

Palmetto Token™

Risk Disclosure and Digital Asset Disclaimer

Purpose and Scope

This Risk Disclosure and Digital Asset Disclaimer provides information concerning material risks associated with acquiring, holding, transferring, exchanging, providing liquidity for, or otherwise interacting with PALMETTO. It should be read together with the Palmetto Token™ White Paper, Tokenomics and Monetary Policy, Treasury Release and Management Policy, Liquidity Policy, and other official project documentation. PALMETTO is a digital token operating on the Base network. Participation in digital asset markets involves risks that may differ substantially from those associated with traditional currencies, securities, bank deposits, or other conventional financial products. The fixed maximum supply of 73,000,000 PALMETTO does not create or guarantee demand, scarcity value, price appreciation, liquidity, merchant acceptance, market stability, or any financial return. The market value of PALMETTO is determined by independent market activity and may increase, decrease, fluctuate substantially, or potentially decline to little or no market value. Nothing published by Palmetto Token™ should be interpreted as a promise that PALMETTO will appreciate in value or produce a profit. Statements concerning potential adoption, merchant use, integrations, additional markets, future

development, or other project objectives describe possibilities or intentions and should not be interpreted as guarantees that those objectives will be achieved. This document does not attempt to identify every possible risk associated with PALMETTO, blockchain technology, decentralized markets, wallets, smart contracts, digital assets, or future development of Palmetto Token™. New or presently unknown risks may arise as technology, markets, laws, regulations, and the project itself evolve. Each person interacting with PALMETTO is responsible for evaluating whether that activity is appropriate for their own circumstances and risk tolerance. Independent financial, legal, tax, or other professional advice should be obtained when appropriate. Palmetto Token™ provides project information for informational and transparency purposes. Such information does not constitute investment advice, financial advice, legal advice, tax advice, or a recommendation to purchase, sell, hold, or otherwise transact in PALMETTO.

Market Value and Volatility Risk

PALMETTO is subject to market forces and may experience substantial price volatility. The market price of PALMETTO can change rapidly as a result of buying and selling activity, available liquidity, broader digital asset market conditions, economic events, regulatory developments, project activity, public sentiment, or other factors. No minimum or maximum

market price is established by the Palmetto Token™ contracts. Palmetto Token™ does not maintain a fixed exchange rate, redemption value, price floor, or mechanism designed to guarantee the market value of PALMETTO. The permanently fixed supply of 73,000,000 PALMETTO limits the number of PALMETTO that can exist but does not determine the price of an individual token. A fixed supply can coexist with increasing, decreasing, or nonexistent demand. Scarcity alone should not be interpreted as creating economic value. During the early development of PALMETTO, market liquidity and trading activity may be limited. As a result, relatively small transactions may produce significant changes in the quoted market price. A displayed market price does not necessarily mean that a substantial quantity of PALMETTO can be purchased or sold at that price. Market capitalization or fully diluted valuation figures should not be interpreted as the amount of money invested in PALMETTO or as an amount that could be realized through the sale of the token supply. Such figures are generally mathematical calculations based upon a market price and token quantity and may substantially exceed the liquidity actually available within PALMETTO markets. PALMETTO released from the Treasury Release Vault may become available to the Palmetto Token™ treasury according to the contract enforced schedule. A vault release does not automatically place those tokens into public circulation. However, future treasury distributions or other introductions of previously reserved PALMETTO into circulation

may affect market supply and could influence price, liquidity, or market behavior. Independent holders may buy, sell, transfer, or provide liquidity using PALMETTO they own. Their actions are outside the control of Palmetto Token™ and may materially affect market price or liquidity. Large transactions by independent holders may have particularly significant effects when available market liquidity is limited. Prices may also differ between separate PALMETTO markets. Different liquidity pools, paired assets, fees, trading activity, and market conditions can produce different exchange rates at the same time. Arbitrage may reduce some differences but does not guarantee a uniform PALMETTO price across all markets. Historical market activity, previous prices, trading volume, project development, or adoption should not be interpreted as a guarantee of future performance. A period of increasing value can be followed by substantial losses, and a market that previously maintained liquidity or trading activity may later experience reduced participation. Anyone acquiring or holding PALMETTO should be financially and practically prepared for substantial price fluctuations and the possibility of losing some or all of the economic value associated with PALMETTO. PALMETTO has a fixed supply, not a fixed value. Market participants determine its price, and that price is not guaranteed.

