

THIS PRIVATE PLACEMENT MEMORANDUM, THE INFORMATION PROVIDED HEREIN AND ANY ADDITIONAL INFORMATION OR MATERIALS PROVIDED TO YOU IN CONNECTION HERewith OR THE CONTEMPLATED SALE AND ANY ADDITIONAL COMMUNICATIONS RELATED TO THE CONTEMPLATED OFFERING ARE CONFIDENTIAL. YOU MAY NOT COPY THIS DOCUMENT (EXCEPT THAT YOU MAY MAKE COPIES FOR YOUR ADVISORS). YOU MAY USE THIS DOCUMENT ONLY TO EVALUATE THE CONTEMPLATED OFFERING. WE ARE NOT GIVING YOU ANY LEGAL, TAX OR INVESTMENT ADVICE. YOU SHOULD CONSULT YOUR OWN ADVISORS FOR SUCH ADVICE.

THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), AND SUCH OTHER STATE LAWS PURSUANT TO REGISTRATION OR AN APPLICABLE EXEMPTION. THE INTERESTS HAVE NOT BEEN APPROVED OR DISPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM. THESE SECURITIES MAY ONLY BE OFFERED OR SOLD IN THE UNITED STATES TO “ACCREDITED INVESTORS” AS DEFINED IN SECTION 501 OF THE SECURITIES ACT IN RELIANCE ON REGULATION D UNDER THE SECURITIES ACT.

Interlock Network

Private Placement Memorandum

Purchase of ILOCK Tokens

Regulation D Contingency Offering - \$750,000

SEE “TERMS OF THE OFFERING” FOR PRICING AND OTHER INFORMATION

This Confidential Private Placement Memorandum (this “*Private Placement Memorandum*”) has been prepared by Interlock Association, a Swiss Association with registered address at Mühlgasse 18, 6340 Baar, Zug, Switzerland (the “*Association*”), for use by certain prospective purchasers (each, a “*Purchaser*” and collectively, the “*Purchasers*”), to whom the Association is offering (the “*Offering*”) the opportunity to purchase ILOCK Tokens (also referred to as “*Interlock Tokens*”), which is the native token intended to ultimately provide its holders (the “*Holders*”) with certain access rights and functionality within the Interlock information security ecosystem (collectively, the “*Interlock Platform*”).

The Association is managed by its Swiss chief executive Markus Spillmann. Mr. Spillmann is the primary person responsible for overseeing the Association’s regulatory and financial affairs in compliance with Swiss law. The Association presently does not have any full-time employees. It is a wholly separate entity from the software development company Interlock US, Inc. (the “*Company*”), which has its registered address at 8 The Green, Suite 14203, Dover, DE 19901. The Company’s Chief Executive Officer Richard Deacon and its Chief Technical Officer Nick Zivkovic both serve on the Association’s board of directors (the “*Board*”). The third member of the Board is Erhan Justice, who previously served as the Company’s Chief Technology Officer. The Company holds all intellectual property related to trademarks and technology; while the Association is the sole issuer of the ILOCK token, which delivers functionality by compensating users for contributing anonymous security data through the Company’s products. The Association is solely responsible for managing the ILOCK token treasury.

In 2021, the Association began a collaboration with Mr. Deacon’s previous software company, Apozy, which Mr. Deacon had founded in 2012. For a short time, Apozy was contracted with the Association pursuant to a services agreement whereby Apozy provided the Association with software development services. This collaboration gave rise to various products, including the Company’s flagship offering ThreatSlayer. Apozy assigned all intellectual property rights for this software to Interlock US, Inc., so that the latter Company could prospectively act in Apozy’s stead. Currently, the Company heads up product development and IP ownership; however, its product lineup is still in development. As of February 2023, a license and professional services agreement exists between Interlock US, Inc. and the Interlock Association. The term “Interlock Network” is used broadly to encompass the activities of both the Company and the Association.

The core technology into which the tokens of the Association will integrate, the Interlock Platform, is under development, and no public market for the ILOCK Tokens currently exists. Following this Offering, the Association

plans to list the ILOCK token on centralized exchanges within four months, but none are presently confirmed.

ILOCK Tokens may be subject to restrictions on transferability and resale and generally may not be transferred or resold except as specified herein and in the applicable Offering Document (as defined herein). Purchasers should be aware that they will be required to bear the financial risks of this purchase for an indefinite period of time.

The success and completion of this Offering is contingent upon having a minimum of six (6) months of operational runway, calculated based on the Issuer's current and projected expenses, and the funds will be returned to investors in the event that the Issuer does not meet this contingency.

Unless otherwise provided by the Association, all purchases must be made via the token sale website at <https://republic.co/interlock> (the "**Token Sale Website**") in accordance with the instructions and terms of sale set forth therein. Contributions made in cryptocurrency and digital assets will be custodied through BitGo Trust Company, Inc. ("BitGo") and can be made in cryptocurrency and digital assets such as USD Coin (USDC) and Tether (USDT). BitGo's fees are set forth below. The custodian reserves the right to discontinue accepting any type of consideration in its sole discretion. Cryptocurrencies and digital assets received in connection with Contributions pursuant to this Offering are directed to a trust account maintained by BitGo. All funds related to the Offering will be released to the Association upon meeting six (6) months of runway at the end of the Offering. If a contribution is rejected for any reason, and if the contribution was made in the specifically approved cryptocurrency or digital asset, a refund of the contribution amount will be made in the cryptocurrency or digital asset used for the original contribution using the U.S. Dollar-to-cryptocurrency or digital asset exchange rate in effect at the time the refund is sent. Such refunds will be based upon the U.S. Dollar-denominated value of the Contribution Amount only, regardless of the type and amount of the approved cryptocurrency or digital assets paid, or any volatility in their prices and subject to certain fees (*i.e.*, the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations).

Any payment for tokens must be made in full (partial payments or payments broken into separate transactions will not be accepted). Payment will not be accepted in BTC, ETH, or any other form of payment not listed above. Any payments in unaccepted currencies or other unaccepted methods of transfer will be rejected.

BitGo's fees include a one-time non-refundable account set up fee of \$500 and an account fee of \$6,000 per year. Both these fees have been paid by the Association in advance. Included in this level of service from BitGo are: custody and storage for up to \$2,000,000 worth of cryptocurrencies; \$500,000 worth of outgoing cryptocurrency transfers per month; free deposits and internal transfers; and fiat withdrawals via wire transfer for \$10-15 each. Finally, an overage fee of four basis points (0.04%) applies to asset custody and storage along with an outgoing transfer overage fee of 15 basis points (0.15%).

FURTHER DISCLAIMERS

This Offering is being conducted on the Offering Platform that is operated for the benefit of OpenDealBroker LLC dba OpenDealBroker, the Capital R, a registered private placement broker-dealer with CRD#: 291387 ("ODB"). ODB is a registered FINRA/SEC broker dealer. ODB is not purchasing ILOCK as such ILOCK are being sold in this Offering (except as otherwise described in "Certain Relationships and Related Party Transactions" herein) and is not required to sell any specific number or dollar amount of ILOCK 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 investors. This Offering is being conducted pursuant to Regulation D, Rule 506(c) of the Securities Act and is only available to accredited investors.

ODB charges a two percent (2%) administrative fee on the gross principal transaction with a minimum fee of \$5 and a maximum of \$300. The fee is added to the total amount of your investment at checkout. These fees are non-refundable.

ODB has engaged BitGo as a third-party custodian to help facilitate this Offering. BitGo, as a third-party service provider, does not hold any interest in any Tokens being offered pursuant to this Offering or the proceeds resulting from this Offering except any consideration received for services rendered as relating to this Offering.

GENERAL NOTICE

THE ILOCK TOKENS RECEIVED (IF ANY) HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER LAW OR REGULATION GOVERNING THE OFFERING, SALE OR EXCHANGE OF SECURITIES IN THE UNITED STATES OR ANY OTHER

JURISDICTION. THIS OFFERING IS BEING MADE ONLY TO US PERSONS (AS DEFINED THE SECURITIES ACT) IN JURISDICTIONS WHERE THE OFFER AND SALE OF ILOCK TOKENS IS PERMITTED UNDER APPLICABLE LAW AND IN RELIANCE ON REGULATION D UNDER THE SECURITIES ACT. NEITHER THE ILOCK TOKENS NOR ANY INTEREST THEREIN MAY BE TRANSFERRED, PLEDGED, HYPOTHECATED, OR OTHERWISE DISPOSED OF EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE AND FOREIGN SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

ANY INTERESTS PURCHASED HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT AND HAVE BEEN ACQUIRED TO HOLD FOR THE LONG TERM AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO TRANSFER MAY BE EFFECTUATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO UNLESS SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT.

IN NO EVENT SHOULD ILOCK TOKENS OR ANY INTEREST THEREIN BE UNDERSTOOD, DEEMED, INTERPRETED OR CONSTRUED TO BE OR TO BE REPRESENTATIVE OF ANY KIND OF INVESTMENT (WHETHER SECURED OR UNSECURED), EQUITY, DEBT, OR RESIDUAL INTEREST, SHARE OR SIMILAR INTEREST IN THE ASSOCIATION.

THE ASSOCIATION WILL NOT BE REQUIRED TO, NOR DO THEY CURRENTLY INTEND TO, OFFER TO EXCHANGE THE ILOCK TOKENS FOR ANY SECURITIES REGISTERED UNDER THE SECURITIES ACT OR ANY OTHER LAW, OR REGISTER THE ILOCK TOKENS FOR RESALE UNDER THE SECURITIES ACT.

NO GOVERNMENTAL AUTHORITY IN THE UNITED STATES OR ANY OTHER JURISDICTION HAS PASSED JUDGMENT UPON OR APPROVED THE TERMS OR MERITS OF THIS DOCUMENT.

NONE OF OPENDEAL BROKER, REPUBLIC CRYPTO LLC DBA REPUBLIC ADVISORY SERVICES (“**REPUBLIC ADVISORY SERVICES**”) OR THEIR AFFILIATES HAS INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF A CONTRIBUTION IN THIS OFFERING OR THE TOKENS OFFERED HEREIN. ODB AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE TOKENS OFFERED HEREIN. ODB’S AND REPUBLIC ADVISORY SERVICES’ RESPECTIVE CONNECTIONS TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSE OF ACTING AS A SERVICE PROVIDER.

A purchase of the ILOCK Tokens involves a high degree of risk, volatility, and illiquidity. A prospective purchaser should thoroughly review the confidential information contained herein and the terms of the applicable Offering Documents, and carefully consider whether a purchase of ILOCK or receipt of Interlock Tokens is suitable to its financial situation and goals. See “Risk Factors” below.

Neither the Securities and Exchange Commission nor any other government or state securities commission has approved or disapproved of this offering or passed upon the adequacy or accuracy of the information herein. Any representation to the contrary is a criminal offense.

THIS OFFERING IS MADE ONLY TO “ACCREDITED INVESTORS” AS DEFINED UNDER RULE 501 OF SECURITIES ACT IN JURISDICTIONS WHERE THE OFFER AND SALE OF THE ILOCK TOKENS IS PERMITTED UNDER APPLICABLE LAW. ONLY PERSONS OF ADEQUATE FINANCIAL MEANS WHO HAVE NO NEED FOR PRESENT LIQUIDITY WITH RESPECT TO THIS PURCHASE SHOULD CONSIDER PURCHASING THE ILOCK TOKENS ON THE TERMS SET FORTH IN THE APPLICABLE OFFERING DOCUMENTS PROVIDED TO YOU IN CONNECTION HERewith BECAUSE: (I) A PURCHASE OF THE ILOCK TOKENS INVOLVES A NUMBER OF SIGNIFICANT RISKS (SEE “**RISK FACTORS**” BELOW); AND (II) NO MARKET FOR THE ILOCK TOKENS CURRENTLY EXISTS NOR MAY EVER EXIST.

FOR FLORIDA RESIDENTS

THE TOKENS (DEFINED HEREIN) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE FLORIDA SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE TOKENS CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR EXEMPTION FROM REGISTRATION IS AVAILABLE.

THE TOKENS REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF THE FLORIDA SECURITIES ACT. THESE TOKENS HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL FLORIDA RESIDENTS SHALL HAVE THE PRIVILEGE OF VOIDING THE PURCHASE WITHIN THREE (3) DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE (3) DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SAID PURCHASER, WHICHEVER OCCURS LATER.

FOR NEW JERSEY RESIDENTS

THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. NO FILING OF THE WITHIN OFFERING HAS BEEN MADE WITH THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEW JERSEY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

FOR NEW YORK RESIDENTS

THESE TOKENS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE NEW YORK FRAUDULENT PRACTICES (“*MARTIN*”) ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR MARTIN ACT, IF SUCH REGISTRATION IS REQUIRED.

THIS OFFERING STATEMENT HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE SALE OF TOKENS IS SUBJECT TO THE PROVISIONS OF A TOKEN PURCHASE AGREEMENT ACCOMPANYING THIS PRIVATE PLACEMENT MEMORANDUM CONTAINING EXPLICIT REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS. ANY INVESTMENT IN THE TOKENS SHOULD BE MADE ONLY AFTER A COMPLETE AND THOROUGH REVIEW OF THE PROVISIONS OF THE SECURITIES PURCHASE AGREEMENT ACCOMPANYING THIS STATEMENT.

