Storage Fee
Wallet Services (exclusive of NFT holdings)	

Custodial Accounts (exclusive of NFT holdings)	\$ _____
MMI wallets (exclusive of NFT holdings)	
NFTs held in Wallet Services, Custodial Accounts and MMI wallets	

The Digital Asset Storage Fee is a tiered fee, as applicable, as defined in the schedule below. Tiers are cumulative.

Digital Asset Storage Fee:	
Range of Digital Assets Stored (\$ USD)¹	Basis Points (bps)
0 to \$[_____]	Included as part of the Fixed Monthly Asset Storage Fee
\$[_____] or greater	[] bps per month “Overage Fee”

Fiat Currency Transaction Fees:

Transaction Type	Transaction Fee	Frequency
Wire - Domestic (in)	\$0	Per Transaction
Wire - Domestic (out)	\$15	Per Transaction

¹ For the purpose of calculating fees, please consult: <https://www.bitgo.com/resources/price-feeds> for current information on how BitGo computes USD value of digital currencies.

Wire - International (in)	\$15	Per Transaction
Wire - International (out)	\$25	Per Transaction
Wire - Recall	\$50	Per Transaction
ACH (in/out)	\$0.40	Per Transaction
ACH - Chargeback	\$15	Per Non-Sufficient Funds Paid & Returned
Fraudulent Return	\$150	Per Return

3. Transaction Fees.

Transaction fees are charged at the end of each calendar month based on all outgoing transactions from Custodial Accounts and Wallet Services during that month. However:

- Transaction Fees shall not be charged on outgoing transactions from MMI wallets.
- Transaction Fees shall not be charged on internal transfers by Client between Client’s Custodial Accounts, Wallet Services and MMI wallets.

Transaction Fees are exclusive of any network fees charged by the underlying blockchain, and these network fees shall be collected from Client.

Transaction Fees are tiered, as applicable, as defined in the schedule below. Transaction Fees are cumulative and as defined in the schedule below, based on the aggregate USD market value of the Transaction Volume (i.e., all outgoing transactions from Custodial Accounts and Wallet Services) during that month. Tiers are cumulative.

Transaction Fee:	
Range of Transaction Volume (\$ USD)²	Basis Points (bps)
Up to \$[_____]	Included as part of the Fixed Monthly Digital Asset Storage Fee

² For the purpose of calculating fees, please consult: <https://www.bitgo.com/resources/price-feeds> for current information on how BitGo computes USD value of digital currencies.

\$[_____] and greater	10 bps “Overage Fee”

4. NFT Services.

The Digital Asset Storage Fee covers up to [_____] NFTs in all products, in aggregate.

Overage fee: _____

5. Staking Services Fee. As described in the additional terms and conditions applicable to Staking Services.

6. Payment Terms. Client shall pay such fees and expenses to Custodian within 7 days after the date of Custodian’s invoice. Invoices may be provided by electronic delivery. Payments shall be made to Custodian in U.S. Dollars, Bitcoin, USDC or USDT. If any invoice is disputed in good faith, Client shall pay all undisputed amounts and the disputed amount will be due and payable within 7 days after any such dispute has been resolved either by agreement of the parties or in accordance with dispute resolution procedures in the Agreement. All late payments and any disputed payments made after the resolution of such dispute shall bear interest accruing from the original payment due date through the date that such amounts are paid at the lower interest rate of (A) 1.0% per month and (B) the highest interest rate allowed by Applicable Law. Notwithstanding the foregoing, failure to pay fees and expenses by Client 45 days after the date of Custodian’s invoice (or the date enumerated in the Fee Schedule) for undisputed payments, or 45 days after the resolution of disputed amounts, shall constitute a material breach of the Agreement. Client agrees that, without limitation of Custodian’s other rights and remedies, Custodian shall have the right and authority, in its discretion, to liquidate any and all Assets in Client’s Account to cover any unpaid fees and expenses.

If a correct taxpayer number is not provided to Custodian, Client understands and agrees that Client may be subject to backup withholding tax at the appropriate rate on any interest and gross proceeds paid to the account for the benefit of Client. Backup withholding taxes are sent to the appropriate taxing authority and cannot be refunded by Custodian.

