



RISK DISCLOSURE

**DAMREV (Pty) Ltd "DAMREV",
Registration Number 2023/162999/07**

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DAMREV is a leading FinTech service provider specializing in ISO 20022 Blockchain Tokenization and Smart Contract Development. The company focuses on Security Token Offerings (STOs) and employs the Stellar Blockchain to tokenize real-world assets.

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VERSION HISTORY.

Version	Release Date	Notes
1.0	25 June 2024	Original Published Version

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1. INTRODUCTION.

DAMREV, a pioneer in digital asset management and tokenization of real-world assets (RWA). Our focus is on Security Token Offerings (STOs), which bridge the gap between physical assets and the digital realm, providing enhanced liquidity, accessibility, and transparency. Unlike cryptocurrencies, which are decentralized digital currencies, DAMREV specializes in tokenizing tangible assets like precious metals, real estate, company shares, and more, using Stellar's advanced blockchain infrastructure. This document outlines essential disclosures to help you understand the risks and make informed decisions about investing in our offerings.

2. FINANCIAL OMBUDSMAN AND REGULATOR RECOURSE.

Please be aware that you may not yet have full recourse to any financial ombudsman service or any financial regulator or authority in the event of a complaint relating to our RWA tokenization services. Please note that your DAMREV account is not protected by a financial services compensation scheme, and your RWA tokens may experience price volatility resulting in a high degree of risk, which can lead to the loss of your invested capital.

3. INVESTMENT RISKS.

Investing involves risks. Please read the General Risk Disclosures and STO Risk Disclosures before investing. Investments should only be made by investors who understand these risks. Before investing, you should take into consideration your level of experience and investment objectives. You should not invest more than you can afford to lose and please note in particular that:

- 3.1. **INVESTMENTS IN REAL WORLD ASSET (RWA) TOKENS ARE HIGHLY SPECULATIVE AND VOLATILE.** They are only suitable for investors who are willing to bear the risk of loss and experience sharp drawdowns.
- 3.2. **INVESTMENTS IN REAL WORLD ASSET (RWA) TOKENS ARE NOT INSURED OR GUARANTEED BY DAMREV, ITS PARTNERS, OR**

ANY GOVERNMENTAL AGENCY. You are solely responsible for evaluating the merits and risks associated with the use of any information, materials, content, user content, or third-party content provided before making any decisions based on such content.

- 3.3. **MARKET CONDITIONS FOR RWA TOKENS ARE DETERMINED BY EXTERNAL FACTORS.** The value and performance of RWA tokens are influenced by various external market factors, which are determined by multiple third-party segments and not controlled by DAMREV.

4. RESPONSIBILITY FOR INVESTMENT DECISIONS.

You alone are responsible for determining whether any content, product, service, security, or other financial instrument mentioned is suitable for your personal financial purposes. Past performance data, performance graphs, or other historical information are not a guarantee of future performance and should not be construed as indicative of future results. You should consider your individual investment objectives and risk tolerance before investing. The content presented is not intended to provide you or anyone else with investment, legal, tax, insurance, or any other kind of professional advice. You should consult with your financial, tax, or legal professional for advice regarding your specific financial, tax, or legal positions and circumstances.

5. INVESTMENT OPPORTUNITY PROMOTION.

This website and its contents are not intended to be a promotion of any individual investment opportunity and are not an offer to the public. The summary information provided about investment opportunities on this website is intended solely to demonstrate the types of investments available on the DAMREV platform.

6. NO INVESTMENT RECOMMENDATIONS.

DAMREV does not make investment recommendations to you. No communications from us, through this website or any other medium, should be

construed as an investment recommendation. Further, nothing on this website shall be considered an offer to sell, or a solicitation of an offer to buy, any security to any person in any jurisdiction to whom or in which such offer, solicitation, or sale is unlawful. The information on this site is not directed at residents of the United States or any particular country where such distribution or use would be contrary to local law or regulation.