OTHER NOTICES

ODB HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF ANY 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 BROKER’S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER. AN INVESTOR SHOULD HAVE KNOWLEDGE AND UNDERSTANDING OF SOPHISTICATED AND COMPLEX INVESTMENTS TO MAKE A SELF-DETERMINATION OR SEEK ADVICE ELSEWHERE. PLEASE REFER TO THE “RISKS” SECTIONS OF THIS DOCUMENT. ODB MAY INVITE OTHER BROKER/DEALERS TO PARTICIPATE IN THIS OFFERING UNDER SIMILAR TERMS AND CONDITIONS.

STRIPE, INC. (“STRIPE”), THE CREDIT CARD PROCESSOR, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. STRIPE NOR ANY OF ITS RESPECTIVE AFFILIATES, MAKES ANY REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. STRIPE’S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

BITGO TRUST COMPANY, INC., (“BitGo”) THE PROVIDER OF CRYPTOCURRENCY WALLET AND CUSTODY SERVICES FOR THE OFFERING, HAS NOT INVESTIGATED THE DESIRABILITY OR ADVISABILITY OF A CONTRIBUTION IN THIS OFFERING OR THE TOKENS OFFERED HEREIN. NEITHER BITGO NOR ANY OF ITS RESPECTIVE AFFILIATES, MAKES ANY REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE TOKENS OFFERED HEREIN. BITGO’S

CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER.

CERTAIN NOTICES

This Private Placement Memorandum shall be maintained in strict confidence. Any reproduction or distribution of this Private Placement Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Association, other than to a recipient's legal, tax or investment advisors, is prohibited. The existence and nature of all conversations regarding the Association and this opportunity must be kept confidential, unless otherwise allowed by the Association.

This Private Placement Memorandum has been prepared in connection with the Offering. Each Purchaser will be required to sign, execute, and deliver such documents as may be reasonably required by the Association to effect its purchase of ILOCK Tokens.

This Private Placement Memorandum contains a summary of the Offering, the Interlock Platform, the ILOCK Tokens, and certain other documents referred to herein. However, the summaries in this Private Placement Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the actual text of the relevant Offering Documents, copies of which will be provided to each prospective purchaser on the Token Sale Website. Each prospective purchaser should review the applicable Offering Documents, and such other documents for complete information concerning the rights, privileges, and obligations of Purchasers. If any of the terms, conditions or other provisions of the Offering Documents or such other documents are inconsistent with or contrary to the descriptions or terms in this Private Placement Memorandum, such other documents shall control. The Association reserves the right to modify the terms of the Offering, and the ILOCK Tokens described in this Private Placement Memorandum are offered subject to the Association's ability to reject any commitment in whole or in part.

The ILOCK Tokens have not been and will not be registered under the Securities Act of 1933, as amended (the "*Securities Act*"), the Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), or any state securities laws or the laws of any foreign jurisdiction. The ILOCK Tokens are being offered and sold herein only under an exemption provided by the Securities Act and Regulation D promulgated thereunder, and other exemptions of similar import in the laws of the states and other jurisdictions where the Offering will be made. The Association will not be registered as an investment company under the United States Investment Company Act of 1940, as amended (the "*Investment Company Act*"). Consequently, Purchasers will not be afforded the protections of the Investment Company Act.

No person has been authorized to make any statements concerning the Association or the sale of the ILOCK Tokens discussed herein other than as set forth in this Private Placement Memorandum, and any such statements, if made, must not be relied upon.

Prospective purchasers must make their own investigations and evaluations of the Interlock Platform and the ILOCK Tokens that will be delivered pursuant thereto, including the merits and risks involved in a purchase. Prior to any purchase, the Association will give prospective purchasers the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of this Offering and other relevant matters to the extent the Association possesses the same or can acquire it without unreasonable effort or expense. Prospective purchasers should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding, and disposition of the ILOCK Tokens upon their delivery, and as to the income and other tax consequences to them of such acquisition, holding, and disposition.

This Private Placement Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the Securities and Exchange Commission (the "*Commission*") nor any other US federal, state or foreign regulatory authority has approved of this Offering.

Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Private Placement Memorandum, nor is it intended that the foregoing authorities will do so. Any representation to the contrary is a criminal offense.

Prospective purchasers are not to construe this Private Placement Memorandum as investment, legal, tax, regulatory, financial, accounting, or other advice, and this Private Placement Memorandum is not intended to provide the sole basis for any evaluation of a purchase of an interest. Prior to purchasing the ILOCK Tokens, a prospective purchaser should consult with their own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of such purchase.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Private Placement Memorandum contains estimates and forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The words “may,” “might,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “seek,” “believe,” “estimate,” “predict,” “potential,” “continue,” “contemplate,” “possible,” and similar words are intended to identify estimates and forward-looking statements. Such forward-looking statements, including the intended actions and performance objectives of the Association, the Company, the ILOCK Tokens, and the Interlock Platform (as defined herein), are based largely on current expectations and projections about future events and trends.

These forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other important factors, including those described under “**Risk Factors**,” that could cause the actual results, performance, or achievements of the Association, the Company, the ILOCK Tokens, and the Interlock Platform to differ materially from any future results, performance, or achievements expressed or implied by such forward-looking statements.

Moreover, new risk factors and uncertainties emerge from time to time, and it is not possible to predict all risk factors and uncertainties, nor is it possible to assess the impact of all these risk factors or the extent to which any risk factor, or combination of risk factors, may cause actual results to differ materially from those contained in any forward-looking statements.

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

OVERVIEW

This overview highlights certain information appearing elsewhere in this Private Placement Memorandum. As this is an overview, you should read the entire Private Placement Memorandum carefully, including the information under “Risk Factors.” This Private Placement Memorandum includes forward-looking statements that involve risks and uncertainties. See “Special Note Regarding Forward-Looking Statements.” Unless the context requires otherwise, in this Private Placement Memorandum, the terms the “Association,” “we,” “us,” and “our” refer to Interlock Association, a Swiss Association. All dollar (\$) amounts set forth herein refer to United States dollars.

Overview

Interlock is a blockchain-based security platform that provides individuals and enterprises with enterprise-grade security products to protect against cyber-attacks. The Interlock Platform utilizes blockchain technology and Artificial Intelligence (AI) to create a safer online environment for everyone. All intellectual property relating to every component of the Interlock Platform listed below is presently owned by the Association. It is anticipated that the Company will own the IP for new products that it creates exclusive of the ones set forth below.

The Association’s flagship product, ThreatSlayer, is a free security extension that provides browser-based protection against browser-based attacks. Users can choose to share anonymized security data and earn rewards in ILOCK, contributing to the safety of the entire network while being compensated.

Interlock is dedicated to providing users with enterprise-grade security and incentivizing them to share security data with the Company via the blockchain in a more secure and anonymous fashion than traditional internet companies. By promoting this synergy between the Association, the Company, and users desiring a more secure web3 experience, the Platform can create a more robust and diverse dataset that is more effective at addressing the unique security challenges posed by the decentralized nature of web3. Though initially launching on Arbitrum and Aleph Zero, the Association intends the Platform to be blockchain agnostic and ultimately capable of fully functioning across all web3 networks.

The Interlock Platform

ThreatSlayer

ThreatSlayer is Interlock’s flagship product, offering a free, enterprise-grade security extension that protects against browser-based attacks such as phishing and social engineering. Users can choose to share anonymized security data and earn rewards in Interlock Tokens. This product is designed to make it safer for users to browse the internet and manage their own funds across web3 applications, where the risk of cyber threats tends to be high. ThreatSlayer marks the Association’s first effort at creating a safer and more secure internet for everyone.

NetKeeper

NetKeeper is the enterprise version of ThreatSlayer, offering enhanced features such as policy control, data management, greater threat visibility, full control, and easy internal deployment for browser safety. With NetKeeper, companies will be able to integrate Interlock’s security measures into their own products, thereby securing their customers’ data as well as their own from phishing and social engineering attacks. NetKeeper’s added functionality will provide businesses with supplemental tools to safeguard valuable customer and trade secret data.

Interlock API

The Interlock API is a business-to-business product that will provides access to our proprietary protection AI as well as our threat data. The latter includes malicious URLs, bad actors, scams, bad address wallets, and, in the future, malicious smart contracts. As with NetKeeper, by accessing our API, enterprises can integrate our security measures into their own products. This will allow businesses to focus on their core competencies rather than spending excessive time monitoring network security.

Threat Stream

The Interlock Threat Stream is a business-to-business product that provides direct access to Interlock’s proprietary threat data. This comprehensive dataset includes malicious URLs, bad actors, scams, bad wallet addresses, and, in the future, malicious smart contracts. With Threat Stream, enterprises can have real-time access to the latest threat intelligence and

integrate it into their own security measures. Threat Stream is delivered on demand via data dump-type access, simplifying partner and customer integrations.

ILOCK Functionality

The Association will deploy a smart contract system on the Arbitrum and Aleph Zero blockchains for the purposes of creating ILOCK and issuing such ILOCK to the Purchaser's wallet. ILOCK is based on the ERC-20 or PSP-22 token standard and is intended to have the utility set out in Interlock's documentation.

ILOCK tokens will play three key functions: (i) security gas fees, (ii) grey area staking, and (iii) incentivizing user participation in identifying cyber threats.

Security Gas Fees

ILOCK is utilized for gas fees on the Interlock Platform. When users query Interlock's AI, a small payment in ILOCK is sent for processing. Gas fees will not be charged to ThreatSlayer users for 70 weeks following the Token Generation Event (see definition below). Thus, although there will be no direct fees for ThreatSlayer users for some time, Company customers and clients will still pay for gas fees as part of the revenue generated by the Interlock Platform.

Grey Area Staking

The Platform's grey area staking allows users and investors alike to take the Interlock Tokens they have earned or purchased and help improve the Platform's threat-detection AI by (re)classifying websites, internet pages, smart contracts, and wallets that may have been incorrectly flagged as malicious. "Grey area" refers to the common expression for borderline or edge cases which could go either way. For example, by staking their ILOCK tokens and making their individual assessment as to a particular website's legitimacy, users will receive rewards for this beneficial act that helps to improve the network. This creates a positive feedback loop whereby everyday users receive the security benefits of "community immunity" while ensuring a safer browsing experience for themselves and others.

ILOCK Rewards

Users passively earn ILOCK rewards for sharing their private and anonymous threat intelligence data with the Interlock Platform. This data does not contain any personally identifiable information; rather, it consists of raw security data such as URLs and metadata. Users receive ILOCK at random for their participation and can earn between zero and 100,000 ILOCK tokens per day. The tokens are not rewards for browsing or commenting in public fora, but for tangibly contributing to the Interlock Platform. With ILOCK, users will eventually have the ability to vote on product development-related matters and to participate in certain decisions of the Association via a decentralized autonomous organization (DAO).

ILOCK Buybacks

Revenue generated from the Platform's B2B products will be used for token buybacks. These tokens will be purchased, held, and staked, with or without rewards, until they are needed back in the ILOCK reward pool. This mechanism is intended to reduce outstanding token supply and to increase the desirability of owning ILOCK.

Interlock Association

The Association oversees the Treasury where Interlock Tokens are held. The Association is intended to embody an important decentralizing and promotional component of the Interlock Platform. The Association is responsible for paying out rewards, distributing Interlock Tokens to ecosystem partners, and investing ILOCK back into the ecosystem for the growth of the project. Eventually, the Association will be governed in part by a DAO whereby customers, clients, and other participants will be empowered to help decide the course of certain product development and other decisions affecting the Interlock Platform. Our vision is to open certain Association decisions to the broader Interlock community who can use their Interlock Tokens to vote. By empowering ILOCK holders to vote in matters that concern them, we aim to build critical momentum that will help power the utility of the Platform's suite of product offerings.

Offering Details

For purposes of this agreement, the Association will define the date of completed reconciliation and processing of all the underlying Token Purchase Agreements ("**TPAs**") for the ILOCK Tokens as the "**TPA Date**." To avoid any ambiguity, the TPA Date will be the date upon which the final TPA is fully processed across all Phases (defined herein).

The Association plans to deliver ILOCK Tokens after the “**Token Generation Event**” (TGE) defined as the meeting of all of the following conditions, as determined by the Seller in its sole discretion: (i) the Tokens are minted and issued by the Seller; (ii) the issuance of the Tokens has been communicated to the public; and (iii) the Interlock Platform’s network technically enables the transfer of the Tokens to the Designated Wallet. A “**Dissolution Event**” means (i) a voluntary termination of operations of the Association on a permanent basis; (ii) a general assignment for the benefit of the Association’s creditors; or (iii) any other liquidation, dissolution or winding up of the Association (excluding a liquidity event), whether voluntary or involuntary.

Subject to applicable restrictions, if the Association does not deliver ILOCK Tokens within thirty days (30) days of the Token Generation Event, the Association will repay the full amount of their investment exclusive of fees (the “**Total Purchase Price**”) to such Purchasers to the extent funds are lawfully available at that time. If there is an insufficient amount of capital available to refund Purchasers, the Association will repay Purchasers with equal priority and on a *pro rata* basis based on the relative value of their respective Total Purchase Price on the date of receipt by the Association of such Total Purchase Price.

The success and completion of this Offering is contingent upon having a minimum of six (6) months of operational runway, calculated based on the Issuer’s current and projected expenses. The Purchase Amount will be returned to Purchasers in the event that the Issuer does not meet this contingency.

Terms of Offering

In connection with this Offering, the Association is offering you and certain other prospective purchasers the opportunity to purchase ILOCK Tokens on the terms and conditions set forth under “**Terms of the Offering**.” This Offering is made only to persons that can demonstrate (in a manner acceptable to the Association) their status as “accredited investors” under U.S. federal securities laws. The Association may terminate such sales at any time prior to the sale of any and all Interlock Tokens in its sole discretion.