7. Initial Payment. Concurrent with the execution of this Schedule A, Client shall make an up-front non-refundable payment to Custodian of an amount equal to the Onboarding Fee plus the initial Fixed Monthly Digital Asset Storage Fee.

8. Prior Fee Schedules. In the event that Client has previously entered into a fee schedule under the Agreement, this Schedule A and Additional Terms shall replace the previous fee schedule.

IN WITNESS WHEREOF, this Parties have duly executed this Fee Schedule and indicated their mutual intent to be bound hereby with the signatures of their respective authorized representatives below:

BITGO TRUST COMPANY, INC.

[CLIENT NAME]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX 1 ADDITIONAL TERMS

I. MMI SERVICES: MMI Services are provided by BitGo, Inc, an affiliate of Custodian, subject to the terms and conditions set forth at <https://www.bitgo.com/terms> (“Inc. Services Agreement”), as they may be amended from time to time. MMI Services are made available through ConsenSys Software Inc. (“ConsenSys”) and are governed by ConsenSys’s Terms of Use (located at <https://consensys.net/terms-of-use/>). When you use the MMI Services, you agree to such Terms of Use. The MMI Services are Third Party Services as defined in the Inc. Services Agreement.

II. NFT SERVICES: See <https://www.bitgo.com/legal/nft-service-terms>

III. STAKING SERVICES: See <https://www.bitgo.com/legal/staking-and-delegation-services-terms>

APPENDIX 2: ACH TRANSFER TERMS & CONDITIONS

1.1 Introduction. These Terms and Conditions (“ACH Transfer Terms”) apply to your use of a designated bank account for any transfers you may make to BitGo Trust Company, Inc. (“BitGo”). These ACH Transfer Terms also apply to any transfers you may request from BitGo’s designated bank account, including those related to the return of U.S. Dollars that result from the sale of your Digital Assets (as defined in the Agreement executed between you and BitGo). Please read and keep these ACH Transfer Terms.

If you choose to use a bank account as your transfer method, you accept and agree to these ACH Transfer Terms on the date of each transfer.

BitGo’s external transfer services allow you to transfer funds to your eligible accounts held at BitGo and from other eligible accounts held by you at other U.S. financial institutions, and to eligible accounts held by a third party at BitGo or other U.S. financial institutions. External transfers may only be requested:

- If the transfer is permitted by your or a third party’s external financial institution, as applicable; and
- If the transfer is permitted by law.

BitGo reserves the right to obtain such additional information as we deem reasonably necessary. You agree to promptly update your records if your email address or other information changes.

1.2 Information. You authorize BitGo to validate the external accounts through the use of a test transaction, in which one or more low value payments will be both credited to and debited from the account. The test credit will always be of the same or less amount, so that the balance in any of your accounts will never be less than the actual balance. BitGo may not use test transactions with respect to its relationship with you.

Once the test transaction is complete, we may ask you to access your account to tell us the amount of the test credit or debit or any additional information reported by your bank. We may also verify your external accounts by requiring you to submit proof of ownership of the account. Other account verification methods may also be employed at the sole discretion of BitGo.

1.3 Accounts. By using BitGo external transfer service, you represent and warrant to BitGo that you have the right to authorize and permit us to process such funds transfers or for any other purpose authorized by this agreement, and you assure us that by disclosing and authorizing us to use such information you are not violating any third-party rights. You warrant and represent that the information you are providing us is true, current, correct and complete. You hereby authorized and permit BitGo to use information submitted by you to accomplish these purposes and to configure the service to be compatible with the accounts.

You understand and agree that at all times your relationship with each account provider is independent of BitGo and your use of this service. BitGo will not be responsible for any acts or omissions by the financial institution or other provider of any account, including without limitation any modification, interruption or discontinuance of any account by such provider.

Not all types of accounts are eligible for this service. Be sure to check with your financial institution for restrictions regarding transfers among your retirement, savings, trusts, custodial, business, corporate and other account types. BitGo is not responsible for any costs or losses incurred from transfers that are not permitted under such restrictions by the provider of your account or those imposed by applicable law.

