



Risk Disclosure Notice

Date: 1st September, 2014

STRATOSPHERE INC. LTD.

Stratosphere Inc. Ltd. (the "Firm") does not, expressly or impliedly, directly or indirectly, guarantee or make any representation or warranty concerning the completeness, adequacy or accuracy of this risk disclosures notice. This brief statement does not disclose all of the risks and other significant aspects of lending to businesses. You should, therefore, carefully study and consider the merits and demerits and take independent professional advice before becoming involved in lending transactions. You should undertake transactions only if you understand the nature of the contractual relationship into which you are entering and the extent of your exposure to risk, keeping in mind your financial resources.

Appropriateness

Before opening an account for you, we are required to make an assessment whether it is appropriate for you, and to warn you, on the basis of the information you provide to us, whether the services offered by us are appropriate for you. Any decision whether or not to open an account, and on whether or not you understand the risks, is yours.

No Advice

We do not provide any advice related to lending decisions you make. Sometimes we do provide factual information and information about transaction procedures, potential risks involved and how those risks may be minimised, but any decisions made to lend must be yours based on your own assessment of risk associated with the loan you choose.

Fees and Charges

Our costs and charges will be provided to you or set out on our website. Please be aware of all costs and charges that apply to you or the Borrowers, because such costs and charges will affect your return on lending.

Risk Disclosures

The Borrowers we may introduce you to are private Businesses. When considering investing in private companies, you must take into account the risks inherent in the transaction.

- From the information we supply to you or through using our website you can make loans to unlisted companies which may be start-up or newly formed entities in the SME sector looking for funding to either support their operations or start a new project or in process of launching new product. With no long successful history or track record, your loan will be at a risk of losing significant value.
- Due to nature of the investment the Lender will be unable to cancel his loan or ask for the return of his capital.
- Where you are considering lending to an unlisted company, partnership or LLP (whether newly formed or well established), bear in mind the risk that the Borrower may be unable to meet its repayment obligations.
- Money which is lent to a Borrower may be unsecured. Therefore in case of failure of the Borrower to repay debt, the Lender will rank equally with all other unsecured creditors. In the event any form of security is offered to the Lender for the loan (such as a company debenture), Lenders should take sensible steps to verify the enforceability of the security and to determine for themselves whether it provides adequate security, taking independent legal advice.

- Loans made to unlisted companies, partnerships, LLPs and sole traders are not readily realisable like other investments in listed companies where a readily available secondary market exists for debt. Therefore before making any lending decisions you should assess your future financial needs as you may not be able to find an immediate buyer for your loan in unlisted companies.
- When lending money to a Borrower, the Lender will have no control over the day to day operations of the Borrower.
- At the time of lending to any business you should review the financial projections prepared by Borrower. We do not provide any advice to Borrowers and they are solely responsible for the information provided in documents distributed by us. We will provide updates on financial position and project status or other relevant information related to Borrower's businesses however this will be dependent on receiving the same from the Borrower. Because unlisted companies and LLPs may have minimal statutory obligations to publish their financial information, we cannot guarantee we will be able to update you with the desired information.
- At the time of making any loan you can review the Lender's terms and conditions and the Loan Agreement and associated documents. We urge you to read these terms and conditions carefully and seek independent legal advice on their meaning and effect. We will not be liable to you for any failure by the Borrower to honour rights attaching to loans.
- A listed company is required to comply with strict corporate governance and disclosure requirements as stipulated by the Exchanges on which their securities are listed or other regulations. However, in the case of an unlisted company, there are no statutory requirements to make any disclosure in case of any change in control or significant change in operational activities. We cannot guarantee and therefore will not be liable to you for any failure to keep you informed of any such matters.
- Lenders should consider whether the Borrower's application sufficiently describes the various risks and conflicts of interest relating to the applicant business, the application and Borrower's operations. Although we will provide guidance to the business to assist them in preparing full and fair disclosure of all risks in their application, we have no ability to assess whether all such risks have been accurately described or disclosed and will not have any responsibility for any failure to do so. Before making any investment or lending decisions, you should fully assess the risks involved and should query any matters where you feel inadequate risk disclosures have been made.

Warning

Prospective Lenders should note that past performance should not be seen as an indication of future performance. The value of a loan and the income from it can fall as well as rise and Lenders may not get back the amount originally loaned. Therefore you should only make investment in unlisted companies which you can afford to lose without having any significant impact on your overall financial position or commitments. Taxation levels, bases and reliefs may change if the law changes and independent advice should be sought. We will not have any liability for any legal, investment or tax issues in connection with any loan you decide to make through our website or from information we have provided to you.