Liquidity and Trading Risk

PALMETTO may be traded through decentralized markets, but the existence of a trading market does not guarantee that sufficient liquidity will be available for a particular transaction.

Market participants may be unable to purchase or sell the desired quantity of PALMETTO at an expected price, particularly during periods of limited liquidity or substantial market activity. The original PALMETTO/USDC Uniswap v2 pool began with limited initial liquidity. Although project controlled liquidity may be increased over time, Palmetto Token™ does not guarantee that any particular amount of liquidity will be maintained beyond restrictions imposed by applicable smart contracts. Transactions within an automated market maker can experience price impact. As the size of a transaction increases relative to available pool liquidity, the effective execution price may differ substantially from the price displayed before the transaction is submitted. Slippage settings may affect whether a transaction executes and the price ultimately received. Setting excessive slippage may expose a user to an unfavorable execution, while setting slippage too narrowly may cause a transaction to fail. Palmetto Token™ does not establish a universal slippage setting appropriate for every transaction or market condition. Liquidity pools may contain project controlled liquidity, independently controlled liquidity, or both. Independent liquidity providers may add or remove their

positions according to the applicable protocol and any restrictions they have voluntarily accepted. Palmetto Token™ cannot guarantee the continued availability of independently controlled liquidity. The original project controlled PALMETTO/USDC liquidity position is subject to the Palmetto Token™ Liquidity Lock. That restriction prevents release of the liquidity tokens held by the locker before its established unlock time, but it does not freeze the underlying pool reserves, guarantee a particular amount of market liquidity, prevent ordinary trading, or prevent independent liquidity providers from withdrawing positions they control. Providing liquidity carries risks separate from simply holding PALMETTO. Changes in the relative market value of PALMETTO and the paired asset can change the quantity and value of each asset represented by a liquidity position. Trading fees may provide economic benefit to liquidity providers but do not guarantee that a liquidity position will be profitable. Users may also encounter unauthorized, misleading, fraudulent, or unrelated tokens and liquidity pools using similar names or symbols. PALMETTO should be identified using its official Base contract address rather than relying solely upon a token name, ticker symbol, logo, search result, wallet label, or decentralized exchange interface. Third party interfaces may display warnings, classifications, token information, prices, logos, or other information generated through automated systems or external data providers. Such information may be incomplete,

delayed, incorrect, or subject to change. Users should independently verify official contract and pool information before approving a transaction. Blockchain transactions are generally irreversible. An unfavorable trade, transaction sent to an incorrect address, interaction with the wrong token or pool, or transaction executed under unintended conditions may not be recoverable by Palmetto Token™ or another party. The ability to trade PALMETTO does not guarantee the ability to trade any quantity at a particular price or without loss.

Wallet, Blockchain and Transaction Risk

PALMETTO exists on the Base network and must be stored, transferred, and used through wallets and applications compatible with that network and the PALMETTO token contract. Users are responsible for selecting compatible software and correctly configuring their wallets before interacting with PALMETTO. A wallet application may not automatically recognize or display PALMETTO even when the wallet supports Base. Users may need to manually add PALMETTO as a custom token using the official contract address. Failure of a wallet interface to display PALMETTO does not necessarily mean that the tokens are absent from the blockchain address. Users are responsible for verifying that they are operating on the correct blockchain network and interacting with the official PALMETTO contract. Tokens with identical or similar names, symbols, or branding may

exist on Base or other networks. A token name, symbol, logo, search result, or wallet listing should not be relied upon as the sole method of verification. Blockchain addresses should be verified carefully before assets are transferred. Transactions sent to an incorrect address, incompatible network, unsupported contract, or unintended recipient may result in permanent loss. Palmetto Token™ generally cannot reverse, cancel, recover, or modify a transaction after it has been confirmed by the network. Control of a self custody wallet generally depends upon control of its private keys, recovery phrase, or other authentication credentials. Loss of those credentials may result in permanent loss of access to the assets held by the wallet. Disclosure or compromise of those credentials may allow another person to transfer the assets without authorization.