1.4 Transfer Limitations. You may use the external transfer service to transfer funds to or from an eligible BitGo account and another account held by you or a third party at another U.S. financial institution. Transfers may be scheduled to occur one time, for a future date, or on a specific recurring basis.

We reserve the right to impose and/or change transfer limits on your account from time to time in our sole discretion. We reserve the right to suspend or restrict access to use the external transfer service immediately and without prior written notice to you. You understand and agree that such action is reasonable for us to take in order to protect ourselves from loss.

1.5 Initiating and Scheduling Transfers. The cut off time for same business day transfers is [4:45 pm ET]. Any transfer initiated after the applicable cut off time will be considered as being initiated on the next business day. Any transfer initiated on Saturday, Sunday or on a bank holiday will be considered as being initiated on the next business day.

Transfer can be scheduled on either a one time or recurring basis. Processing of one-time transfers may be initiated immediately or scheduled for initiation on a future date. Recurring transfers may be used when a set amount is transferred at regular intervals.

Your transfer must be payable in U.S. dollars. Transfers that we process using your bank account will be identified as “BitGo Trust Company, Inc.” (or similar identifier) on the statement issued by your bank or other financial institution holding your account.

All questions relating to any transactions made using your bank account by us should be initially directed to us, but may also require involvement of your bank.

1.6 Recurring Transfers. In addition to authorizing one-time transfers, you can request that BitGo facilitate recurring periodic transfers from your designated bank account on a daily, weekly or monthly basis. If you have established a weekly recurring transfer, then your transfer will be scheduled to occur on the same day of each week as the initial transfer in such recurring transfer (for example, every Wednesday). If you have established a monthly recurring transfer, then your transfer will be scheduled to occur on either the first or the fifteenth day of each month, based on your election when you initiate the recurring transfer. Your initial recurring transfer will not occur until you have submitted your recurring ACH transfer request and BitGo has had a reasonable amount of time to act upon it.

Any termination or cancellation of your recurring ACH transfer instructions will be effective as soon as BitGo has received your request and had a reasonable amount of time to act upon it.

BitGo may terminate any future recurring transfer without notice at any time for any reason.

1.7 Processing Time. When setting up a new external transfer account, please allow 3 business days to process validation of the test transaction.

Once the test transaction is completed for an external account, you should allow up to 3 business days for processing a transfer.

Please note the receiving financial institution could place a hold on the funds or delay availability. With respect to withdrawals, contact the receiving financial institution for information on their funds availability policy.

1.8 Errors. You understand that we must rely on the information provided by you and you authorize us to act on any instruction which has been or reasonably appears to have been requested by you, to submit

transfer instructions on your behalf. You understand that financial institutions receiving the transfer instructions may rely on such information. We are not obliged to take any further steps to confirm or authenticate such instructions and will act on them without getting further confirmation. You understand that if you provide us with incorrect information or if there is any error in your instructions we will make all reasonable efforts to reserve or delete such instructions, but you accept full responsibility for losses resulting from any of your errors, duplications, ambiguities or fraud in the information that you provide. You agree not to impersonate any person or use a name that you are not authorized to use. If any information you provide is untrue, inaccurate, not current or incomplete, without limiting other remedies, BitGo reserves the right to recover from you any costs or losses incurred as a direct or indirect result of the inaccurate or incomplete information.

We are not responsible for errors, delays and other problems caused by or resulting from the action or inaction of financial institutions holding the account. Although we will use reasonable efforts to try to assist you in resolving any such problems, you understand that any such errors, delays or other problems are the responsibility of the relevant financial institution. Any rights you may have against a financial institution for such errors, delays or other problems are subject to the terms of the agreements you have with such financial institutions, including any time limits during which complaints must be made.

1.9 Unlawful or Prohibited Use.

You warrant to us that you will not use this service for any purpose that is unlawful or not permitted, expressly or implicitly, by the terms of this agreement or by any applicable law or regulation. You further warrant and represent that you will not use this service in any manner that could damage, disable, overburden or impair the service or interfere with any other party's use of the service.