The maximum amount of tokens for sale in this Regulation D Offering is \$750,000. The ILOCK Tokens for sale in this Offering comprise allocations for the Community and Third Private Presale Round below.

The Terms of this Offering, including the applicable Lock-ups, are set forth under the section titled “**Terms of the Offering**”.

Concurrent Offerings

There is a concurrent Offering on the Republic website with a maximum amount for sale of \$750,000. The maximum total aggregate amount for sale across both Offerings is \$1,500,000. Tokens in the concurrent Offering are being sold according to a modified lock-up schedule compared to the ones in this Offering:

\$0.035 per ILOCK token with a four-month lock-up and 12 months of linear vesting following the Token Generation Event.

Additionally, in the future, Interlock may conduct another sale directly on its website for non-US purchasers with a maximum amount for sale of \$1,000,000.

Prior Offerings

By January 2022, a total of 48,626,666 ILOCK Tokens had been acquired in the first presale round at a total, fully diluted valuation of \$45 million, for a total capital contribution of \$2,188,200. These investments came from entities such as Y Investment Holding Lmted., Pluto V Ltd., Scorpio VC Limited, Damo Labs, Waterdrip Capital, MaxStealth Opportunity Fund, Berkeley Club Lmted., 8186 Capital, and Outliers Ventures Operations Lmted. Following the TGE, these tokens will be released monthly with a linear 18-month release schedule following a four-month initial lock-up. The average purchase price for all tokens in the first private presale round was \$0.045 per ILOCK.

In the months subsequent to January 2022 and leading up to March 2023, an additional 20,940,993 ILOCK Tokens had been acquired in the second presale round at fully diluted valuations ranging from \$30 million to \$60 million, for a total capital contribution of \$730,730. Participants in this second presale round included BlackDragon, Aleph Zero, and Block 54 Capital. Following the TGE, these tokens will be released monthly with a linear 15-month release schedule following a four-month initial lock-up. The average purchase price for all tokens in the second private presale round was \$0.03 per ILOCK.

Token Distribution

A total supply of 1,000,000,000 ILOCK will exist.

Distribution Schedule

The distribution schedule for the ILOCK Tokens is described below.

Founders/Team: A total of 20% of the token supply or 200,000,000 ILOCK Tokens will be issued to employees of the Company. These ILOCK Tokens will be vested linearly over 36 months after a one-year lock-up from the time of issuance.

Advisors / Strategic Partners: A total of 6.2% of the token supply or 62,000,000 ILOCK Tokens will be issued to advisors and strategic partners. These ILOCK Tokens will be vested linearly over 24 months after a one-year lock-up from the time of issuance.

Private (Pre-)Sale: A total of 10.8% of the token supply or 107,674,286 ILOCK Tokens are anticipated to be sold across Presale Rounds One, Two, and Three. These ILOCK Tokens will be vested according to the investor's participation round. Round One tokens will be vested linearly over 18 months after a one-month lock-up from the time of issuance; Round Two tokens will be vested linearly over 15 months after a one-month lock-up; and Round Three tokens will be vested linearly over 12 months after a one-year lock-up. This Offering comprises Round Three of the Private Sale.

Public Sale: A total of up to 2.9% of the token supply or 28,500,000 ILOCK Tokens will be sold in the public sale. The distribution terms for these ILOCK Tokens have not yet been determined.

Treasury (Foundation): A total of 25.8% of the token supply or 258,122,011 ILOCK Tokens will be reserved to the Association as part of the Treasury. These ILOCK Tokens will be vested linearly over 84 months with no lock-up period.

Community Rewards: A total of 30% of the token supply or 300,000,000 ILOCK Tokens will be reserved for Community Rewards. These ILOCK Tokens will be vested linearly over 144 months with no lock-up period.

Community Sale: A total of 0.4% of the token supply or 3,703,704 ILOCK Tokens will be reserved for the Community Sale. The distribution terms for these ILOCK Tokens have not yet been determined.

Outlier Ventures: A total of 4% of the token supply or 40,000,000 ILOCK Tokens will be reserved for Outlier Ventures. These ILOCK Tokens will be vested linearly over 24 months after a one-month lock-up from the time of issuance.

TERMS OF THE OFFERING

The summary below describes the principal terms of the ILOCK Tokens and the Offering. Certain of the terms and conditions described below are subject to important limitations and exceptions. Prospective purchasers should review the entirety of the documents to be entered into in connection with the Offering. The summary below is qualified in its entirety by reference to the actual text of the form of the applicable Offering Documents.

<i>Seller:</i>	Interlock Association, a Swiss Association
<i>Interlock Tokens:</i>	The maximum amount of Interlock Tokens to be sold in this Regulation D Offering is approximately 21,428,571 ILOCK, or \$750,000. The Association retains the right to stop sales of ILOCK Tokens in this sale at any time or increase or decrease the amount of ILOCK Tokens to be offered. Any unsold Interlock Tokens can be re-allocated by the Association in its sole discretion.
<i>Purchaser Qualifications:</i>	Each Purchaser must be an "Accredited Investor" as defined under Rule 501 of Regulation D under the Securities Act.

<p><i>Period of Offering:</i></p>	<p>November 28, 2023 at 12:00 UTC (8 am EDT) through January 15, 2024 at approximately 12:00 UTC (the “Offering Period”). Purchasers who are on the Company’s “allowlist” are eligible to participate in this Offering starting on November 28, 2023 at 12:00 UTC (8 am EDT). Purchasers who are not on the Association’s allowlist are eligible to participate in this Offering starting on November 30, 2023 at 12:00 UTC (8 am EDT). The Association reserves the right to reject any payments not made within the Offering Period. The Offering Period may be extended or shortened by the Association in its sole discretion, by providing notice through a supplement to this Private Placement Memorandum or announcement on the relevant offering page.</p>
<p><i>Fulfillment Price:</i></p>	<p>Regulation D Offering Option 1:</p> <p>Price: US\$0.027 per ILOCK Token Maximum Supply: Up to \$100,000 or 3,703,704 ILOCK</p> <p>Regulation D Offering Option 2:</p> <p>Price: US\$0.035 per ILOCK Token Maximum Supply: Up to \$650,000 or 18,571,428 ILOCK (including any unsold tokens from Option 1, for a total aggregate Regulation D Offering amount of \$750,000)</p> <p>Participants may purchase ILOCK Tokens at a price of \$0.027 or \$0.035 per ILOCK that will vest monthly over 12 months beginning with the Token Generation Event, subject to a one-year holding period. The vesting schedule for Option 1 and Option 2 is the same. It is anticipated that the lock-up and the holding period will run concurrently.</p>
<p><i>Lock-up and Transfer Restrictions:</i></p>	<p>Prior to the expiration of the one-year period following the purchase of ILOCK Tokens (the “Restricted Period”), Purchasers will not offer, sell, pledge, or otherwise transfer the ILOCK Tokens unless in compliance with securities laws, including, where applicable, Securities Act Rule 144.</p> <p>In addition to the Restricted Period, ILOCK Tokens acquired in connection with this Offering will be locked-up and non-transferable by the Purchaser for a period of twelve (12) months after the Token Generation Event (the “Token Generation Restricted Period”). The ILOCK Tokens acquired pursuant to this Offering shall vest to the Purchaser on a linear and continuous basis every month until all such ILOCK Tokens are fully unlocked and released upon the date that is the first day of the 12th month following the Token Generation Event. The Restricted Period and the Token Generation Restricted Period (collectively, the “Lock-Up Restrictions”) will run concurrently and overlap.</p> <p>Lock-Up Restrictions will be enforced by smart contract, which will send ILOCK tokens to the Purchaser’s wallet upon their periodic vesting.</p>

<p><i>Purchase Limits:</i></p>	<p>Throughout the Offering Period, the minimum purchase amount will be (i) \$500 for individuals and (ii) \$5,000 for entities.</p> <p>The maximum purchase amount will be \$100,000. A token distribution fee of \$10 will apply to each transaction.</p> <p>Such amounts may be modified by the Association in its sole discretion.</p> <p>The success and completion of this Offering is contingent upon having a minimum of six (6) months of operational runway, calculated based on the Issuer's current and projected expenses, and the funds will be returned to investors in the event that the Issuer does not meet this contingency.</p>
<p><i>Means of Purchase:</i></p>	<p>Purchasers must access the token sale website at https://republic.co/interlock (the "Token Sale Website") and be subject to the offering documents as set forth therein (the "Offering Documents").</p>

Form of Payment for Interlock Tokens:

The Purchase Amount can be paid in US dollars (via wire, ACH, or credit card), Tether (USDT), or USD Coin (USDC). The US dollar exchange rate for any cryptocurrencies used for the Purchase Amount shall be determined as set forth in Section 2 of the TPA. Purchases through Stripe will incur a total fee of approximately 2.7%-3.8% plus an additional \$0.36 per transaction. These total expenses for Stripe will ultimately be borne by the Association. Wire fees are different depending on the institution and are the responsibility of the investor. They can range from \$25-\$75 per transaction or more.

Cash received in connection with the Purchase Amount will be directly transferred to an escrow account established for the benefit of the Offering. Purchasers in the Offering will not have the right to revoke their purchase at any time. If a purchase is rejected for any reason, it will be refunded without interest or deduction save any applicable fees. Purchasers will follow instructions for completing payment when making their investment via the Offering Platform that is used by ODB for the benefit of the Offering. Fiat payments will be assessed a 2% fee. Crypto payments do not incur this fee.

Cryptocurrencies and digital assets received in connection with purchases pursuant to this Offering are directed to an account maintained by the Association through BitGo.

If a purchase is rejected for any reason, and if payment was made in the specifically approved cryptocurrency or digital asset, a refund of the purchase price will be made in USDC, and such refunds will be based upon the USD-denominated value of the Purchase Amount only, regardless of the type and amount of the approved cryptocurrency or digital assets paid, or any volatility in their prices, and subject to certain fees (i.e. the amount of cryptocurrency originally sent may vary from the amount of cryptocurrency refunded due to exchange rate variations). Gas fees or miner fees for refunds will be deducted from the amount of the refund sent. Purchasers in the Offering will not have the right to revoke their subscription at any time. Gas costs and miner fees paid in the original subscription will not be refunded.

For example, an investor who invests \$1,000 would pay a \$20 fee to ODB and a \$10 token distribution fee to Interlock, for a grand total of \$1,030. Of this amount, only the first \$1,000 is refundable. If cryptocurrency is used for the purchase, gas fees also apply.

<p><i>Documentation:</i></p>	<p>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 Association, which may include, without limitation: (1) the acceptance and delivery of a token purchase agreement; (2) completion of purchaser qualification requirements (status as an “Accredited Investor” under Regulation D and KYC/AML or KYB (if applicable) screening requirements); and (3) confirmation by ODB or the Association of receipt of funds (collectively, the “Closing Requirements”).</p> <p>The proceeds of this Offering will be disbursed to the Association intermittently throughout the closing process, provided that all applicable Closing Requirements associated with such proceeds must be satisfied prior to disbursement</p>
<p><i>Use of Proceeds:</i></p>	<p>Provided the six-month operational runway contingency is met, the Association intends to use a significant portion of the proceeds from this Offering to develop and promote the Interlock Platform. See “Use of Proceeds.”</p>

RISK FACTORS

A purchase of the Interlock Tokens involves a high degree of risk. You should consider carefully the risks described below, together with all the other information contained in this Private Placement Memorandum and the Offering Documents, before making a purchase decision. The following risks entail circumstances under which the Interlock Tokens, the Interlock Platform and their related operations and prospects could suffer. They may also be harmed by additional risks and uncertainties not currently known or that we currently do not believe to be material.

UNLESS EXPRESSLY SET OUT HEREIN, THE ASSOCIATION SPECIFICALLY DOES NOT REPRESENT OR WARRANT, AND EXPRESSLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION MATERIALS OR THE ILOCK TOKENS, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATIONS OR WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, USAGE, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, OR AS TO THE WORKMANSHIP OR TECHNICAL CODING THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. THE ASSOCIATION DOES NOT REPRESENT OR WARRANT THAT ILOCK TOKENS ARE RELIABLE, CURRENT OR ERROR-FREE, MEET YOUR REQUIREMENTS, OR THAT DEFECTS IN THE ILOCK TOKENS WILL BE CORRECTED. THE ASSOCIATION CANNOT AND DOES NOT REPRESENT OR WARRANT THAT ILOCK TOKENS OR THE DELIVERY MECHANISM FOR THE ILOCK TOKENS IS FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

The Interlock Platform may not continue to be successfully developed.

Despite the Interlock Platform already having undergone a partial launch, it may not succeed in the long term. Changes to the specifications of the Interlock Platform may be necessary for any number of reasons, and the Interlock Platform may be developed in a way that does not realize those specifications and may cease to be able to integrate with a functioning blockchain network. It is possible that the Interlock Platform may never gain traction and that there may never be any Interlock Token fees generated from use of the Platform. The Interlock Platform, even if successfully maintained, may not meet expectations. Furthermore, despite good faith efforts to support and develop the Interlock Platform, it is still possible that the Interlock Platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the ILOCK Token. If the Interlock Platform is not successfully developed, the Interlock Token Fees may not be delivered, the Interlock Token may lose all its value, and Purchasers may lose all of their Total Contribution Amount.

We have a limited operating history.

The Association and the Company have a limited operating history. The Interlock Platform has launched but the ILOCK token has not yet been fully integrated into the Platform. There is no assurance that any of the Company's proposed activities and business plans as set forth on the Company's website (the "*Website*")¹ will succeed.