Palmetto Token™ will never require a holder to disclose a private key or recovery phrase in order to use, verify, receive, transfer, or purchase PALMETTO. Requests for such information should be treated as a serious security warning.

Users may encounter phishing websites, fraudulent applications, malicious smart contracts, impersonation attempts, deceptive token listings, false support representatives, or other attempts to obtain wallet access or transaction authorization.

Connecting a wallet or approving a transaction can create risks even when no private key or recovery phrase is directly

disclosed. Smart contract approvals may authorize another contract to transfer specified digital assets from a wallet. Users should review transaction and approval requests before signing them and should avoid granting unnecessary permissions to contracts or applications they have not independently verified. Transactions on Base require network fees, generally paid using ETH available on the Base network. A user may hold PALMETTO or another Base asset while being unable to complete a transaction if the wallet does not contain sufficient ETH to pay the required network fee. Blockchain networks, wallet applications, decentralized exchanges, remote procedure call providers, block explorers, bridges, and other infrastructure may experience congestion, outages, software errors, delayed information, or other technical problems. Palmetto Token™ does not control Base or the independent third party services through which users may interact with PALMETTO. Self-custody provides users with direct control over their assets but also places substantial responsibility upon the user. Palmetto Token™ cannot restore a lost recovery phrase, reset a blockchain wallet, reverse an unauthorized blockchain transaction, or guarantee recovery of digital assets lost through user error, compromised credentials, malicious software, or interaction with fraudulent services. Control of PALMETTO ultimately depends upon control of the wallet that holds it. Protecting that wallet is the responsibility of its owner.

Smart Contract and Technology Risk

PALMETTO and the supporting Palmetto Token™ infrastructure rely upon blockchain technology and deployed smart contracts. Smart contracts can provide transparent and enforceable rules, but their use does not eliminate technical risk. The PALMETTO token contract, Treasury Release Vault, and Liquidity Lock operate according to the code deployed on Base. Certain characteristics were intentionally made permanent, including the fixed PALMETTO supply and restrictions established by the supporting contracts. The inability to modify these characteristics provides predictability but also means that an unforeseen limitation within immutable code may not be correctable through an administrative update. Source code verification allows interested parties to examine deployed contract code and compare it with the code associated with the blockchain deployment. Verification improves transparency but should not be interpreted as a guarantee that a contract contains no defects, vulnerabilities, unintended behavior, or economic risks. Testing and review can reduce technical risk but cannot establish with certainty that every possible interaction, future condition, or vulnerability has been identified. Smart contracts may interact with tokens, decentralized exchanges, wallets, interfaces, and other systems whose behavior is outside the direct control of Palmetto Token™. The PALMETTO token contract does not contain an upgrade mechanism. This prevents

Palmetto Token™ from replacing the deployed token implementation through an administrative upgrade, but it also means that the existing contract cannot simply be modified if future preferences, technologies, or circumstances change.