All transfers are subject to the rules and regulations governing the relevant accounts, whether held at BitGo or elsewhere. You agree not to process any transfer from or to an account that is not allowed, under the rules and regulations applicable to such accounts.

1.10 Rejection of Transfers. We reserve the right to decline any transfer, to submit transfer instructions or to carry out change or cancellation requests for any reason. We may, at any time, decline any transfer that we believe may violate applicable law, or where we believe there are not sufficient funds in your account to process any requested transfer. BitGo, in its sole discretion, may require that any or all Digital Assets purchased with funds from an ACH transfer be held in your BitGo Wallet for a period of up to 60 days.

1.11 Electronic Signature and ACH Authorization. You understand that to process your transfer instruction we utilize the Automated Clearing House (ACH), using applicable ACH Rules, to debit one of your accounts and credit another of your accounts. By choosing your bank account as your transfer method, you agree that: (a) you have read, understand and agree to these ACH Transfer Terms, and that this agreement constitutes a "writing signed by you" under any applicable law or regulation, (b) you consent to the electronic delivery of the disclosures contained in these ACH Transfer Terms, (c) you authorize BitGo (or its agent) to make any inquiries we consider necessary to validate any dispute involving your transfer, which may include ordering a credit report and performing other credit checks or verifying the information you provide against third party databases, (d) you authorize BitGo (or its agent) to initiate one or more ACH debit entries (withdrawals) for specified amount(s) from your bank account, and you authorize the financial institution that holds your bank account to deduct such transferred amounts (including any transfers to be made on a recurring basis, as applicable), (e) you authorize BitGo (or its agent) to initiate one or more ACH credit entries (direct deposits) for specified amount(s) to your bank account, and you authorize the financial institution that holds your bank account to credit such transferred amounts, (f) once a sale is complete and an ACH transfer is initiated, the transaction cannot be cancelled; and (g) funds sent to you via ACH typically take two to four business days to reach your financial institution, and BitGo is not responsible for any delays

in the availability of funds, which may vary based on your financial institution's ACH processing procedures and settlement.

If the debit side fails or is returned for any reason and the credit side has been released and cannot be collected, you authorize us to collect from the account to which the credit side of the funds transfer was sent. We reserve the right to resubmit a debit, or a portion of the debit, in the event of an insufficient or uncollected funds return and if we cannot collect the amount credited. To process this collection, you understand and authorize us to debit the credited account or the debited account in either the same dollar amount as the original funds transfer or a portion of the debt. As discussed in more detail below, there may be a fee associated with such collection imposed by the financial institution holding the account.

In the event that a debit to any of your accounts, or any portion of any such debit, has failed and the credit side of such transaction has been released and cannot be collected, and we are unable to debit either the debited or the credited account as set forth above, we reserve the right, and you hereby authorize us, to debit any of your other accounts to the extent necessary to offset any resulting deficiency. We do not undertake to notify you in such event, other than by posting any such transfer or transfers to the applicable account in accordance with this agreement.

1.12 Fees. Because these are electronic transfers, these funds may be withdrawn from your designated bank account immediately. In the case of an ACH debit transaction that is rejected for insufficient funds, you understand that BitGo may at its discretion attempt to process the debit in the amount of the applicable requested transfer again within 30 days and BitGo may separately impose a fee of up to \$25 for each transaction returned for insufficient funds, as permitted by applicable law. You certify that you are an authorized user of your bank account and you will not dispute these scheduled transactions with such bank so long as the transactions correspond to these ACH Transfer Terms and any other applicable agreement related to your accounts with BitGo and its affiliates or such transfer.

You must notify BitGo in writing if you dispute any portion of any fees paid or payable by you under these ACH Transfer Terms or any related agreement. You must provide that written notice to BitGo within 60 days of the applicable charge, and BitGo will work with you to resolve the applicable dispute promptly. If you do not provide BitGo with this written notice of your fee dispute within this 60-day period, you will not be entitled to dispute any fees paid or payable by you.