7. ADDITIONAL DISCLOSURES.

- 7.1. **Volatility and Market Risks:** The markets for RWA tokens are highly volatile and can be affected by a wide range of external factors such as regulatory actions, market news, and economic events.
- 7.2. **Technological Risks:** The underlying technology of RWA tokens, including blockchain, can present operational risks. This includes the risk of hacking, technical glitches, and software vulnerabilities.
- 7.3. **Regulatory Uncertainty:** The regulatory environment for RWA tokens is evolving. Future regulatory developments could affect the viability and value of these assets.
- 7.4. **Liquidity Risks:** The market for RWA tokens can be illiquid, meaning you may not be able to sell your holdings at your desired time or price.
- 7.5. **Custodial Risks:** Holding RWA tokens involves risks related to the security of your private keys and digital wallets. If you lose access to your private keys, you may lose access to your funds permanently.
- 7.6. **Market Manipulation:** The relatively nascent nature of RWA token markets makes them susceptible to market manipulation practices such as pump-and-dump schemes and wash trading.
- 7.7. **Tax Implications:** Investing in RWA tokens can have complex tax implications. It is essential to consult with a tax professional to understand how your investments might be taxed in your jurisdiction.
- 7.8. **DUE DILIGENCE AND RESEARCH.** It is crucial to conduct thorough due diligence and research before making any investment in RWA tokens. This includes understanding the underlying assets, the issuer, the market conditions, and the overall tokenization process.

- 7.9. **NO GUARANTEED RETURNS.** There are no guarantees of returns on investments in RWA tokens. The value of your investment can go down as well as up, and you may lose all or part of your invested capital.

1. USER RESPONSIBILITIES.

- 1.1. **Due Diligence:** Conduct thorough research and due diligence before making any investment. Understand the technology, the team behind the project, the use case, and the market conditions.
- 1.2. **Security Measures:** Implement robust security measures to protect your investments, including using hardware wallets, enabling two-factor authentication, and following best practices for securing your private keys.
- 1.3. **Stay Informed:** Keep yourself informed about the latest developments in the RWA token markets. This includes regulatory updates, technological advancements, and market trends.
- 1.4. **Professional Advice:** Seek advice from qualified financial, legal, and tax advisors to ensure that your investments align with your financial goals and comply with relevant laws and regulations.

2. GEOGRAPHIC RESTRICTIONS.

- 2.1. **Jurisdictional Compliance:** Ensure that your investment activities comply with the laws and regulations of your country of residence. The information provided on this website is not intended for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to law or regulation, or which would subject DAMREV to any registration requirement within such jurisdiction.
- 2.2. **Restricted Countries:** DAMREV services may not be available in certain countries due to legal restrictions. It is your responsibility to ensure that accessing and using DAMREV's services is legal in your country of residence.

3. LEGAL AND REGULATORY COMPLIANCE.

- 3.1. **Anti-Money Laundering (AML) and Know Your Customer (KYC):** DAMREV complies with all applicable AML and KYC regulations. Users are required to complete the KYC process to verify their identity before engaging in transactions.
- 3.2. **Data Privacy and Protection:** DAMREV is committed to protecting your personal data. Please refer to our Privacy Policy for detailed information on how we collect, use, and protect your information.

4. TRANSPARENCY AND REPORTING.

- 4.1. **Regular Updates:** We commit to providing regular updates on the performance of the RWA tokens and the status of the underlying assets. Investors will receive periodic reports detailing key metrics and developments.
- 4.2. **Audit and Assurance:** To ensure transparency and integrity, our RWA token offerings undergo regular audits by reputable third-party firms. These audits verify the existence and value of the underlying assets.
- 4.3. **Investor Relations:** DAMREV maintains a dedicated investor relations team to address any questions or concerns you may have. We strive to provide clear and timely communication to all our investors.

5. CONTACT INFORMATION.

For any inquiries or further information, please contact us at:

- Email: compliance@damrev.com

6. RISK DISCLOSURE DOCUMENTS.

View our risk disclosure documents below:

- 6.1. General Risk Disclosure
- 6.2. STO Risk Disclosure