Supporting contracts may also contain permanent restrictions. The Treasury Release Vault controls the scheduled availability of treasury PALMETTO according to its deployed logic, and the Liquidity Lock controls liquidity tokens held by that contract according to its established release conditions. Palmetto Token™ cannot override those restrictions merely because market conditions or project preferences change. PALMETTO also depends upon the continued operation of Base and underlying blockchain infrastructure. Network congestion, software defects, validator or sequencer disruptions, protocol changes, security incidents, Ethereum related events, or other technical conditions may affect transactions or access to PALMETTO even when the Palmetto Token™ contracts themselves continue to function as designed. Third party smart contracts introduce additional risk. Decentralized exchanges, liquidity pools, bridges, wallet applications, tokenized assets, and future integrations may contain vulnerabilities or experience failures independent of PALMETTO. Interaction with PALMETTO through another protocol does not make Palmetto Token™ responsible for the design, security, or continued operation of that protocol. Interfaces used to interact with blockchain contracts may also fail or

disappear while the underlying contracts remain deployed. The availability of a particular website, wallet interface, decentralized exchange interface, block explorer, or other application should not be confused with the continued existence of PALMETTO on Base. Future technological developments may create new standards, networks, security practices, or market infrastructure that did not exist when PALMETTO was deployed. Palmetto Token™ may adopt compatible new infrastructure when appropriate, but technological change cannot be guaranteed to remain compatible with every permanent characteristic of the original contracts. No blockchain system or smart contract should be assumed to be entirely free from technical risk. Participants should understand that transparency and immutability can reduce certain forms of uncertainty while creating or preserving other risks. Smart contracts can enforce the rules written into code. They cannot guarantee that every future technical circumstance has been anticipated.

Regulatory, Legal and Tax Risk

Digital assets operate within legal and regulatory environments that continue to develop. Laws, regulations, administrative interpretations, court decisions, tax rules, and enforcement policies affecting digital assets may change and may differ among jurisdictions. Palmetto Token™ does not represent within this document that PALMETTO has a particular legal or regulatory

classification. The treatment of a digital asset may depend not only upon its technical characteristics but also upon the circumstances in which it is offered, distributed, marketed, sold, used, or otherwise involved in a transaction or arrangement. PALMETTO does not provide ownership or equity in Palmetto Token™, does not represent debt owed by Palmetto Token™, does not provide a contractual right to project revenue or profits, and does not provide governance or voting authority over the project merely by virtue of token ownership. These characteristics describe the structure of PALMETTO and should not be interpreted as a legal opinion concerning its classification under any particular law. Regulatory authorities may adopt new requirements or apply existing requirements to digital assets, decentralized exchanges, wallets, merchants, payment activity, liquidity providers, project operators, or other participants. Such developments could affect the availability, use, transfer, trading, taxation, reporting, or treatment of PALMETTO. The ability to access PALMETTO through decentralized technology does not establish that every transaction or use is lawful in every jurisdiction. Individuals and organizations interacting with PALMETTO are responsible for determining whether their activities comply with laws and regulations applicable to them. Merchant acceptance of PALMETTO may create legal, accounting, reporting, tax, consumer protection, licensing, or other obligations depending upon the jurisdiction and the manner in which PALMETTO is accepted or

used. Merchants should evaluate their own requirements before incorporating PALMETTO into commercial activity. Transactions involving PALMETTO may have tax consequences. Purchases, sales, exchanges, transfers, payments, compensation, liquidity provision, receipt of tokens, or other activities involving digital assets may create taxable events or reporting obligations depending upon applicable law and individual circumstances. Palmetto Token™ does not determine the tax treatment of transactions conducted by independent holders, merchants, liquidity providers, or other participants. Each participant is responsible for maintaining appropriate records and obtaining qualified tax advice when necessary. Future legal or regulatory developments may require Palmetto Token™ to modify operational practices, public communications, treasury procedures, merchant programs, integrations, or other activities. Such modifications may be made when appropriate, but they cannot override permanent restrictions contained within deployed smart contracts. No statement contained in Palmetto Token™ documentation should be interpreted as a legal conclusion that a particular transaction, activity, classification, tax treatment, or regulatory requirement applies or does not apply to a specific person or circumstance. Legal and regulatory treatment can change and can depend upon how PALMETTO is used. Each participant remains responsible for understanding the requirements applicable to their own activities.