All amounts and fees stated or referred to in these ACH Transfer Terms are exclusive of taxes, duties, levies, tariffs, and other governmental charges (collectively, "Taxes"). You shall be responsible for payment of all Taxes and any related interest and/or penalties resulting from any transfers made hereunder, other than any taxes based on BitGo's net income.

1.13 Service Changes and Discontinuation. We may modify or discontinue the Service or your use of some or all accounts within the service, with or without notice, without liability to you, any other user or any third-party. We may from time to time make available additional or new features to the service, including but not limited to, a higher dollar limit service. You will be approved or declined for any such additional service at our sole discretion and additional terms and conditions may apply. We reserve the right, subject to applicable law, to terminate your account within the Service and your right to use the service at any time and for any reason, including without limitation if we, in our sole judgment, believe you have engaged in conduct or activities that violate any of the Terms or the rights of BitGo, or if you provide us with false or misleading information or interfere with other users or the administration of the service. We reserve the right to charge a fee for the use of the service and any additional services or features that we may introduce. You understand and agree that you are responsible for paying all applicable fees associated with the use of our services.

1.14 Returned Transactions. You understand and agree that if any previously-initiated debit entry hereunder is returned for any reason (including because of insufficient funds), BitGo will be entitled to exercise remedies in accordance with the Custodial Services Agreement, including freezing your any assets held in any account held with BitGo or any affiliate thereof and reversing any Digital Asset purchases made and delivered to such account.

1.15 Your Liability for Unauthorized Transactions. Federal law limits your liability for any fraudulent, erroneous unauthorized transaction from your bank account based on how quickly you report it to your financial institution. As general rule, you should report any fraudulent, erroneous or unauthorized transactions to your bank within 60 days after the questionable transaction FIRST appeared on your bank account statement. You should contact your bank for more information about the policies and procedures that apply to your account and any unauthorized transactions, including any limits on your liability.

1.16 Our Liability. If we fail to debit or credit your bank account in accordance with these ACH Transfer Terms, in the correct amount or in the correct amount of time, we may be liable for certain losses directly caused by our failure as the law may impose in such cases. However, there are some exceptions. For instance, we will not be liable where: (1) you do not have enough money in your bank account; (2) your bank account is closed or deposits or withdrawals restricted; (3) any terminal or system was not working properly and you were advised of that before you initiated the transfer; (4) the failure was related to circumstances beyond our control (such as flood, fire, power outages, mechanical or system failures); (5) your financial institution refuses to honor an ACH debit or credit; (6) your instructions are lost or delayed in transmission to us; (7) a reasonable security concern, such as unauthorized use, causes us not to honor your instructions; (8) this transfer option has been discontinued or suspended; (9) we advise you that your request will not be processed; (10) you submit a cancellation request with respect to recurring ACH transfer instructions and BitGo is unable to process it prior to your next scheduled transfer and (11) other exceptions are allowed by law.

Except as otherwise required by law, BitGo shall in no event be liable for any other losses and/or damages other than those arising from gross negligence or willful misconduct on our part, and in such case will be limited to actual damages.

You agree that we shall not be liable for any costs, fees, losses or damages of any kind incurred as a result of any charges imposed by any provider of accounts of fund transfers or any funds transfer limitations set by the financial institutions or other providers of the accounts.

1.17 Limitation of Warranty and Liability. You understand and agree that the service is provided “as-is.” Except as otherwise provided in this agreement or as required by law, we assume no responsibility for the timeliness, deletion, mis-delivery or failure to store any user communications. You understand and expressly agree that use of the service is at your sole risk, that any materials and/or data downloaded or otherwise obtained through the use of the service is downloaded or obtained at your own discretion and risk and that you will be solely responsible for any damages, including without limitation damage to your computer system or loss of data that results from the download or the obtaining of such material and/or data. Except as expressly set forth on the BitGo website or in this agreement, we disclaim all warranties of any kind, express or implied, including without limitation any warranty of merchantability, fitness for a particular purpose or non-infringement of intellectual property or third party rights, and we make no warranty or representation regarding the results that may be obtained from the use of the service, the accuracy or reliability of any information obtained through the service, the accuracy of any information retrieved by us from the accounts or that the service will meet any user’s requirements, be uninterrupted, timely, secure or error free. We will not be liable for any direct, indirect, incidental, special, consequential or punitive damages of any kind resulting from the use or the inability to use the service, any inaccuracy of any information or amount retrieved by us from the accounts, any breach of security caused by a third party,

