FIRST BITCOIN CAPITAL CORP.

September 5, 2017

Via Facsimile & U.S. Certified Mail

TO THE FOLLOWING NAMED LAW FIRMS:

Bronstein, Gewirtz & Grossman, LC
60 East 42nd Street, Suite 4600
New York, New York 10165
Facsimile: 212-697-7296

The Rosen Firm
275 Madison Avenue, 34th Floor
New York, New York 10016
Facsimile: 212-202-3827

Levi & Korsinsky, LLP
30 Broad Street, 24th Floor
New York, New York 10004
Facsimile: (212) 363-7171

Re: Lawyer Advertising/Solicitation Letters & Communications Concerning First Bitcoin Capital Corp.

Ladies/Gentlemen:

It has come to our attention at First Bitcoin Capital (the "Company") that each of you (the terms "you" and "your firm" in this letter refers each of the law firms named above), shortly after the SEC issued Release No. 81474 (the "SEC Release") temporarily suspending trading in the securities of the Company on 08/24/2017, circulated certain advertising materials (each an "Advertisement Letter") to the general public using public media and internet communications. Each of the Advertising Letters suggests, without supporting facts, that the Company may have violated the U.S. securities laws and encouraged shareholders of the Company ("Shareholders") to contact your firm.

As you know, lawyers and law firms in the U.S. are generally permitted to "advertise" their services to potential clients using the internet and public media as long as their advertising materials (1) are not false, deceptive or misleading, and (2) comply with the legal and ethical requirements contained in state laws and ethics codes.

PLEASE BE ADVISED THAT, in our view, each of your Advertisement Letters is deceptive and misleading to the public (and to Shareholders), may have violated the rights of the Company, and do not appear to comply with the legal ethics requirements adopted in New York and in other states. Our views are based on the following:

1. Your Advertisement Letters relies solely on the SEC Release, without any other facts, to suggest that the Company may have engaged in fraud or other wrongdoing under the securities laws. However, none of your Advertisement Letters discloses or explains that the SEC's 10-day trading suspension authority (a) is a limited interim measure often used by the SEC for various reasons, including "to enhance the information in the marketplace" (*SEC v. Sloan*, 436 U.S. 103, 116 (1978)), and (b) does not require any allegation or finding of fraud by the company whose stock is temporarily suspended. Having created an implicit or subtle link between the SEC Release and possible fraud or wrongdoing by the Company under the securities laws, the Advertisement Letters omitted two critical facts that were necessary to avoid misleading the public and our Shareholders. The omitted facts were:

- Neither the SEC Release nor the 10-day suspension of trading in the stock of the Company should be read or interpreted as suggesting that the Company has engaged in fraud or other wrongdoing under the Securities Laws (under Sections 10(b) or 20(a) of the Securities Exchange Act); and

- You were aware of no facts that would suggest that the Company may have engaged in fraud or other wrongdoing under the Securities Laws (under Sections 10(b) or 20(a) of the Securities Exchange Act).

Use of the "deceptive link" in your Advertisement Letters, combined with the two omitted facts, made each of your Advertisement Letters deceptive and misleading.

2. The Advertisement Letters were apparently published by you "hot on the heels" of the SEC Release without any attempt on your part to first conduct a preliminary inquiry or investigation into the facts. If, before releasing your Advertisement Letters to the public, you had simply reviewed recent public filings and releases by the Company, you would have learned that (a) the Company has not accessed the capital markets since it began developing cryptocurrencies, (b) the Company's management has never sold any of its stock in the Company, and (c) the recent run-up in the Company's stock price appears to have resulted from investor "exuberance" in the Company's stock and blockchain technologies and in general in the stock of other companies operating in the cryptocurrency space, and by the recent success of Bitcoin (BTC), concerns that prompted the Company to caution investors in a press release issued on August 14, 2017.

In addition, had you even bothered to contact the SEC before publishing your Advertisement Letters, you would have learned, as we did, that the SEC's 10-day suspension of trading was purely technical and not for any substantive reason. You would also have learned that, over the past few weeks or so, the SEC has issued 10-day trading suspensions to several companies engaged in cryptocurrency businesses.

The publication of your Advertisement Letters in the face of these facts – had you first bothered to discern or learn them – strongly suggests that the Advertisement Letters were prematurely and improvidently issued and are deceptive and misleading.

3. The Advertisement Letters, in light of the circumstances, created a false and negative impression and innuendo about the Company that could constitute defamation or a "false light" violation of the Company's rights under various state laws. If proven, this potentially could make you liable for any resulting economic and other harm to the Company and its Shareholders. Recent case law also suggests that – where no class action lawsuit has been filed and internet-based public media are used to recruit potential class members as clients – you may not be able to rely upon the "litigation privilege" to immunize you from liability for defamation and other tortious acts that harm the Company and its Shareholders.

4. Because the Advertisement Letters used the public media for the apparent purpose of targeting "investors" in the Company wherever they reside or access your communications, you may be subject to the laws and ethics codes in each state (U.S.) in which your advertising/solicitations are targeted or accessible. At the very least, we believe that the Advertising Letters must comply with New York's Code of Professional Conduct (the "New York Code") and its advertising/solicitation rules. Other states could potentially apply their own rules if the predominant effect of your advertising/solicitation is in another jurisdiction.[1]

Our review of the Advertising Letters within the context of the New York Code suggests the following:

a. *Prohibition on False, Deceptive or Misleading Advertising*. Lawyer advertising rules in virtually every state in the U.S. prohibit internet or public media advertising and solicitation that is false, deceptive or misleading. Under Rule 7.1 of the New York Code, a lawyer or law firm may not engage in advertising that (1) contains statements or claims that are false, deceptive or misleading, or (2) violates any rule in the New York Code.

b. *Prohibition on Improper Client Solicitation*. Under Rule 7.3(a) of the New York Code, a lawyer may not engage in "solicitation" (1) by in-person, telephone or real-time or "interactive computer-accessed communication except for close friends, relatives, and former or existing clients, or (2) by any form of communication if, among other things, is "false, deceptive or misleading" (in violating Rule 7.1(a)). Under Rule 7.3(b), the term "solicitation" is any lawyer advertisement initiated by a lawyer or law firm and is "directed to, or targeted at" a specific recipient or group of recipients for the purpose of recruiting potential clients for pecuniary gain.

c. *Conflicts of Interest; Failure to Disclose*. Under Rule 1.7(a) of the New York Code, a lawyer may not represent a client if a reasonable lawyer would conclude that (1) the lawyer will be representing "differing interests", or (2) there is a significant risk that the lawyer's professional judgment will be adversely affected by his/her own financial (or other) interests. If the Advertisement Letters are found to be deceptive and misleading, the potential harm to existing Shareholders may have created an irreparable conflict of interest between your firm and the

---

[1] Under Rule 8.5 of the ABA Model Rules of Professional Conduct, adopted by most states, each state has disciplinary authority over lawyers licensed in that state and over out-of-state lawyers that provide or offer legal services in the state. Choice of law provisions in most state ethics codes, in deciding which state's ethics rules apply to non-litigation conduct, focus on where the lawyer's conduct occurred or the jurisdiction in which it had a "predominant effect".

interests of existing Shareholders. This conflict will become even more pronounced if the interests of existing and former Shareholders are determined to be "materially adverse", creating an additional conflict and a risk of harm to existing Shareholders.

The Advertisement Letters should have disclosed these potential conflicts to Shareholders and should have instructed existing Shareholders not to provide any information to your firm, or to sign any form of retainer agreement with you, until they (a) have consulted with their own (or independent) counsel, and (b) have been fully advised as to the nature, implications and possible adverse consequences that could occur from participating in a class with former Shareholders. We believe that failure make these disclosures or to provide these instructions create a risk of confusion and potential harm to existing Shareholders, rendering the Advertisement Letters deceptive and misleading.

d. *Protections for Prospective Clients*. Under Rule 1.18(b) of the New York Code, a lawyer that receives information from a prospective client may not use or reveal that information except as the Rules would permit for a former client. Under Rule 1.18(c), you may not represent a client having interests that are "materially adverse" to those of a prospective client in the "same or a substantially related matter" if you receive information from the prospective client that could be "significantly harmful" to him/her in the matter.

In light of the potential conflicts of interest between existing and former Shareholders and the Rule 1.18's protections for prospective clients, the Authorization Letters should have disclosed these potential conflicts to Shareholders and should have instructed existing Shareholders not to provide any information to your firm until they (a) have consulted with their own (or independent) counsel, and (b) have been fully advised as to the nature, implications and possible adverse consequences that could occur from providing information to your firm. We believe that the failure to make these disclosures or to provide these instructions will create a risk of confusion and potential harm to existing Shareholders, rendering the Advertisement Letters deceptive and misleading.

On the basis of the foregoing, please accept this letter as a demand that you withdraw your Advertisement Letters and that you cease and desist from communications with shareholders of the Company.

Sincerely,

/s/

_____

Simon Rubin, Chairman of the Board

Royal Centre, Suite 1500
1055 West Georgia Street, PO Box 11117
Vancouver, British Columbia
Canada V6E 4N7