Risks Associated with the Structure of Token Purchase Agreements

An investment in a TPA involves a significant amount of risk and is suitable only for sophisticated Purchasers: (i) substantial means who have no immediate need for liquidity in the amount invested; (ii) for whom such investment does not constitute a complete investment program; (iii) that fully understand, and are willing to assume and have the financial resources necessary to withstand, the risks involved in investing in a TPA; and (iv) that can bear the potential loss of all of their investment in a TPA. There is no assurance as to whether an investment in a TPA will be profitable. Any Investment made in a TPA may result in a loss of all or part of a Purchaser's Investment. The Token Purchase Agreement or a portion thereof may be modified, waived, or amended without your consent consistent with its terms.

The Interlock Platform may not be able to compete effectively with other platforms.

The market developing for blockchain-native cybersecurity platforms may become competitive and is rapidly evolving. Currently, there may be other attempts to develop similar platforms, and many more new attempts may emerge. Competitors to the Interlock Platform may have substantial competitive advantages, such as in speed, security, scalability, longer operating histories, greater financial and other resources, stronger name recognition, larger network of testnet users and developers, greater market acceptance among developers, as well as pre-existing relationships with developers. Any of these events could negatively impact the development and viability of the Interlock Platform and harm the value of the Interlock Tokens. Although we are aware of no solutions similar to Interlock presently being developed or released by large technology companies, this does not mean that no such solutions exist. Furthermore, other solutions may be offered by them

¹ <https://interlock.network>

as well as by new entrants in the future. The Interlock Platform may not keep up with these alternative technologies, which could negatively impact the project and the Interlock Token.

The Interlock Platform may be unable to attract and retain users.

The growth and success of the Interlock Platform depends critically on its widespread adoption by cybersecurity-minded users, which depends on many factors, including the quality of the Interlock Platform's features, as well as its speed, usability, security, scalability, competitiveness versus other competitor platforms, and overall market acceptance. The Company, the Association, the Interlock Platform, and the Interlock Token can also be the subject of negative commentary in the news media, website postings, social media, and other non-traditional media, all of which may result in reduced growth and adoption of the Interlock Platform and negatively affect the value of the Interlock Token.

The Interlock Platform is dependent on validators and computer networks for its operations.

Even if the Interlock Platform becomes operational, the functionality of blockchains underlying it will depend on validators, computer networks, and their continued operations, all of which are outside of the control of the Company, the Association, and even the developers of the blockchains the Interlock Platform will employ. If such validators fail to maintain their operations on blockchains using the Interlock Platform, it could have a material adverse impact on the value of the Interlock Tokens.

Real or perceived errors, failures, or bugs in the Interlock Platform, or in the software or systems of third-party developers utilizing the Interlock Platform, could adversely affect the Interlock Platform and the value of the Interlock Tokens.

Real or perceived errors, failures, vulnerabilities, or bugs in the Interlock Platform, or in the software or systems of third-party developers utilizing the Interlock Platform, could harm the Interlock Platform and the Interlock Tokens. Errors, failures, vulnerabilities, or bugs may occur and may cause errors or failures of applications or products, computing and storage environment of the Interlock Platform. Any such errors, failures, vulnerabilities, or bugs may not be found until after the Token Generation Event or after updates are deployed by developers or data has been deployed on a network using the Interlock Platform, which could result in negative publicity, loss of data, failure of applications, loss of or delay in market adoption, a decrease in user and developer satisfaction or adoption, loss of competitive position, or claims from third parties. Neither we nor the Interlock Platform community may be able to promptly resolve these problems, if at all. Any of these incidents could materially and adversely harm the Interlock Platform and the Interlock Tokens.

The ILOCK Tokens have no market, liquidity, or performance history.

The ILOCK Tokens have no market, liquidity, or performance history. As such, they should be evaluated on the basis that the Company, the Association, or any third party's assessment of the prospects of the Interlock Token or the Interlock Platform may not prove accurate, and that the Company, the Association, the Interlock Token, and the Interlock Platform may not achieve their objectives, including the use and adoption of the Interlock Platform and their associated blockchain applications.

The tax treatment of acquiring, holding, and where permitted, selling, exchanging, or otherwise disposing of the Interlock Tokens 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 ILOCK Tokens is uncertain, and each Purchaser must seek its own tax advice in connection with a purchase of the ILOCK Tokens as described herein. The Association has not requested a ruling from any tax authority regarding the tax treatment of the ILOCK Tokens. Acquiring, holding, and where permitted, selling, exchanging, or otherwise disposing of the ILOCK Tokens 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 ILOCK Tokens.

Blockchain networks using the Interlock Platform 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 ILOCK Tokens. If the Interlock Platform or the network security of either Arbitrum or Aleph Zero is compromised or if the protocol is subjected to attacks that frustrate or thwart access to and use of the Interlock Tokens, developers may cut back on or stop using the Interlock Platform altogether, which could seriously curtail the utilization of the Interlock Tokens and cause a decline in the market price of the ILOCK Tokens.

The Interlock Platform, 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 Interlock Platform will be uninterrupted or fully secure which may result in a complete loss of the Interlock Tokens, or an unwillingness of users to access, adopt, and utilize the Interlock Platform. 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 Interlock Platform's reputation, even though the Association is not responsible for the attacked network. In any such event, if the Interlock Platform is not widely adopted, if the Interlock Platform does not reach a sufficient number of users, Purchasers may lose all of their Total Contribution Amount.

Assertions by third parties of infringement or other violation by us of their intellectual property rights could harm our ability to develop the Interlock Platform and the Interlock Token.

In the future, third parties may assert that we have infringed, misappropriated, or otherwise violated their copyrights, patents, and other intellectual property rights, and as we face increasing competition, the possibility of intellectual property infringement claims against us grows. Various laws and regulations govern the copyright and other intellectual property rights associated with the Interlock Platform. Existing laws and regulations are evolving and subject to different interpretations, and various legislative or regulatory bodies may expand current or enact new laws or regulations. We cannot assure you that we are not infringing or violating any third-party intellectual property rights, or that we will not do so in the future. In addition, internet and technology companies are frequently subject to litigation based on allegations of infringement, misappropriation, or other violations of intellectual property rights. Many companies in these industries, including many of our competitors, have substantially larger patent and intellectual property portfolios than we do, which could make us a target for litigation as we may not be able to assert counterclaims against parties that sue us for patent, or other intellectual property infringement. By their nature, content creation platforms feature content protected by intellectual property laws and may be fora for the publication of content that has infringed upon the intellectual property rights of others.

It is difficult to predict whether assertions of third-party intellectual property rights or any infringement or misappropriation claims arising from such assertions will substantially harm our business, operating results, or financial condition. If we are forced to defend against any infringement or misappropriation claims, whether they are with or without merit, are settled out of court, or are determined in our favor, we may be required to expend significant time and financial resources on the defense of such claims. Furthermore, an adverse outcome of a dispute may require us to pay significant damages, which may be even greater if we are found to have willfully infringed upon a party's intellectual property; cease exploiting copyrighted content that we have previously had the ability to exploit; cease using solutions that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to redesign our solutions; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies, content, or materials; indemnify our partners and other third parties; and/or take other actions that may have material effects on our business, operating results, and financial condition.

Decentralization may result in inadequate governance and the adoption of plans or strategies that destroy the value or usefulness of the Interlock Platform

ILOCK is designed as a utility token capable of allowing token holders to vote on the direction and initiatives of the Interlock Platform. In the future, it is plausible that the token holders vote for business strategies or initiatives that hamper the potential or value of the Interlock Platform and ultimately render the ILOCK Token without any value.

Risk of Migration to New Blockchain and/or Token

It is possible that the Association may in the future allow or require users of the Platform to migrate their tokens to another blockchain and/or upgrade their token into a new digital asset. The Association may choose to do so for numerous reasons, including, without limitation, to address regulatory requirements, technological constraints, restrictions or failures arising from the existing blockchain, transaction costs, or to enable the Company to incorporate new features into the Platform. There can be no assurance that the migration to a new blockchain will be successful or that the token will retain the same features and functionality if the holder chooses not to migrate their Token to the new blockchain.

Risks related to blockchain technologies and digital assets

The regulatory regime governing the blockchain technologies, cryptocurrencies, coins including the ILOCK Tokens, and coin or token offerings including the Offering, is uncertain, and new regulations or policies may materially adversely affect the development or operation of the Interlock Platform and the value of the ILOCK Tokens. Furthermore, as blockchain networks and blockchain assets have grown in popularity and in market size without the creation of a new federal legal framework, US federal and state agencies have begun to regulate their use and operation, often in a manner that produces contradictory or otherwise unpredictable outcomes.

Regulation of digital coins and tokens (including the ILOCK Token); offerings such as this; cryptocurrencies; blockchain technologies; and cryptocurrency exchanges, currently, is still relatively undeveloped; likely to rapidly evolve; varies

significantly among international, federal, state, and local jurisdictions; and is subject to significant uncertainty. Various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development and adoption of the Interlock Platform. Failure by certain developers using the Interlock Platform to comply with any laws, rules, and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

In the case of virtual currencies, some state regulators like the New York Department of Financial Services have created new regulatory frameworks. Others, as in Texas, have published guidance on how their existing regulatory regimes apply to virtual currencies. Some states, like New Hampshire, North Carolina, and Washington, have amended their state's statutes to include virtual currencies into existing licensing regimes. Treatment of virtual currencies continues to evolve under federal law as well. The Department of the Treasury, the Commission, and the Commodity Futures Trading Commission (the "*CFTC*"), for example, have published guidance on the treatment of virtual currencies.² The Internal Revenue Service (the "*IRS*") has released guidance treating virtual currency as property that is not currency for US federal income tax purposes, although there is no indication yet whether courts or federal or state regulators will follow this classification.³ Both federal and state agencies have instituted enforcement actions against those violating their interpretation of existing laws.

The regulation of non-currency uses of blockchain assets is also uncertain. The CFTC has publicly taken the position that certain blockchain assets are commodities, and the Commission, including Chairman Gary Gensler, has issued several public reports or comments stating federal securities laws require treating some blockchain assets as securities.⁴

Recently, the Commission also won summary judgment in federal court in its case against LBRY, Inc., establishing that its blockchain token LBC was offered as an unregistered security.⁵ Conversely, the Commission lost a motion for summary judgment in federal court in its case against Ripple Labs, Inc., resulting in a finding that the XRP token did not constitute an investment contract in transactions that occurred between third parties unaffiliated with the issuer.⁶ The latter order is presently under review by the 2nd Circuit Court of Appeals.

To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a blockchain network or asset, the Interlock Platform and ILOCK Tokens may be materially and adversely affected.

Blockchain networks also face an uncertain regulatory landscape in many foreign jurisdictions. In August 2017, Canada issued guidance stating the sale of cryptocurrency may constitute an investment contract in accordance with Canadian law for determining if an investment constitutes a security. In July 2016, the Russian Ministry of Finance indicated that it supports a proposed law that bans cryptocurrencies domestically. Russia has since issued several releases indicating they may begin regulating cryptocurrencies and licensing miners and entities engaging in initial coin offerings. In July 2016, the European Commission released a draft directive that proposed applying counterterrorism and anti-money laundering regulations to virtual currencies, and, in September 2016, the European Banking authority advised the European Commission to institute new regulation specific to virtual currencies, with amendments to existing regulation as a stopgap measure. On September 4, 2017, China issued a guidance prohibiting the practice of using cryptocurrency for capital fundraising. Additional reports have surfaced that China is considering regulating cryptocurrency businesses by enacting a licensing regime. In April 2019, China's National Development Reform Commission listed crypto-mining among a variety of industries it intends to eliminate. In September 2017, the Financial Services Commission of South Korea released a statement that initial coin offerings would be prohibited as a fundraising tool. In December 2018, South Korea's Financial Services Commission stated that six bills related to the regulation of cryptocurrencies had been submitted to the National Assembly. One of the bills would require all persons in charge of a cryptocurrency transfer business to register with the Financial Services Commission. In June 2017, India's government ruled in favor of regulating cryptocurrencies. In April 2018, the Reserve Bank of India

² *A Virtual Primer on Virtual Currencies*, CFTC (Oct. 17, 2017), http://www.cftc.gov/idc/groups/public/documents/file/labcfrc_primercryptocurrencies100417.pdf.

³ I.R.S. Notice 2014-21, 2014-16 I.R.B. 938 (Apr. 14, 2014).

⁴ *A Virtual Primer on Virtual Currencies*, CFTC (Oct. 17, 2017), http://www.cftc.gov/idc/groups/public/documents/file/labcfrc_primercryptocurrencies100417.pdf; Leo Schwartz, 'The million-dollar question': CFTC chair on regulating crypto alongside the SEC, (Oct. 24, 2022 12:19 PM) <https://fortune.com/crypto/2022/10/24/million-dollar-question-cftc-chair-regulating-crypto-sec/> (CFTC Chair Rostin Behnam recently stated, "I've suggested [Ether] is a commodity, and [SEC] Chair Gensler thinks otherwise,").

⁵ *SEC v. LBRY, Inc.*, No. 21-cv-260-PB, slip op. at *1 <https://fingfx.thomsonreuters.com/gfx/legaldocs/mopakmakkpa/SECURITIES%20LBRY%20ruling.pdf>

⁶ *SEC v. Ripple Labs, Inc., Bradley Garlinghouse, and Christian A. Larsen*, No. 20-cv-10832, Order at *1. <https://www.nysd.uscourts.gov/sites/default/files/2023-07/SEC%20vs%20Ripple%207-13-23.pdf>

issued a statement to all entities regulated by the Reserve Bank, stating that they must cease all activities related to cryptocurrency. In 2018, Australia passed legislation which requires digital currency exchange providers to register with AUSTRAC (the Australian Transaction Reports and Analysis Centre). Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Interlock Platform, including deeming ILOCK Tokens to constitute securities under the laws of such jurisdictions, or that the use of ILOCK Tokens violates applicable law. Such laws, regulations or directives may conflict with each other and may directly, negatively, and materially impact the Interlock Platform. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of the Interlock Platform.