any transactions entered into based on the service, any loss of, unauthorized access to or alteration of a user's transmissions or data or for the cost of procurement of substitute goods and services, including but not limited to damages for loss of profits, use, data or other intangibles, even if we had been advised of the possibility of such damages.

1.18 Agreement Changes. We may in our discretion change these ACH Transfer Terms at any time without notice to you. If any change is found to be invalid, void, or for any reason unenforceable, that change is severable and does not affect the validity and enforceability of any other changes or the remainder of these ACH Transfer Terms. We reserve the right to subcontract any of our rights or obligations under these ACH Transfer Terms.

YOUR CONTINUED USE OF YOUR BANK ACCOUNT AS A METHOD OF MAKING ANY TRANSFER TO OR RECEIVING ANY TRANSFER FROM BITGO (INCLUDING ANY RECURRING TRANSFER) AFTER WE CHANGE THESE ACH TRANSFER TERMS OR ANY OF THE OTHER TERMS INCORPORATED IN THESE ACH TRANSFER TERMS CONSTITUTES YOUR ACCEPTANCE OF THESE CHANGES.

1.19 Communications. If you have registered for this service and wish to withdraw your consent, you must cancel any pending transfer requests and contact our Trust Operations Department at TrustOperations@bitgo.com.

In the event of suspension, you may request reinstatement of the service by contacting our [name] Department at TrustOperations@bitgo.com. We reserve the right, in our sole discretion, to grant or deny reinstatement of the service.

EXHIBIT D
(Omnibus Nominee Agreement)

OMNIBUS NOMINEE AGREEMENT

THIS OMNIBUS NOMINEE AGREEMENT (this “Nominee Agreement”), dated as of [DATE], is entered into by and between BitGo Trust Company, Inc. (the “Nominee”) and the undersigned (the “Beneficial Owner”).

RECITALS

WHEREAS, the Beneficial Owner has invested and/or intends to invest in one or more exempt securities offerings pursuant to which the Beneficial Owner may acquire securities (each, a “Security” and as each such Security is described from time to time on Exhibit A hereto, the “Property”);

WHEREAS, the Property is, or upon issuance will be, 100% beneficially owned by the Beneficial Owner;

WHEREAS, the title holder of the Property will be one or more trusts established by and maintained by Nominee for the purposes of safeguarding the Property and providing for efficiencies with respect to tax reporting, distributions and estate planning purposes related to such Property;

WHEREAS, Beneficial Owner wishes to engage Nominee as its limited agent to safeguard and provide certain limited services with respect to the Property held in trust; and

WHEREAS, the Beneficial Owner and the Nominee wish to establish a nominee relationship upon the terms and conditions, and for the limited purposes, set forth in this Nominee Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants contained in this Nominee Agreement, the parties agree as follows:

1. Appointment. The Beneficial Owner hereby appoints the Nominee to act as nominee for the Beneficial Owner, to serve in such capacity until the appointment and authority conferred shall be revoked, for the limited purpose of causing to be held, and holding, in the name of the Nominee alone, title to the Property beneficially owned by the Beneficial Owner and acquired by the Nominee for the benefit of Beneficial Owner or otherwise conveyed to the Nominee pursuant to this Nominee Agreement in accordance with the directions of the Beneficial Owner, with power and authority limited to registering and holding the Property in the Nominee name, and otherwise acting with respect to the Property in accordance with the instructions of the Beneficial Owner, as provided in this Nominee Agreement or as may be given by the Beneficial Owner from time to time. In the context of investments made on or after the date hereof, the Beneficial Owner hereby directs the Nominee to acquire, on behalf of the Beneficial Owner, any Security that the Beneficial Owner subscribes for directly from the issuer thereof in the name of