Project Development and Adoption Risk

Palmetto Token™ is an actively developing project. Statements concerning future development, merchant acceptance, payment use, additional markets, integrations, exchange or market data listings, community growth, technical infrastructure, or other project objectives describe intentions or possibilities rather than guaranteed outcomes. Development priorities may change as Palmetto Token™ gains experience, receives community or merchant feedback, encounters technical limitations, responds to market conditions, or evaluates the cost and usefulness of proposed initiatives. An objective identified at one stage of the project may be modified, delayed, replaced, or discontinued if circumstances no longer justify pursuing it.

Merchant and payment adoption depends upon participation by independent businesses and users. Palmetto Token™ cannot guarantee that any particular merchant will accept PALMETTO, that merchants who begin accepting PALMETTO will continue to do so, or that PALMETTO will achieve widespread use as a payment method. Listings and recognition by decentralized exchanges, market data providers, wallets, blockchain explorers, trading platforms, or other third party services are also outside the exclusive control of Palmetto Token™. Each provider may establish its own eligibility requirements, review procedures, classifications, technical standards, or continuing

requirements. The appearance of PALMETTO on a third party platform should not be interpreted as an endorsement by that platform unless the platform expressly states otherwise. Likewise, the absence of PALMETTO from a particular platform does not alter the existence of the PALMETTO token contract or independently verifiable blockchain activity on Base. Future integrations may require Palmetto Token™ to rely upon third party infrastructure, software, service providers, merchants, developers, protocols, or other participants. Delays, discontinuation, technical incompatibility, business decisions, security incidents, or failures involving those parties may prevent or impair planned development. Project development may also require financial resources. Treasury assets are finite, and the existence of PALMETTO within treasury reserve does not guarantee that sufficient cash, stablecoins, technical resources, personnel, or other assets will be available to pursue every potential project objective. Palmetto Token™ may explore future uses for PALMETTO beyond its initial market and transfer functionality, including expanded merchant use, payment infrastructure, additional markets, integrations, or compatible decentralized applications. Exploration of a potential use does not establish that the use will be developed, commercially successful, technically feasible, legally permissible, or adopted by users. Public roadmaps, development discussions, announcements, or statements concerning future plans should therefore be understood as forward looking information subject

to change. Unless expressly stated otherwise in a binding agreement, they should not be interpreted as contractual commitments to complete a particular development by a particular date. The success of Palmetto Token™ ultimately depends upon factors that cannot be controlled entirely through smart contracts or project management. Community participation, market demand, merchant interest, technical development, economic conditions, regulatory developments, competition, and broader adoption of blockchain technology may all affect the future of the project. A project objective represents a direction Palmetto Token™ may pursue. It does not represent a promise that the objective will be achieved.

Third Party Services and Information

PALMETTO may be accessed, displayed, exchanged, analyzed, or referenced through services operated independently of Palmetto Token™. These services may include decentralized exchanges, wallet applications, blockchain explorers, market data providers, charting platforms, bridges, infrastructure providers, token directories, social platforms, and other third party systems. Palmetto Token™ does not control the operation, security, availability, accuracy, policies, eligibility requirements, or continued support provided by independent third parties. A service may modify its interface, discontinue functionality, change its requirements, experience an outage,

display incorrect information, or cease supporting PALMETTO without the approval or involvement of Palmetto Token™. Third party services may obtain token names, symbols, logos, prices, circulating supply figures, liquidity information, warnings, classifications, or other data through automated systems or external data sources. Information displayed by those services may therefore differ from official Palmetto Token™ records or current blockchain data. Automated warnings or classifications displayed by wallets, decentralized exchanges, security providers, or other services should be evaluated together with independently verifiable information. The presence or absence of a third party warning does not replace the need to verify the official PALMETTO contract address, network, transaction details, and other relevant information before interacting with the token. Market data displayed by third parties may be delayed, incomplete, calculated using different methodologies, or based upon markets with varying levels of liquidity. Figures such as price, market capitalization, fully diluted valuation, circulating supply, trading volume, and liquidity should be understood according to the methodology used by the service presenting them. References by Palmetto Token™ to a third party service are provided for informational, technical, or accessibility purposes and do not constitute an endorsement, partnership, sponsorship, or guarantee unless such a relationship is expressly identified by Palmetto Token™ and the applicable third party. Likewise, the listing, display,