The Interlock Platform may be deemed a money transmitter under US anti-money laundering laws.

On May 9, 2019, the US Financial Crimes Enforcement Network (“*FinCEN*”) issued guidance on the application of FinCEN’s regulations to certain business models involving convertible virtual currencies. Pursuant to this guidance, the creator and seller of a convertible virtual currency may, under certain circumstances, be deemed a money transmitter under US anti-money laundering laws and subject to registration with and oversight by FinCEN. In addition, we may be subject to licensure with certain state and foreign regulators. In some cases, it is unclear how certain laws may affect us based on our business model and operations, and compliance with these laws may be costly or impractical. If we are unable to comply with and become liable for violations of these laws, or if courts or regulatory bodies provide unfavorable interpretations of existing regulations, we may be subject to civil or criminal penalties, including significant fines or damages, the loss of ability to operate.

This Issuance of ILOCK Tokens may constitute the issuance of a “security” under US federal securities laws

On July 25, 2017, the Commission issued a Report of Investigation under Section 21(a) of the Exchange Act describing an SEC investigation of The DAO, a virtual organization, and its use of distributed ledger or blockchain technology to facilitate the offer and sale of DAO ERC-20 Tokens to raise capital. The Commission applied existing US federal securities laws to this new paradigm, determining that DAO ERC-20 Tokens were securities. The Commission stressed that those who offer and sell securities in the United States are required to comply with federal securities laws, regardless of whether those securities are purchased with virtual currencies or distributed with blockchain technology. Further, on December 11, 2017, Commission Chairman Jay Clayton issued a Statement on Cryptocurrencies and Initial Coin Offerings emphasizing that whether a digital asset constitutes a security is a fact-specific inquiry that “depends on the characteristics and use of that particular asset,” and cautioned that the Commission’s Division of Enforcement will continue to police this area vigorously. For instance, on December 11, 2017, a California-based company named Munchee selling digital ERC-20 Tokens to raise capital for its blockchain-based food review service agreed to an order with the Commission to halt its initial coin offering and return all proceeds. Similar enforcement actions have continued from 2018 to the present, including claims brought against Kik Interactive Inc., Block.one, Telegram Group Inc., and Ripple Labs for their unregistered securities offerings. On April 3, 2019, the SEC’s Fintech Hub issued a “*Framework for Investment Contract Analysis of Digital Assets*” (the “*SEC Framework*”) further delineating various factors considered by the SEC in determining whether any cryptocurrency is a security.

More recently, the Commission has brought actions for the unregistered offer and sale of securities against several companies and individuals, including Sparkster, Ltd. and its CEO (9/19/2022), Dragonchain, Inc. (8/16/2022), and NASGO and its associates (4/28/2022). The Commission also brought insider trading charges against a former Coinbase product manager, and his brother and friend, for perpetuating a scheme to trade ahead of announcements regarding crypto assets that would be made available for trading on Coinbase, specifically alleging that nine of the 25 tokens at issue were securities.

While the characterization of any cryptocurrency or digital asset as a security is a highly fact-specific analysis, the SEC framework suggests that the SEC is taking a broad view of what constitutes a security under US federal securities laws, and many digital assets are expected to be characterized as securities under this new SEC Framework.

If the ILOCK Tokens are deemed to be securities under US federal securities laws, then the Association may be required to register such issuance under the Securities Act. In addition, each purchaser will be required to comply with the Securities Act for all sales, resales, and transfers of the ILOCK Tokens. The Association has no contractual obligation to register the ILOCK Tokens under the Securities Act and do not presently intend to do so. If we decide to pursue such registration of ILOCK Tokens under the Securities Act, it would result in significant delays in the issuance of the ILOCK Tokens, and would require us to incur substantial additional expenses. If, in the alternative, we do not pursue such registration, or if we abandon the development of the Interlock Platform, you may lose all or part of your Total Contribution Amount.

The ILOCK Tokens contemplated hereby may be subject to registration under the Exchange Act if the Association has assets above \$10 million and more than 2,000 Purchasers participate in such offering.

A company with total assets above \$10 million and more than 2,000 holders of record of a class of its equity securities, or 500 holders of record of a class of its equity securities who are not accredited investors, must register that class of equity securities with the Commission under the Exchange Act. The Association may surpass \$10 million in assets by virtue of the Interlock Tokens held in treasury. While the ILOCK Tokens are not intended to constitute equity securities within the meaning of the Exchange Act, there is substantial uncertainty on the application of US securities laws to cryptocurrencies, and there is no guarantee that they will not be characterized as such. There is the possibility that the Commission will deem the ILOCK Tokens to constitute “equity securities” under the Exchange Act; and, in such event, if the sale of ILOCK Tokens as described herein surpasses 2,000 Purchasers, or there are more than 2,000 holders of ILOCK Tokens after the Token Generation Event, then the Association will have to register the ILOCK Tokens as described herein with the Commission, which will be a laborious and expensive process. If such registration takes place, it would require us to incur substantial additional expenses, including expenses to comply with the periodic reporting requirements under the Exchange Act. If we do not pursue such registration, or if we abandon the development of the Interlock Platform, you may lose all or part of your Total Contribution Amount.

Neither the Contributors nor the Association will have control over the blockchains utilizing the Interlock Platform following launch.

The blockchains using the Interlock Platform will likely consist of open-source technologies that depend on a network of computers to run certain software programs to process transactions, including for the transfer of tokens on the blockchain protocol. Because of this decentralized model, neither the Purchasers nor the Association, nor even, at times, the developers of the blockchains utilizing the Interlock Platform, will have control over the blockchain networks utilizing the Interlock Platform following the launch of these networks.

There may be occasions when certain individuals involved in the development of the Interlock Platform may encounter potential conflicts of interest, such that such a person may avoid a loss, or even realize a gain, when other Purchasers are suffering losses.

There may be occasions when certain individuals involved in the development of the Interlock Platform or the Association may encounter potential conflicts of interest in connection with the sale of ILOCK Tokens described herein, such that such person may avoid a loss, or even realize a gain, when other Purchasers in such sale are suffering losses. Purchasers may also have conflicting investment, tax, and other interests, which may arise from the terms of the Offering Documents, the Interlock Platform and its code, or other factors. Decisions made by the Association on such matters may be more beneficial for some Purchasers than for others.

Purchasers may lack information for monitoring their purchases.

The Purchaser may not be able to obtain all information it would want regarding the Association, the Company, or the Interlock Platform on a timely basis or at all. It is possible that the Purchaser may not be aware on a timely basis of material adverse changes that have occurred with respect to certain of its purchases. In addition, the Association and the Company are private entities and are not required to publicly disclose any information about their finances, cash runway, or product development status. Certain information relating to the Interlock Platform may not be publicly disclosed or readily available. As a result of these difficulties, as well as other uncertainties, a Purchaser may not have accurate or accessible information about the Interlock Platform.

If the Interlock Platform is unable to satisfy data protection, security, privacy, and other government- and industry-specific requirements, its growth could be harmed.

There are a number of data protection, security, privacy and other government- and industry-specific requirements, including those that require companies to notify individuals of data security incidents involving certain types of personal data. Security compromises could harm the Interlock Platform’s reputation, erode market confidence in the effectiveness of its security measures and reliability of its endorsements, negatively impact its ability to attract new users, or cause users to stop using the Interlock Platform.

The further development and acceptance of blockchain networks, including those underlying the Interlock Platform, which are part of highly competitive and rapidly changing industries, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of blockchain networks and blockchain assets would have an adverse material effect on the successful development and adoption of the Interlock Platform.

The growth and adoption of the blockchain industry, including the Interlock Platform, is subject to a high degree of uncertainty. The factors affecting the further development of the cryptocurrency industry, as well as blockchain networks, include, without limitation:

- Worldwide growth in the adoption and use of Bitcoin, Ethereum, Arbitrum, Aleph Zero, and other blockchain technologies;
- Government and quasi-government regulation of Bitcoin, Ethereum, Arbitrum, Aleph Zero, and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- The maintenance and development of other open-source software protocols such as the Bitcoin, Ethereum, Arbitrum, and Aleph Zero networks;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- General economic conditions and the regulatory environment relating to cryptocurrencies; and
- A decline in the popularity or acceptance of Bitcoin, Ethereum, Arbitrum, Aleph Zero, or other blockchain-based coins and the Interlock Platform.

The slowing or stopping of the development, general acceptance, adoption, or usage of blockchain networks or blockchain assets may deter or delay the acceptance and adoption of the Interlock Platform and may decrease the value of the of the ILOCK Tokens.

The application of distributed ledger technology is novel and untested and may contain inherent flaws or limitations.

Blockchains are an emerging technology that offers new capabilities which are not fully proven in use. There are limited examples of the application of distributed ledger technology. In most cases, software used by blockchain asset-issuing entities will be in an early development stage and still unproven. As with other novel software products, the computer code underpinning the blockchain networks using the Interlock Platform may contain errors, or function in unexpected ways. Insufficient testing of smart contract code, as well as the use of external code libraries, may cause the software to break or function incorrectly. Any error or unexpected functionality may cause a decline in value of the ILOCK Tokens and result in substantial losses to Purchasers.

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

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

- Global blockchain asset supply;
- Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- Purchasers' expectations with respect to the rate of inflation;
- Changes in the software, software requirements or hardware requirements underlying the Interlock Platform;
- Changes to the software, security, cost and adoption of the Interlock Platform;
- Changes in the rights, obligations, incentives, or rewards for the various participants in the blockchains utilizing the Interlock Platform;
- Interest rates;

- Currency exchange rates, including the rates at which digital assets may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which the ILOCK Tokens may be traded and liquidity on such exchanges;
- Interruptions in service from or failures of any blockchain asset exchanges on which the ILOCK Tokens may be traded, if any such exchanges exist at all;
- Activities of large purchasers, including private and registered funds, that may directly or indirectly purchase the ILOCK Tokens, or other blockchain assets;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that affect the use of blockchain assets such as the ILOCK Tokens;
- The maintenance and development of the Interlock Platform;
- New technologies and competing products and services;
- Global or regional political, economic or financial events and situations; and
- Expectations among Interlock Platform or other blockchain asset participants that the value of the ILOCK Tokens or other blockchain assets will soon change.

A decrease in the price of a single blockchain asset may cause volatility in the entire blockchain asset industry and may affect other blockchain assets including the ILOCK Tokens. For example, a security breach that affects purchaser or user confidence in Bitcoin, Ethereum, Arbitrum, or Aleph Zero may affect the industry as a whole and may also cause the price of the ILOCK Tokens and other blockchain assets to fluctuate.

If you lose access to your wallet credentials or someone else accesses them, it may result in total loss of your tokens.

Any third party that gains access to or learns of your wallet login credentials or private keys may be able to dispose of your ILOCK Tokens. To minimize this risk, you should guard against unauthorized access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separate from the working location. In addition, you are responsible for giving us the correct wallet address to which to send your ILOCK Tokens. If you give us the incorrect address to which to send your ILOCK Tokens, we are not responsible for any loss of Interlock Tokens that may occur.

Risks relating to the Interlock Platform

The blockchain networks utilizing the Interlock Platform may fail to generate enough value in their tokens to reap meaningful licensing fees.

Given that the Interlock Tokens depend upon other blockchain networks, the risks inherent in those blockchain networks failing to generate significant publicity, utility, or value for their users and developer community become risks that the Interlock Platform and the Interlock Token, must also bear. Hundreds of blockchains may use the Interlock Platform without any meaningful subscription fees generated. As a consequence, the Interlock Platform technology could be widely used, and the Company's employees could be busy upgrading and customizing the technology to ensure wide adoption, but the Interlock Platform itself could still fail to generate meaningful network activity and usage of the Interlock Tokens.

The Interlock Platform has limited operating history.

Because the Interlock Platform only recently launched in its current conception, issues may arise from time to time with the Interlock Platform that affects its security, speed, storage, scalability, security, operations, or cost. Also, the price and supply of Interlock Tokens may in the future experience sharp fluctuations. If any real or perceived problems or vulnerabilities are identified, or if such volatility continues, the Interlock Platform may be materially and adversely affected, which may have a further adverse effect on the willingness of parties to utilize the Interlock Platform and transact using Interlock Tokens.

Modifications may be made to the Interlock Platform, the Website, or the ILOCK Tokens features and rights.

The Company reserves the right to continuously modify the Website and modify the codebase of the Interlock Platform from

time to time in the Company's sole and absolute discretion. For its part, the Association may also make such changes to the Interlock Tokens as may be necessary to further the success of the Interlock Platform. Any such changes will be binding on the Purchasers. Following the Token Generation Event, some changes to the Interlock Platform may be determined by an organic decision-making process among members of the community, the Company, and the Association. Any such modifications could materially and adversely impact the value of the ILOCK Tokens and you could lose all or part of your purchase price.

A disruption of the Internet, Arbitrum, or the Aleph Zero Network would affect the ability to transfer ILOCK Tokens.

Arbitrum and Aleph Zero depend on the Internet. A significant disruption in Internet connectivity could disrupt Arbitrum or the Aleph Zero Network's operations until the disruption is resolved and have an adverse effect on the price of ILOCK Tokens. In addition, these networks may be subjected to a number of denial-of-service attacks in the future, which could lead to delays in block creation and in the transfer of ILOCK Tokens on the network. Any future attacks that impact the ability to transfer ILOCK Tokens could have a material adverse effect on the price and supply of ILOCK Tokens.