the Nominee. The Beneficial Owner acknowledges and agrees that it shall pay the aggregate subscription amount due in respect of any such Security at the time and in the manner contemplated in the related subscription agreement, and that the Nominee will have no obligation to make any payments on behalf of the Beneficial Owner in respect of its acquisition of any Security. The Beneficial Owner acknowledges and agrees that the issuer of a Security may have the right to reject the Beneficial Owner's subscription for any given Security, and that the Nominee will have no liability for the failure of any Security to be issued pursuant to any subscription entered into by the Beneficial Owner, and the Beneficial Owner waives, to the fullest extent permitted by law, any claims of any kind it may have against the Nominee for executing any documents on behalf of, or for the benefit of the Beneficial Owner pursuant to this Agreement and agrees that the Nominee will have no liability (whether direct or indirect) to the Beneficial Owner in respect of any claim or to any person asserting a claim on behalf of or in right of the Beneficial Owner.

2. Acceptance. The Nominee hereby accepts the appointment described in Paragraph 1 above, upon the terms and conditions set forth in this Nominee Agreement and will always faithfully and promptly carry out and observe the instructions of the Beneficial Owner regarding the acquisition, holding of title to or otherwise acting with respect to the Property of the Beneficial Owner transferred to the Nominee hereunder and with respect to the Property. The Nominee acknowledges that it shall have no right or authority to act with respect to the Property, except upon the instructions of the Beneficial Owner.

3. Revocation. The Beneficial Owner may, at any time, in their absolute discretion, terminate this Nominee Agreement in whole or in part; provided, however, that no such termination will be effective with respect to any Property the transfer of which is restricted by contract, law, edict or otherwise ("Restricted Property") unless consented to by the issuer thereof (including by blanket consent). To be effective, any such termination shall be in writing, signed by the Beneficial Owner and delivered to the Nominee in accordance with the provisions of Paragraph 13 hereof with instructions for the return of the Property to the Beneficial Owner or their designee without consideration.

4. Custody of Property. Throughout the term of this Nominee Agreement, the Property will be held in the custody of the Nominee and the Nominee will take all actions reasonably necessary to assure the safekeeping of such Property. In taking any action with respect to the Property, the Nominee shall be acting solely as the agent and nominee of the Beneficial Owner. Property shall include any funds, securities, or other assets acquired through the benefit of holding the Securities (including by conversion of any convertible, exchangeable or redeemable Security (collectively "Convertible Instruments"))).

5. No Beneficial Interest. The Nominee's sole function during the term of this Nominee Agreement shall be to hold nominal legal title to the Property for the benefit of the Beneficial Owner under and subject to the Beneficial Owner's instructions. If third parties may require that they be furnished with documents executed by the Nominee as such holder of legal title to the Property, the Beneficial Owner shall prepare such documents, and the Nominee shall execute such documents in accordance with the Beneficial Owner's instructions. The Nominee shall have no discretionary authority to exercise any control over the Property, except as set forth herein, it being expressly understood that the Nominee shall have no real interest in the Property,

except to perform ministerial tasks at the instructions of the Beneficial Owner. The Nominee acknowledges that the Beneficial Owner is, and during the entire term of this Nominee Agreement shall remain, the true and actual owner of the Property. The Nominee and the Beneficial Owner hereby acknowledge and agree that, with respect to the Property, the Beneficial Owner will have the rights of an entitlement holder under Article 8 of the Uniform Commercial Code as in effect in the State of South Dakota. Neither the Nominee nor any officer, director, employee, or shareholder of the Nominee will have or claim any beneficial interest whatsoever in the Property nor any right to vote on matters that relate to the Property. Further, the Nominee will not hold itself out as having, or represent to any person that it has, any beneficial interest whatsoever in the Property. Notwithstanding the foregoing, with respect to Property that consists of shares of stock of a domestic or foreign corporation or other entity, the Nominee may, if so, instructed by the Beneficial Owner, register such shares on the books of the issuing entity in the Nominee's name alone, without indication of any nominee or other fiduciary capacity.