recognition, or availability of PALMETTO through a third party service should not be interpreted as an endorsement of Palmetto Token™ by that service unless the service expressly states otherwise. Users should exercise independent judgment before connecting a wallet, signing a transaction, granting an approval, transferring assets, or relying upon information provided by a third party service. Official Palmetto Token™ information should be compared with blockchain records when independent verification is reasonably available. Palmetto Token™ is not responsible for losses resulting solely from the failure, compromise, inaccuracy, discontinuation, or unauthorized imitation of an independent third party service that is outside the control of Palmetto Token™. Third party services can provide access and information, but their operation and representations remain independent of Palmetto Token™.

General Disclaimer and Closing Statement

Palmetto Token™ provides information concerning PALMETTO, its technical structure, supply, treasury, liquidity, development, and potential uses for informational and transparency purposes. Nothing contained in official project documentation, public communications, social media, community discussions, technical materials, or other project information should be interpreted as individualized investment, financial, legal, tax, or professional advice. Palmetto Token™ does not guarantee the

present or future market value of PALMETTO. No statement concerning fixed supply, treasury restrictions, locked liquidity, merchant adoption, project development, market participation, or potential future uses should be interpreted as a promise of price appreciation, profitability, financial return, or preservation of value. Acquiring PALMETTO does not provide equity or ownership in Palmetto Token™, a contractual claim upon project assets, a right to project revenue or profits, a debt obligation owed by Palmetto Token™, or governance authority over the project merely by virtue of token ownership. The technical characteristics of PALMETTO and its supporting smart contracts provide certain independently verifiable restrictions, but those restrictions do not eliminate market, liquidity, technology, security, regulatory, operational, adoption, or other risks. Contract enforced scarcity and locked project liquidity should not be interpreted as guarantees of economic success. Individuals remain responsible for their own decisions concerning PALMETTO. Before acquiring, holding, transferring, exchanging, providing liquidity for, accepting as payment, or otherwise interacting with PALMETTO, each participant should independently evaluate the applicable risks and determine whether the activity is appropriate for their circumstances. Digital asset transactions may result in partial or complete economic loss. Participants should not commit funds or assets they cannot afford to lose and should obtain independent professional advice when financial,

legal, tax, accounting, or other circumstances warrant it.

Palmetto Token™ cannot guarantee the continued availability of any wallet, decentralized exchange, liquidity pool, market data service, blockchain explorer, interface, merchant, integration, or other third party service. References to third parties are informational unless an official relationship is expressly identified. Future statements concerning Palmetto Token™ are subject to change. Development plans, merchant initiatives, additional markets, integrations, infrastructure, and other objectives may be modified, delayed, discontinued, or replaced as circumstances develop. Such statements should not be relied upon as contractual promises of future performance. Nothing within this document eliminates rights or obligations that may exist under applicable law, nor is this document intended to waive liability or responsibility where such a waiver would be prohibited by law. If any statement within this document conflicts with a requirement imposed by applicable law, the applicable legal requirement controls. This disclosure should be considered together with independently verifiable blockchain information and the current official documentation of Palmetto Token™. Participants should verify important information rather than relying solely upon summaries, third party descriptions, token names, symbols, logos, or representations made by other persons. Participation in PALMETTO is voluntary. Each participant determines whether, when, and how to interact with the token and accepts responsibility for the risks associated

with those decisions. Palmetto Token™ was designed around permanent supply limitations, transparent blockchain infrastructure, gradual treasury availability, and publicly verifiable project controlled liquidity restrictions. Those characteristics establish the structure of the project. They do not determine how the market will value PALMETTO or what the future of the project will ultimately become. PALMETTO offers no guaranteed return, guaranteed value, or guaranteed outcome. Participation requires independent judgment and acceptance of the risks inherent in digital assets and open markets.