Litigation and third-party claims may adversely affect the development and adoption of the Interlock Platform.

From time to time, third parties may assert claims against the Association, the Company, its developers, or its underlying technology. Regardless of the merit of any legal action or claim, any action that reduces confidence in the Association's or the Company's long-term viability or the ability of individuals to hold and transfer ILOCK Tokens may adversely affect the Interlock Platform. Additionally, a meritorious claim could prevent developers from accessing the most up to date Interlock Platform code or holding or transferring their ILOCK Tokens.

Planned public listings of ILOCK Tokens could negatively impact their price.

Following this Offering, the Association plans to list the ILOCK token on at least three public exchanges. Such listing could negatively impact the price of ILOCK, especially if there is significant selling activity. Lock-ups may also prevent participants in this Offering from selling their stakes in ILOCK while the price is declining.

Planned public listings of ILOCK Tokens may offer the public an opportunity to buy ILOCK tokens at lower prices and without a lock-up than participants in this Offering.

Public listings on three exchanges may give users the chance to buy ILOCK on those exchanges for a lower price than what participants in this Offering are paying. Additionally, these ILOCK tokens acquired on token exchanges may not have lock-ups associated with them.

ILOCK Tokens may be sold at a lower price or with less restrictive lock-up restrictions in future offerings.

Following this Offering, the Association may distribute additional ILOCK Tokens in future offerings, including via bounty programs, partnerships, airdrops, or additional sales. The price per ILOCK Token associated with any such future offerings may be greater or lower than the price herein and any lock-up schedules may be more or less restrictive than those offered herein. For instance, the Association may sell or grant additional ILOCK Tokens for community incentive and developer programs with a less restrictive lock-up than yours. Any such distribution of ILOCK Tokens at a lower price could materially and adversely impact the value of the ILOCK Tokens and you could lose all or part of your Total Contribution Amount

Additional sales or distributions of ILOCK Tokens could cause the price of ILOCK Tokens to drop significantly.

In addition to the Offering hereunder, the Association has issued or will issue rights to ILOCK Tokens to service providers, members of the community, and partners. Sales or distributions of a substantial number of ILOCK Tokens by any party, or the perception in the market that we or any third parties are selling or distributing a large number of ILOCK Tokens, could cause the market price of ILOCK Tokens to drop significantly, and you might lose all or part of your Total Contribution Amount.

Purchasers are responsible for securing and maintaining their private keys and otherwise following cybersecurity best practices. Failure to do so may result in the loss of all the Purchaser's ILOCK Tokens.

The Interlock Token balances are associated in the Purchaser's respective wallet with the Purchaser's respective token public keys, which is in turn associated with the Purchaser's token private keys. The Purchaser is responsible for knowing its private key and keeping it a secret. Because a private key, or a combination of private keys, is necessary to control and use ILOCK Tokens stored in a digital wallet or vault, the loss of one or more of the Purchaser's private keys associated with the Purchaser's digital wallet or vaults storing the ILOCK Tokens will result in the loss of the Purchaser's ILOCK Tokens. The

Association will never ask for the Purchaser's private keys, and the Purchaser should never share their private keys with anyone.

The Purchaser is responsible for educating themselves on best practices for securely keeping private keys, protecting personally identifiable information, and on cybersecurity best practices in general. Holders of crypto assets can be targeted by hackers in many ways which are out of our control. Holders' private keys also can be stolen. Any third party that gains access to one or more of the Purchaser's private keys, including by gaining access to login credentials of a hosted wallet service the Purchaser uses, may be able to misappropriate Purchaser's ILOCK Tokens. The Association has no control over such attacks and cannot stop hackers from stealing private keys of users. The Association will further accept no liability and will not reimburse the Purchaser for any theft of private keys or any malfunction of wallet software. As a result, any loss of the Purchaser's ILOCK Tokens due to such theft or malfunction or unauthorized use of any of their private keys may be final and result in the complete loss of the Purchaser's Total Contribution Amount.

USE OF PROCEEDS

We currently have no exact plans for the use of the net proceeds that we receive from this Offering; however, it is our intention to use the funds to further the organic worldwide adoption, development, and use of the Interlock Platform. Accordingly, we will have broad discretion in using these proceeds. Without limiting the foregoing, we currently intend to use all proceeds from this Offering to promote the use and adoption of the Interlock Platform—including researching, developing, and implementing additional features and interoperability solutions to incentivize broad, durable participation on the part of both the Interlock community at large and enterprise users of the Interlock Platform. As part of promoting the use and adoption of the Interlock Platform, a portion of the proceeds will be used to procure various service providers for the provision of engineering, operational, and administrative services for the Association and the Company. We also intend to use a portion of the proceeds to work with the Interlock Platform community and various groups around the world to facilitate the organic growth of the adoption of the Interlock Platform. We reserve the right to change our use of proceeds from time to time as determined by the Board of the Association in its sole discretion.

LIMITATION OF LIABILITY

To the fullest extent permitted by applicable law (i) in no event will the Association be liable for any indirect, special, incidental, consequential, or exemplary damages of any kind (including, but not limited to, where related to loss of revenue, income or profits, loss of use or data, or damages for business interruption) arising out of or in any way related to this Private Placement Memorandum, ILOCK Tokens, or the Interlock Tokens, regardless of the form of action, whether based in contract, tort or any other legal or equitable claim (even if the party has been advised of the possibility of such damages and regardless of whether such damages were foreseeable); and (ii) in no event will the liability of the Association, whether in contract, tort or other legal or equitable claim, arising out of or relating to this Private Placement Memorandum, exceed the amount the Purchaser pays to the Association hereunder. The Association shall not be liable or responsible to the Purchaser, nor be deemed to have defaulted under or breached this Private Placement Memorandum, for any failure or delay in fulfilling or performing any provision of this Private Placement Memorandum, including without limitation, delivering the ILOCK Tokens.

THE ASSOCIATION

Interlock Association is a Swiss Association. The Association is owned equally by Richard Deacon, Nick Zivkovic, and Erhan Justice. Richard Deacon and Nick Zivkovic also own a majority stake in Interlock US, Inc., a Delaware corporation, which is responsible for developing the computer code comprising the Interlock Platform, marketing the Platform's features to businesses and other users, and ultimately making the Platform profitable. As of February 2023, a license and professional services agreement exists between Interlock US, Inc. and the Interlock Association.

The Interlock Tokens are the units of value within the Interlock Platform, and no person or entity other than the Association may issue units of value in relation to such technology. The Association shall issue ILOCK tokens and manage the ILOCK token treasury. Interlock US, Inc. shall be responsible for maintaining and operating the platform from which the ILOCK tokens derive their utility. The Tokens do not represent any equitable or debt interest in the Association or the Company, nor do they assign any other rights of the Association or the Company. The Association holds exclusive rights to all intellectual property, such as ThreatSlayer, NetKeeper, Interlock API, and Threat Stream. It is anticipated that the Company will hold future rights to new products that have yet to be developed.

Employees

The Association itself does not have any full-time employees, but occasionally employs independent contractors on an as-needed basis. The U.S. operating company Interlock US, Inc. employs a team made up of experienced individuals from the

crypto, tech, and cybersecurity industries, numbering approximately seven with remote offices in Ohio, California, Illinois, Alaska, and New York.

Board of Directors and Officers

The Association's only officer is Markus Stillmann, who serves in a largely administrative capacity; however, Richard Deacon, Nick Zivkovic, and Andrew Ciaccia serve as officers of the U.S. company Interlock US, Inc.

Richard Deacon, Co-Founder/CEO. Based in Ohio, USA, Rick has previously founded the technology companies Apozy and RADwood, and has more than ten years' experience in information technology and cybersecurity.

Nick Zivkovic, Co-Founder/CTO. Based in New York State, Nick is a distributed systems and cloud engineering expert with many years' experience in startup environments.

Andrew Ciaccia, Co-Founder/CMO. Based in New York State, Andrew has 12 years' experience in startup and B2B marketing and holds a bachelor's in finance from SUNY Polytechnic Institute.

Directors

Richard Deacon, Nick Zivkovic, and Erhan Justice serve as the directors of the Association. Richard Deacon and Nick Zivkovic also serve as directors of Interlock US, Inc.

Non-audited Financial Information of the Association

The Association has limited operating history. It did not have any assets or financial activity in 2021. According to financial statements for 2022 (which appear below but have not been audited), the Association's approximate total assets at the end of Q3 were \$387,563.

	Q1 2022 Actual	Q2 2022 Actual	Q3 2022 Actual	Q4 2022 Projected
ASSETS				
Current Assets				
Checking/Savings				
1st Rep Bank - 4631				
SFFCU Business Checking				
Total Checking/Savings	-	-	-	-
Accounts Receivable				
Payroll Tax Credits Receivable				
Total Accounts Receivable	-	-	-	-
Other Current Assets				
Prepaid Service Fees	1,336,845	865,664	387,563	428,524
Total Other Current Assets	1,336,845	865,664	387,563	428,524
Total Current Assets	1,336,845	865,664	387,563	428,524
Fixed Assets				
Intangible Assets				
Computer Software				
Accumulated Amortization				
Total Intangible Asset	-	-	-	-
Fixed Assets - Other				
Accumulated Depreciation				
Total Fixed Assets	-	-	-	-
TOTAL ASSETS	\$ 1,336,845	\$ 865,664	\$ 387,563	\$ 428,524
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Prepaid Service Fees				
Brex Credit Card				
NY Paid Family Leave				
Deferred Revenue				
401(k) Payable				
Total Current Liabilities	-	-	-	-

Interlock				
Balance Sheet				
as of 12/31/2023 - Budgeted				
	Q1 2023	Q2 2023	Q3 2023	Q4 2023
	Budget	Budget	Budget	Budget
ASSETS				
Current Assets				
Checking/Savings				
1st Rep Bank - 4631				
Total Checking/Savings	-	-	-	-
Accounts Receivable				
Accounts Receivable				
Total Accounts Receivable	-	-	-	-
Other Current Assets				
Prepaid Service Fees	617,668	171,264	172,234	169,776
Total Other Current Assets	617,668	171,264	172,234	169,776
Total Current Assets	617,668	171,264	172,234	169,776
Fixed Assets				
Intangible Assets				
Computer Software				
Accumulated Amortization				
Total Intangible Asset	-	-	-	-
Fixed Assets - Other				
Accumulated Depreciation				
Total Fixed Assets	-	-	-	-
TOTAL ASSETS	617,668	171,264	172,234	169,776
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Brex Credit Card				
401(k) Payable				
Total Current Liabilities	-	-	-	-
Total Liabilities	-	-	-	-

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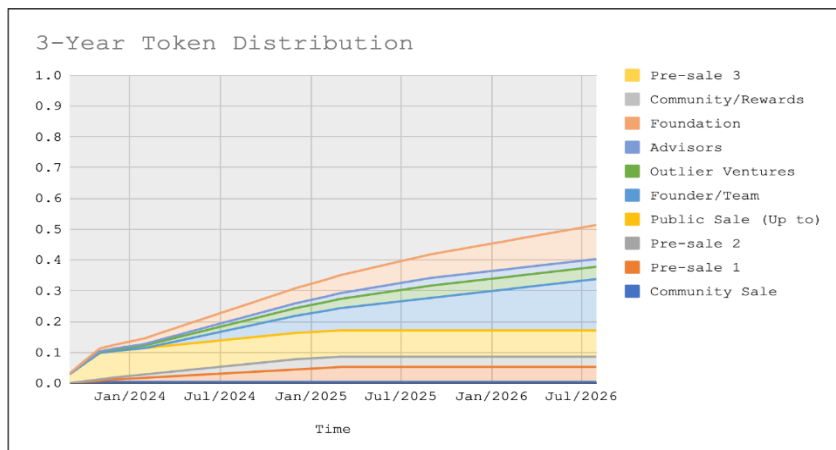
Interlock				
Balance Sheet				
as of 12/31/2023 - Budgeted				
	Q1 2023	Q2 2023	Q3 2023	Q4 2023
	Budget	Budget	Budget	Budget
Equity				
PPP Proceeds				
PPP Working Capital Advance				
Additional Paid In Capital	2,955,019	3,062,214	3,583,132	4,099,860
Series Seed Preferred - Par Val				
Series Seed Preferred - APIC				
Preferred Stock APIC				
Retained Earnings	(1,834,326)	(1,834,326)	(1,834,326)	(1,834,326)
Net Income	(503,024)	(1,056,624)	(1,576,572)	(2,095,758)
Total Equity	617,668	171,264	172,234	169,776
TOTAL LIABILITIES & EQUITY	617,668	171,264	172,234	169,776

Notes to Financials

Interlock cashflow for 2023 will be a combination of Investment and revenue

DILUTION

A total supply of 1,000,000,000 ILOCK Tokens shall be minted. The release of Interlock Tokens shall be made in accordance with the Release Schedule described above. The following graphic depicts the expected token distribution over the next three years beginning January 2024.



DESCRIPTION OF ILOCK TOKENS

The Association is offering Interlock Tokens in this Offering at different options described under “Terms of the Offering” above. The Interlock Tokens are subject to transfer restrictions as set forth above.

The ILOCK Tokens do not immediately carry any voting rights with respect to the Association. The Purchaser is not entitled, as a holder of ILOCK Tokens or Interlock Tokens, to vote or receive dividends or be deemed the holder of equity of the Association or the Company for any purpose, nor will anything contained herein be construed to confer on the Purchaser, as such, any of the rights of an equity holder of the Association, or any right to vote for the election of board members or upon any matter submitted to board members at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise. The board of directors of the Association exercises all voting power on behalf of the Association.