6. Instructions From the Beneficial Owner. Pursuant to the written (including electronic form) instructions of the Beneficial Owner, the Nominee will promptly execute and deliver all contracts, consents, assignments, powers of attorney, resolutions, proxies, waivers, disclaimers, and other instruments, general or specific, affecting or relating to the Property; provided, however, that the Beneficial Owner hereby provides standing instructions to the Nominee to consent to the conversion of any Convertible Instrument provided, further, and for the avoidance of doubt, while the Nominee shall consent to any other instrument that requires consent for conversion thereof it shall not do so without written instructions from the Beneficial Owner if such conversion consent is tied to an amendment or change in terms to the Convertible Instrument. Immediately upon receipt by the Nominee, the Nominee will transmit all funds received with respect to the Property to the Beneficial Owner, together with an accounting therefor, and will deliver to the Beneficial Owner all correspondence, notices, invoices, proxies, certificates, and other documents received with respect to the Property.

7. Signatures Required. The signature of the Beneficial Owner, as contemplated in this Nominee Agreement will be sufficient to bind the Nominee for all purposes of this Nominee Agreement, including, without limitation, the sale, assignment, pledge, hypothecation, or other transfer, encumbrance, or disposition of the Property.

8. Indemnification. The Beneficial Owner will, at all times, hold harmless and indemnify the Nominee and each of the officers, directors, attorneys, and employees of the Nominee from and against any and all costs, expenses, damages, claims, demands, and liabilities of every kind of character that relate to the Property and may arise out of this Nominee Agreement or the performance of the duties imposed by this Nominee Agreement, or that may be incurred with respect to the Property or with respect to any acts or omissions directed by the Beneficial Owner; provided, however, that the foregoing indemnification will not apply to costs, expenses, damages, claims, demands, and liabilities that may arise or be imposed upon the Nominee or any officer, director, attorney or employee of the Nominee by reason of that person's intentional misconduct or gross negligence.

9. Binding Effect. This Nominee Agreement will inure to the benefit of and bind the parties and their respective successors and assigns.

10. Counterparts. This Nominee Agreement may be signed in any number of counterparts, each of which shall be an original and all of which together shall constitute one instrument. This Nominee Agreement may be executed by signatures, electronically or otherwise, delivered by email, and a copy hereof that is properly executed and delivered by a party will be binding upon that party to the same extent as an original executed version hereof.

11. Governing Law. This Nominee Agreement shall be construed in accordance with and governed by the laws of the State of South Dakota. Any dispute concerning the terms or enforceability of this Nominee Agreement shall be brought in a court subject to the jurisdiction of the State of South Dakota.

12. Notices. All notices demands, consents, elections, offers, requests or other communications (collectively, a “notice”) required or permitted hereunder shall be in writing and shall be deemed effective upon delivery as follows: (a) if to the Beneficial Owner, when sent via email to the email address below or otherwise on record for the Beneficial Owner and (b) if to Nominee, when sent via email to legal@bitgo.com. Any such notice, in either case, must specifically reference that it is a notice given under this Nominee Agreement.

13. Termination. This Nominee Agreement may be terminated by (i) the Nominee at any time by providing the Beneficial Owner with not less than ten days advance written notice and (ii) the Beneficial Owner if the Nominee is in material breach of this Nominee Agreement or with respect to any registered Property, by providing the Nominee with not less than ten days advance written notice. Upon termination, the Nominee will execute all documents reasonably necessary to resign as Nominee and to transfer legal title ownership of the Property to the Beneficial Owner or their designee provided, however, any Restricted Property will be transferred to a qualified successor to the Nominee, as determined in the Nominee’s reasonable discretion unless allowed by Paragraph 3 of this Nominee Agreement.

IN WITNESS WHEREOF, the Nominee and the Beneficial Owner have adopted this Nominee Agreement to be effective as of the date first written above.

BENEFICIAL OWNER

BITGO TRUST COMPANY, INC.

Signature:

Signature:

Name:

Name:

Title:

Title:

Email for Notices: