



CYBR Pathway to Success – 2019

To: CYBR Community
From: Shawn R. Key, CEO, CYBR
Date: December 4, 2018

Dear CYBR Community,

I have always stood behind the business principles that honesty and integrity are everything. Without these, there can be no solid corporate foundation.

2018 has been a very trying time for all crypto companies. While strides in technology have been huge, the market has been a disaster. This has certainly been due to numerous factors, some visible and some shadowed, but for CYBR, the belief that continued hacks and theft have contributed to a lack of institutional investment remain. Simply stated, losses are getting worse and we believe more than ever that CYBR has a bright future in the blockchain ecosystem.

I always try to be a man of my word. CYBR stated it would release tokens post Token Generating Event (TGE) and we will. But we have an incredible opportunity in a desolate investment marketplace. Did you know over 60% of “ICOs” raised zero dollars outside of friends and family? There are many reasons for this, among them being that most ICOs have no value and have no future. CYBR is much, much different, as most of you already know.

Some major things changed over the past weeks. The SEC made it VERY clear that it now views utility tokens as securities. A Regulation D filing or exception (rare) is required for ALL utility tokens who wish to accept investments from U.S. residents or for companies who reside in the United States. ANY company that tells you differently is either ill informed or lying. Either way, this poses danger to your investments.

Additionally, VC firm SPICE announced its security token will trade on the OpenFinance Network, the first such asset to list on a U.S. regulated trading platform. This trail blazes a path for security tokens to list on an entirely new and widely accepted platform, which should bring the institutional monies, so sought after by the crypto investment community.

Lastly, the recent actions against exchanges such as EtherDelta made it clear, regulation is here and those who choose not to comply will be shut down. In the cases of exchanges, monies should be returned to investors. Companies, however, have the option to declare bankruptcy and close their doors, meaning that YOUR hard earned money may very well disappear.

Before you think this open letter is all doom and gloom, I wish to assure you all that it is quite the opposite.

I, personally, have been incredibly busy over the past few weeks trying to determine the best course of action. Along the way, I was introduced to a consortium of advisors who had raised over \$40M USD for two ICOs in this terrible ICO marketplace. I slowly introduced CYBR to this group and after a few weeks of negotiations, we have struck a deal. This deal will take CYBR to Asia for an intensive series of negotiations. There is an incredible amount of institutional money; but it is in Asia. The US does not come anywhere close with regards to the investment potential overseas. There exists MUCH Interest in CYBR via these Asian investors and we will seek to close on several more million dollars in investment over the end of the year and early 1Q. IT is my sincerest hope to list on an exchange just as BAKKT has gone live and the market has turned, which most analysts feel will happen in 1Q 2019.

It is for these aforementioned reasons that CYBR is moving its operations to Singapore.

Folks, I understand many of you want to see CYBR listed on a top tier exchange immediately. But you have to face facts: EVERY ICO is down an average of 90% from its 2018 height. It not only does not make sense; it would be a breach of my fiduciary responsibilities to the investor community to do so now. I simply won't do it and I humbly suggest that ANYONE who takes issue with this consider why he/she is investing in crypto and the blockchain. A smart company lists on an exchange once the market is heating up and we are not there now.

And consider the following: we tied our CYBR token sale to USD. If you bought \$500 worth of CYBR when ETH was at \$400, you still have \$500 worth of CYBR. If you bought \$500 worth of CYBR when ETH was at \$100, you still have \$500 worth of CYBR. In a market that has CRASHED, CYBR investors still retain 100% of their investment and if you received bonuses, you are technically up. I challenge anyone to find another token that can say this. So when you consider investing more potentially into CYBR or another token, think about this again.

On the ROI side, the Asian deals are massive. We've already proven we can be successful in the US Federal sector. Can you imagine what the corporate value could be once we obtain Asian investment AND revenue. Folks, I had lofty goals for this company but even I did not realize the potential interest globally in a cyber security crypto endeavor. It's mind blowing and I have not been this excited since I started CYBR.

Summarized, I will not weigh in on the "emotions" behind this decision. In business, decisions are often made which cannot be liked or disliked. They simply must be done. This is such a case.

So what now? These are the official steps.

1. CYBR will move its base to Singapore.
2. CYBR will drop the tokens the after TGE concludes; we are moving into the FINAL phase of our fundraising activities which I refer to as the “Pathway to Success”
3. CYBR will retroactively ask investors for a simple KYC/AML where applicable. The process will be simple and standardized.
4. CYBR will refund any purchase made to anyone not willing to comply with a simple KYC/AML.
5. CYBR will continue to accept investment from the public community but NOT from the US. Only foreign investment will be accepted moving forward.
6. CYBR will cease to work with ALL companies (including partners) who do not have an active Reg D OR have offered equity positions to its investor base without a US regulated trading platform. This means if a company has issued equity shares but cannot provide a means of trading those shares, we choose to consider them as non-compliant and in jeopardy of having violated required accreditation letters required by the SEC. Simply stated, we won't partner with firms at risk of closing its doors.
7. CYBR will list on the top tier exchanges, which we have been in close contact with (several firm offers are in hand). WE want to list as badly as many of you. We are just going to do this right.

CYBR has taken the position that our partners, our investors and we must be fully compliant with US and global law (which varies greatly from country to country). To do otherwise puts the entire CYBR investor community and CYBR corporation at risk. The SEC is not playing around. Investigations are occurring, doors are being closed and investor money is being carted away. We will not allow that to happen to CYBR.

I will restate that we have partnered with a GLOBAL consortium of attorneys, ICO experts, economists and computer scientists to place CYBR in the best possible position to succeed in the regulated landscape. My personal past experience in the Treasury, Federal Reserve, SEC and similar financial systems provide me with an assurance that we are making the right decision. These filings are going to cost us and this is going to take some funds away from development. As I have been honest and transparent throughout this letter, I am asking the CYBR investment community to continue to support us financially. We continue to need the public investors' influx of private capital as we near closing on some larger, global investments. This is the curve where CYBR has to push the gas pedal and not hit the breaks. It is a critical time in our growth and EVERY ETH and BTC counts over the next two months. I humbly ask everyone who has supported CYBR or is on the fence to contribute; even it's just an ETH here and there. EVERY CYBR executive and FTE has agreed to continue to work without salary for this period so we can dedicate ALL resources to marketing, legal and technical development. What we are doing is right, it is correct and it will position CYBR on solid ground so we can get back to the focus of releasing our Main Net and associated threat intelligence portal (TIP) and other cyber security solutions.

In closing, I wish to say that we all have many reasons for being in crypto but I think it's fair to say we are ALL in this to a large degree to make money. It is my responsibility as CEO to ensure your return on investment (RoI) is safe and to do everything I can to provide the best possible means of achieving everyone's investment goals. I hope most of you will understand and support my decision. I will be happy to answer any questions and we will schedule a Town Hall in our main Telegram group in the next week. Thank you all for your time, consideration and support of CYBR.

Sincerely,

Shawn R. Key _____

Shawn R. Key
CEO, CYBR