A total supply of 1,000,000,000 Interlock Tokens will be minted on the Arbitrum and/or Aleph Zero Network. Such Interlock Tokens will be distributed to major participating groups in the Interlock Platform based on the percentage allocations set forth above which assume that the offering is fully sold. These groups are critical to the creation, development, growth, and maintenance of the Interlock Platform. Subject to potential modification, these groups are described in the section “*Overview—Token Distribution*” above

Purchaser Qualifications

Each Purchaser must satisfy the following requirements. You acknowledge and agree that, in the event the Association determines that you do not meet the Association’s requirements for Purchasers hereunder (as determined by the Association in its sole discretion), the Association may immediately and without notice rescind or terminate, as applicable, your purchase, notwithstanding your compliance with the Offering Documents, or that you have delivered the purchase price to the Association.

Only persons of adequate financial means who have no need for present liquidity with respect to this purchase should consider purchasing the Interlock Tokens offered hereby because: (i) a purchase of the Interlock Tokens involves a number of significant risks (See “*Risk Factors*”); and (ii) no market for the Interlock Tokens currently exists. It is uncertain whether a robust public market will ever develop for the Interlock Tokens. The sale of Interlock Tokens 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 defined in Rule 501 of Regulation D under the Securities Act. For purposes hereof, an “accredited investor,” as defined under the Securities Act shall mean any person who comes within any of the following categories, or who we reasonably believe comes within any of the following categories, at the time of the sale of shares of ILOCK Tokens to that person:

- (a) any bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; any insurance Association as defined in Section 2(13) of the Act; any investment Association registered under the Investment Company Act of 1940 or a business development Association as defined in Section 2(a)(48) of that Act; any Small Business Investment Association licensed by the U.S. 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; 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, which is either a bank, savings and loan association, insurance Association, or registered investment adviser, or 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 persons that are accredited investors;
- (b) any private business development Association as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (c) any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000; any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer or general partner of a

general partner of that issuer;

- (d) any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase, exceeds \$1,000,000;
- (e) any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (f) any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the Act; and
- (g) any entity in which all of the equity owners are accredited investors.
- (h) any entity, of a type not listed in the previous subparagraphs (a), (b), (c), (g), or (h), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;
- (i) any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status. In determining whether to designate a professional certification or designation or credential from an accredited educational institution for purposes of this paragraph (j), the Commission will consider, among others, the following attributes:
 - (i) The certification, designation, or credential arises out of an examination or series of examinations administered by a self-regulatory organization or other industry body or is issued by an accredited educational institution;
 - (ii) The examination or series of examinations is designed to reliably and validly demonstrate an individual's comprehension and sophistication in the areas of securities and investing;
 - (iii) Persons obtaining such certification, designation, or credential can reasonably be expected to have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment; and
 - (iv) An indication that an individual holds the certification or designation is either made publicly available by the relevant self-regulatory organization or other industry body or is otherwise independently verifiable
- (j) 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;
- (k) any "family office," as defined in rule 202(a)(11)(G)-1 under the Investment Advisers Act of 1940:
 - (i) With assets under management in excess of \$5,000,000,
 - (ii) That is not formed for the specific purpose of acquiring the securities offered, and
 - (iii) 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; and
- (l) 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 (l) of this section and whose prospective investment in the issuer is directed by such family office pursuant to paragraph (l)(iii).

The Purchaser represents, by completing and signing the Token Purchase Agreement attached hereto that:

- (a) the Purchaser understands that ILOCK Tokens represent a speculative, high risk investment, and that he or she must bear the economic risk of that investment for an indefinite period of time because the shares have not been registered under the Securities Act or applicable state blue sky or securities laws and that the Purchaser therefore cannot sell their shares unless they are subsequently so registered or an exemption from registration is available, and that any transfer will require our approval;

- (b) the Purchaser understands that the Token Purchase Agreement will bear a restrictive legend prohibiting transfers thereof except in compliance with the provisions of this Private Placement Memorandum and applicable securities laws and will not be transferred of record except in compliance therewith;
- (c) the Purchaser is acquiring the ILOCK Tokens solely for his own account and without any intention of reselling or distributing them;
- (d) if the Purchaser is not a natural person, it was not organized or reorganized for the specific purpose of acquiring the shares of the ILOCK Tokens;
- (e) we have, during the course of the offering and prior to the sale of the ILOCK Tokens, accorded the Purchaser and the Purchaser's representatives, if any, the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information, to the extent we or our agent possess such information or could have acquired it without unreasonable effort or expense, necessary to verify the accuracy of the information contained in this statement;
- (f) the Purchaser, alone or in conjunction with his purchaser representative, if any, has substantial knowledge and experience in business and financial matters, and is an experienced and sophisticated investor fully capable of evaluating the risks and merits of the proposed investment in the ILOCK Tokens; and
- (g) considering his or her business and financial circumstances (including, but not limited to, health problems, unusual family responsibilities and requirements for current income) and all other factors, the prospective investor is able to bear the economic risk of an illiquid investment in the ILOCK Tokens, including the risk of loss of the entire amount of the prospective investor's investment.

You should check the Office of Foreign Assets Control (the “OFAC”) website at <http://www.treas.gov/ofac> before making the following representations to the Association: You represent that the amounts invested by you in this sale of ILOCK Tokens as described herein were not and are not directly or indirectly derived from any activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Federal regulations and Executive Orders administered by the OFAC prohibit, among other things, the engagement in transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. The lists of the OFAC-prohibited countries, territories, individuals⁷, and entities can be found on the OFAC website at <http://www.treas.gov/ofac>. In addition, the programs administered by OFAC (the “*OFAC Programs*”) prohibit dealing with individuals or entities in certain countries, regardless of whether such individuals or entities appear on any OFAC list;

- (a) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this purchase is a country, territory, entity or individual named on an OFAC list, or a person or entity prohibited under the OFAC Programs. Please be advised that the Association may not accept any subscription amounts from a prospective Purchaser if such prospective Purchaser cannot make the representation set forth in the preceding sentence. You agree to promptly notify the Association should you become aware of any change in the information set forth in any of these representations. You are advised that, by law, the Association may be obligated to “freeze the account” of any Purchaser, either by prohibiting additional subscriptions from it, declining any redemption requests and/or segregating the assets in the account in compliance with governmental edicts;
- (b) you represent and warrant that none of: (1) you; (2) any person controlling or controlled by you; (3) if you are a privately-held entity, any person having a beneficial interest in you; or (4) any person for whom you are acting as agent or nominee in connection with this purchase is a senior foreign political figure⁸, or any

⁷ These individuals include specially designated nationals, specially designated narcotics traffickers, and other parties subject to OFAC sanctions and embargo programs.

⁸ A “senior foreign political figure” is defined as a senior official in the executive, legislative, administrative, military, or judicial branch of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a “senior foreign political figure” includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

immediate family member⁹ or close associate¹⁰ of a senior foreign political figure; and,

- (c) if you are affiliated with a non-US banking institution (a “*Foreign Bank*”), or if you receive deposits from, make payments on behalf of, or handle other financial transactions related to a Foreign Bank, you represent and warrant to the Association that:
- (1) the Foreign Bank has a fixed address, and not solely an electronic address, in a country in which the Foreign Bank is authorized to conduct banking activities;
 - (2) the Foreign Bank maintains operating records related to its banking activities;
 - (3) the Foreign Bank is subject to inspection by the banking authority that licensed the Foreign Bank to conduct its banking activities; and
 - (4) the Foreign Bank does not provide banking services to any other Foreign Bank that does not have a physical presence in any country and that is not a regulated affiliate.

The Association is entitled to rely upon the accuracy of each of your representations. The Association may, but under no circumstances shall it be obligated to, require additional evidence that a prospective Purchaser meets the standards set forth above at any time prior to its acceptance of a prospective Purchaser’s subscription. You are not obligated to supply any information so requested by the Association, but the Association may reject a subscription from you or any person who fails to supply such information. In addition, if at any time after completion of the sale of the Interlock Tokens the representations concerning Purchaser’s compliance with the OFAC Programs becomes untrue, the Association may be required to take certain actions, including refusal to deliver the Interlock Tokens after Listing and reporting the transaction(s) to the relevant governmental authorities.

ODB

ODB provides hosting, technical, and operational services for the Offering via the Republic platform. ODB’s connection to the offering is solely for the limited purposes of acting as a third-party service provider. ODB, as a third-party service provider, does not hold any interest in any tokens being offered pursuant to this Offering nor the proceeds resulting from this Offering except any consideration received for services rendered as relating to this Offering.

Commission

ODB will be compensated with a 2% securities commission in ILOCK and a cash commission of 7% of the total sales.

Termination

In the event the Offering does not close or we decide not to pursue this Offering, we have agreed to reimburse ODB the sum of \$25,000.

Indemnification and Control

We have agreed to indemnify ODB against liabilities relating to any investigation, claim or proceeding stemming from the Offering, liabilities arising from breaches of 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 will receive customary fees and expenses. The Association agrees to rely on ODB for reconciling all investor purchases in the Offering, including but not limited to verifying purchases and KYC/AML of Purchasers. In the event that ODB is unable to reconcile a purchase, ODB will promptly notify the Association of such inability. The Association agrees to refund money actually received by the Association to the Purchaser for the purchase within 10 days of receiving such notice from ODB.

⁹ “Immediate family” of a senior foreign political figure typically includes such figure’s parents, siblings, spouse, children, and in-laws.

¹⁰ A “close associate” of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with such senior foreign political figure and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of such senior foreign political figure.

Disclaimer

ODB has not investigated (nor have any of its affiliates investigated) the desirability or advisability of a purchase in this offering or the securities offered herein. None of ODB or its respective affiliates make any representations, warranties, endorsements, or judgment on the merits of the offering or the tokens offered herein.

Potential Conflicts of Interest

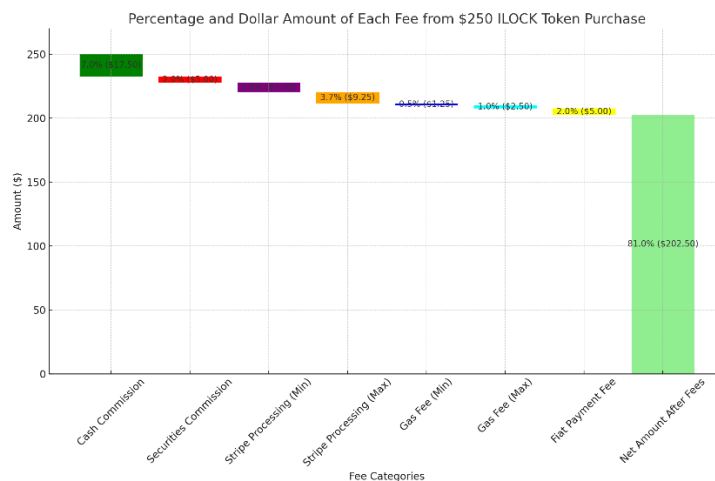
This Memorandum does not purport to identify all conflicts of interest. ODB, from time to time, may enter into other transactions not specifically described in this Memorandum with affiliates, officers, managers, members, employees, agents and representatives.

Insider Participation

No board member, officer, or employee of the Association or the Company intends to participate in the public round.

Graphical Representation of Purchase

A \$250 purchase of ILOCK tokens would result in approximately \$227.50 to the Association. \$17.50 (7%) would be a cash commission to ODB. \$5.00 (2%) in ILOCK would go to ODB as a securities commission. A 2.8-3.7% fee would be levied as a processing fee to the Association on investors who pay via Stripe. A 2% fee would be levied by ODB for non-crypto payments. The purchase amount will also be reduced by any gas fees incurred with crypto payments. The graph below is intended to provide only an approximation of the amount of fees potentially payable on a \$250 purchase of ILOCK tokens.



CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

Set forth below is a brief discussion of certain potential United States (“US”) federal income tax consequences relating to the acquisition, ownership, and disposition of Interlock Tokens pursuant to this offer. This discussion is addressed solely to “foreign persons” (as defined in Section 7701 of the US Internal Revenue Code of 1986, as amended (the “Code”)). This summary does not attempt to present all aspects of the United States federal income tax laws or any state, local or foreign laws that may impact a purchase of Interlock Tokens. In particular, this summary does not discuss US federal income tax considerations that may be applicable to purchasers based on their particular circumstances, including but not limited to purchasers who are “United States persons” as defined in the Code, financial institutions, insurance companies, tax-exempt entities (including retirement plans), dealers in securities, traders in securities that have elected a mark-to-market method of accounting for US federal income tax purposes, holders whose functional currency is not the US dollar, purchasers subject to the alternative minimum tax or Medicare contribution tax on net investment income, persons that own the Interlock Tokens as a position in a hedging transaction, persons that own the Interlock Tokens as part of a “straddle,” “conversion” or other integrated transaction for tax purposes, purchasers acquiring the Interlock Tokens in a compensatory transaction, purchasers that have expatriated from the US or are former US citizens, purchasers that carry on activities relating to the Interlock Tokens as part of a trade or business conducted in the US or in connection with a “permanent establishment” maintained in the US under an applicable income tax treaty, foreign governmental investors, including but not limited to “qualified foreign pension funds” as defined in Section 897(l) of the Code and entities wholly owned by them, and holders that are partnerships or other pass-through entities for US tax purposes. Purchasers should consult with their own professional tax advisors

regarding a prospective purchase of the Interlock Tokens. This summary is by nature general and should not be construed as tax advice to any prospective Purchaser.

This description is based on the Code, as well as existing, proposed, and temporary US Treasury Regulations promulgated under the Code and judicial and administrative interpretations thereof, in each case as available on the date hereof. All the foregoing is subject to change, which change could apply retroactively and could affect the tax consequences described below. No ruling has been or will be requested from the Internal Revenue Service (the “*IRS*”) and no assurance can be given that the IRS will agree with the tax consequences described in this summary. The following discussion assumes that each prospective Purchaser will acquire Tokens as a capital asset (generally, property held for investment), and does not discuss any US estate, state, or local tax that may apply.

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

Each prospective Purchaser should consult with its own tax adviser to fully understand the US federal, state, local, and foreign income tax consequences of a purchase of Interlock Tokens. No formal or legal tax advice is hereby given to any prospective Purchaser. In addition, transactions involving Interlock Tokens and similar instruments, as well as other cryptocurrency and token transactions, are relatively new and it is more than likely that the IRS will issue guidance, possibly with retroactive effect, impacting the taxation of purchasers of Interlock Tokens. Future legislation or tax guidance from the IRS (or guidance resulting from future judicial decisions) could negatively impact Purchasers of Interlock Tokens.

There is substantial uncertainty regarding the tax treatment of digital assets such as the Interlock Tokens, as well as activities or occurrences related or appurtenant thereto (including, without limitation, to the extent relevant and applicable, those discussed below). As a result, prospective purchasers may be subject to adverse tax consequences associated with their investment. Because this discussion only addresses various possible characterizations of the Ethereum Tokens for US tax purposes and, given the lack of guidance from the IRS on tax matters relating to tokens with characteristics similar to the Interlock Tokens, there can be no assurance that the following discussion is accurate or will continue to be accurate. Accordingly, prospective Purchasers should not base their decision to purchase the Interlock Tokens on the information related to US taxation provided herein.

Use of Cryptocurrency or non-US Currency to Purchase Interlock Tokens

This summary does not discuss any tax consequences associated with the use of cryptocurrency or non-US currency to acquire Interlock Tokens. Each prospective purchaser should consult with its own tax adviser in order to fully understand the United States federal, state, local and foreign income tax consequences of a purchase of Interlock Tokens using cryptocurrency or non-US currency. Crypto payments do not include administrative fees.

Tax Characterization of the Interlock Tokens

1. *Overview.* There are no regulations, published rulings, or judicial decisions involving the US federal income tax characterization of instruments with substantially the same terms as the Interlock Tokens. In IRS Notice 2014-21, the IRS provided guidance regarding the taxation of convertible virtual currency. “Virtual currency” is defined in the Notice as a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value. Virtual currency that has an equivalent value in real currency, or that acts as a substitute for real currency, is a “convertible” virtual currency (a “CVC”). Bitcoin, for example, which can be digitally traded between users, and can be purchased for, or exchanged into, US dollars, Euros, and other fiat or virtual currencies, is the prototypical CVC. IRS Notice 2014-21 does not address any virtual currency that is not “convertible.”

IRS Notice 2014-21 provides that CVC is treated as property for federal tax purposes; it is not treated as currency for purposes of determining whether a transaction results in foreign currency gain or loss. A taxpayer must recognize taxable gain (or loss) if the taxpayer exchanges a unit of CVC for other property, measured by the difference between the fair market value of the other property and the tax basis in the unit of CVC. The tax character of exchange gain (or loss) will be determined under general US tax principles. A taxpayer who holds CVC as a capital asset will generally realize a capital gain (or loss).

However, Notice 2014-21 does not address the tax treatment of tokens similar to the Interlock Tokens, which accord purchasers potential governance rights over activities pertaining to the Interlock Platform and which also involve the potential receipt of amounts received in a digital wallet that relate to fees paid by parties utilizing the Interlock Platform.

Accordingly, the characterization of the Interlock Tokens is uncertain. Prospective purchasers should therefore expect that the IRS or a court will ultimately determine how the Interlock Tokens should be characterized based on a consideration and weighing of the economic and governance rights of these instruments.

2. *Treatment of the Single Wallet into which Interlock Tokens are collected as an Entity for US Federal Tax Purposes.* One possible characterization of the economic and governance rights associated with the Interlock Tokens is that the Interlock Tokens represent an interest in an entity that should be recognized for US federal income tax purposes. If this characterization is appropriate, the entity may be taxable for US federal income tax purposes as a corporation. The IRS may take this position based upon the underlying economic and governance rights inherent in the Interlock Tokens, including the governance rights that Purchasers may exercise to control certain activities relating to the Interlock Platform. Under US federal tax law, the existence of an “entity” for tax purposes is not dependent on how local law characterizes the arrangement. Applicable Treasury Regulations provide that: “[w]hether an organization is an entity separate from its owners for federal tax purposes is a matter of federal tax law and does not depend on whether the organization is recognized as an entity under local law... a joint venture or other contractual arrangement may create a separate entity for federal tax purposes if the participants carry on a trade, business, financial operation, or venture and divide the profits therefrom.” Unlike Bitcoin, where investors can look solely to appreciation in value of Bitcoin for an investment return, the Interlock Tokens might be viewed by the IRS or a court as involving, as provided in the Treasury Regulations cited above, a joint agreement by purchasers to share in the surplus tokens generated through the Interlock Platform. Given the fact that the exact nature of the governance rights that will apply to the Interlock Tokens are yet to be developed, no assurances can be given as to how these tests or other tests applicable to the determination of whether an entity has been or will be created for tax purposes will be applied.

In this case, it is possible that any amounts derived by the “entity” in respect of the Interlock Tokens might be treated as income that is effectively connected with a US trade or business, depending on various factors, including the extent of the contacts that exist between the creators of the Interlock Platform and the US, whether certain offices (including home offices) exist in the US that relate to Interlock, or where Interlocks’ activities are conducted, and other factors. In general, non-US corporations are subject to tax at the same rates applicable to US corporations on income treated as effectively connected with a US trade or business and are then subject to an additional tax at a 30% rate on effectively connected earnings and profits. If this characterization is ultimately determined to be appropriate, any economic returns realized by prospective Purchasers with respect to the Interlock Tokens would be materially reduced.

If the IRS takes the position that a taxable entity has been created in connection with the collection and distribution of Interlock Tokens, the IRS may also be successful in taking the position that the entity should be taxable as a US corporation, rather than a foreign corporation. In this case, the surplus tokens could be taxable in the US at regular corporate rates, and any tokens made available to holders of the Interlock Tokens could be taxable as dividends for US tax purposes. In the absence of a reduced rate under an applicable tax treaty, distributions taxable as dividends (and that are not otherwise, in the hands of a purchaser, attributable to the conduct of a US trade or business by the purchaser or, to the extent an income tax treaty applies, treated as business profits attributable to a “permanent establishment” maintained in the US) are subject to a 30% US federal withholding tax rate.

If the IRS takes the position that an entity has been created in connection with the collection and distribution of such tokens, and the entity is taxable for US federal income tax purposes as a partnership, then prospective purchasers would generally be taxable on their distributive shares of the partnership’s earnings and profits treated as effectively connected to a US trade or business, as determined under US federal income tax principles, and prospective purchasers would be required to file US federal income tax returns. If viewed as a partnership, it is also possible that the IRS or a court would conclude that the “partnership” should nevertheless be taxable as a corporation for US federal income tax purposes as a “publicly-traded partnership.” Under the Code, “publicly-traded partnerships” are taxable as corporations unless specific exemptions apply. A publicly traded partnership is one whose interests are either traded on an “established securities market” or “are readily tradable on a secondary market (or the substantial equivalent thereof).” Depending on the market that develops for the Interlock Tokens and depending on whether the exchanges on which the Interlock Tokens are determined to meet these tests, the publicly traded partnership provisions of the Code may apply.

Prospective purchasers should be aware that neither the Association nor any of its directors or beneficial owners will undertake to ensure that activities relating to the Interlock Platform are carried out outside the US, and therefore, the risks of US taxation associated with purchasing the Interlock Tokens will potentially be material and could change based on factors that the Association and such persons will not factor into their decisions.

3. *Other Potential Characterizations.* Other potential tax characterizations of the Interlock Tokens are also possible. For example, rather than representing an interest in an entity for US federal income tax purposes, the Interlock Tokens may represent a right to receive certain payments associated with the commercialization of the software developed by the Company. Prospective purchasers of Interlock Tokens should be aware that, under this characterization, if Token Fees are

ultimately paid to or received by the holder from a US person, these fees may also be treated as US-source royalty income, which, in the absence of a reduced rate under a tax treaty, would be subject to a US federal withholding tax rate of 30%.

4. *Withholding and Tax Disclosure.* It is unclear how participants in the program who pay Token Fees would comply with US withholding and tax information reporting requirements with respect to the Token Fees. In general, payors of income are required to withhold US withholding taxes, at varying rates, based upon the tax status of the recipients of the payments. Under current US federal income tax law, complying with these rules requires tax certifications to be given by the payee to the ultimate payor. The cryptocurrency industry has expressed concerns with the possible application of the rules to transactions involving undifferentiated payees, including when payments are made to a digital wallet without accompanying beneficial ownership information. It is possible that the IRS or another tax authority would seek to obtain information regarding the ultimate owners of the Interlock Tokens, and to avoid significant taxes and penalties, purchasers should discuss these issues with their personal tax advisors and should provide applicable beneficial ownership interest certifications to the Association by completing and sending the Association an IRS Form W-8.

In addition, Purchasers should be aware that recent legislation, including the infrastructure bill passed by the House of Representatives into law on November 6, 2021, includes an expanded information reporting regime that broadens the existing definition of “broker” to include “any person who (for consideration) is responsible for regularly providing any service effectuating transfers of digital assets on behalf of another person.” It is unclear how this expanded definition of broker would apply to the Association, the Interlock Tokens, or the Interlock Platform, and Purchasers should expect that additional guidance and rulemaking may occur prior or subsequent to the provisions entering into effect. In any event, Purchasers should expect that if the Interlock Tokens are traded on an exchange or otherwise by a “broker,” reporting obligations will apply (which would include identifying information about the Purchasers).

To the extent that these information reporting rules are applicable, Purchasers could be impacted in several ways. Failure to deliver appropriate tax certifications could result in US “backup” withholding tax of 24% even on the gross proceeds derived from a sale of the Interlock Tokens. Rules treating cryptocurrency as cash might require reporting to the IRS for transactions involving the Interlock Tokens above statutorily mandated thresholds. Penalties, additions to tax and interest, may also apply in the case of certification failures and the failure to comply with information reporting.

Sale, Exchange, or Other Disposition of Interlock Tokens

Except as provided below and above in Section 4 regarding withholding, if the Interlock Tokens are treated for tax purposes as an interest in a US corporation, purchasers would not generally be subject to US taxation unless the corporation is treated as a “United States real property holding company” within the meaning of the Code, or certain other conditions are satisfied. If the corporation is treated as a “United States real property holding corporation,” a purchaser who sells, exchanges, or otherwise disposes of the Interlock Tokens for cash or other property (including pursuant to an exchange of such Interlock Tokens for other convertible virtual currency) would generally recognize taxable gain for US federal income tax purposes, which would be treated as effectively connected with a U.S. trade or business. If the corporation is not treated as a “United States real property holding corporation” within the meaning of the Code, but the Interlock Tokens are otherwise treated as equity interests in a US corporation, Non-US Holders would not generally be taxable in the US on gains realized on a sale of the Interlock Tokens unless:

- A. the gain
 - (1) is effectively connected with the conduct by the purchaser of a US trade or business, and
 - (2) if required by an applicable income tax treaty between the US and the purchaser’s country of residence, is attributable to a permanent establishment (or, in the case of an individual, a fixed base) maintained by such Purchaser in the United States, or
- B. the purchaser is an individual who is present in the US for 183 days or more in the taxable year of the sale, exchange or other taxable disposition of the Interlock Tokens and certain other requirements are met (in which case the gain would be subject to a flat 30% tax, or such reduced rate as may be specified by an applicable income tax treaty).

If, instead, the Interlock Tokens are not treated as an interest in an entity for US federal income tax purposes, the tax consequences associated with a disposition are also unclear. If the Interlock Tokens are treated as “capital assets” in a purchaser’s hands, then it is possible that Non-US Holders would generally not be subject to taxation in the US unless certain conditions are satisfied, including conditions similar to the conditions described above that relate to sales of the Interlock Tokens if the tokens are treated as interests in a US corporation.

EACH PURCHASER SHOULD SEEK, AND MUST DEPEND UPON, THE ADVICE OF HIS, HER OR ITS TAX ADVISOR WITH RESPECT TO THEIR PURCHASES, AND EACH PURCHASER IS RESPONSIBLE FOR THE FEES OF SUCH ADVISOR. NOTHING IN THIS PRIVATE PLACEMENT MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO A PURCHASER. PURCHASERS SHOULD BE AWARE THAT THE INTERNAL REVENUE SERVICE MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY THE ASSOCIATION AND THAT CHANGES TO THE INTERNAL REVENUE CODE OR THE REGULATIONS OR RULINGS THEREUNDER OR COURT DECISIONS AFTER THE DATE OF THIS PRIVATE PLACEMENT MEMORANDUM MAY CHANGE A PURCHASER'S ANTICIPATED TAX TREATMENT. THE ASSOCIATION WILL NOT OBTAIN ANY RULING FROM THE INTERNAL REVENUE SERVICE WITH REGARD TO THE TAX CONSEQUENCES OF A PURCHASE OF THE ILOCK TOKENS.