



**NETSTREAM**

# Whitepaper

2025 Edition



[www.netstream.app](http://www.netstream.app)



NETSTREAM INC



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## Introduction & Background

NETSTREAM is building on five, fast-evolving digital markets—futures copy trading, content creation, tokenized real-world assets (RWA), AI assistants and Events Markets—to deliver a single SUI-based platform with clear, utility-only token use (payments for NFTs, copy-trading fees, creator subscriptions, and AI usage). Below is a concise market scan: current size, user pain points, and where NETSTREAM can credibly create value.

## Futures Copy Trading

**Market size & momentum:** Crypto derivatives now dominate digital-asset trading activity: multiple datasets show >75% of total exchange volume is derivatives in 2025 (perpetuals + futures + options). Kaiko reports derivatives make up over 75% of all crypto trading this year, with BTC perpetuals alone accounting for ~68% of BTC volume; CCData/Coindesk Data similarly tracked the derivatives share reaching ~78% mid-2025. [Kaiko+1](#)

Over the last 12 months, total centralized exchange volume reached **~\$80T**, underscoring deep liquidity and scalability for copy-trading overlays. (CCData series, via CryptoSlate). [CryptoSlate](#)

**Adoption of copy trading:** Major venues now market built-in copy/trade-following tools. Bybit cites **70M+** registered users and promotes an active copy-trading hub (its live counter shows **800k+** total followers and **32M+** successful trades); Binance likewise showcases copy-trading for retail onboarding. These metrics point to sustained demand for “follow the pro” experiences—especially for novices entering high-volatility futures. [prnewswire.com+2bybit.com+2](#)

**User needs & gap:** Retail traders struggle with risk controls, strategy transparency, and over-leverage—and many copy tools lack guardrails and clear fee models. NETSTREAM's opportunity is to provide state of the art trading strategy technology, capital caps/kill-switches, and clean, on-platform fee settlement in NET, while leaving execution and profit-sharing to compliant exchange programs.

## Content Creation

**Market size:** Goldman Sachs estimates the creator economy TAM could double from **~\$250B** (2023) to **~\$480B** by 2027, driven by direct-to-fan monetization and ad spending. [goldmansachs.com](#)

On the payouts side, Patreon disclosed **\$10B+** cumulative creator payments as of 2025—evidence that direct membership revenue is at scale. [Axios](#)



**Pain points:** Take-rates and checkout friction dilute creator earnings and fragment audiences. Patreon's platform fee moved to **~10%** for new creators in Aug 2025 (ex-payment processing), indicative of upward pressure on costs across the stack. Meanwhile, **~200M** people identify as creators, intensifying discovery and retention challenges. [The Verge+1](#)

**Opportunity:** NETSTREAM can offer NFT-gated channels and NET-denominated subscriptions with transparent fees and instant settlement, plus affiliate rails to reward distribution without intrusive ads or opaque rev-shares. NETSTREAM will cherry pick the best Digital Creators to join the platform and create value for money content. NETSTREAM will also sign agreements with Organizations and Brands that wish to create their own channels and hire NETSTREAM Creators to create content and stream their events.

## Tokenized Real-World Assets (RWA)

**Market size:** On public chains, tokenized RWA outstanding now exceeds **~\$33B** as of Oct 6, 2025, with steady double-digit monthly growth. Coverage spans treasuries, funds, credit, real estate pilots and more, with institutions actively experimenting; industry roundups track marquee efforts and the fast-rising non-stablecoin segment. [4ire](#)

**Pain points:** End-users face jurisdictional constraints, issuer due-diligence opacity, and limited secondary liquidity.

**Opportunity:** Provide easy access to compliant projects where users will be able to invest with stable coins, get access to vetted deal rooms and standardized disclosures and also have access to RWA tokens secondary market.

## AI Assistants

**Market size:** McKinsey estimates **\$2.6–\$4.4T** in annual economic value from gen-AI across functions; IDC forecasts enterprise AI spend at roughly **\$300B+** in 2025, more than **\$600B** by 2028. Segment-specific reports size gen-AI software/services in the **\$20–30B+** range for 2025 with very high CAGR. [McKinsey & Company+2IDC+2](#)

**Pain points:** Traders and creators need explainable tools, data privacy, and workflow integration, not generic chatbots.



**Opportunity:** NETSTREAM's NET-metered AI (screenshots → structured TA; content ideas; compliance checks) pairs clear usage tiers with on-chain receipts — a clean fit for utility-only token payments.

## Events Market

The global online events and prediction market sector has grown alongside sports streaming, influencer-led live shows, and tokenized communities, creating a space where audiences don't just watch but participate financially in outcomes. This demand is boosted by always-on live content, niche sports with no TV coverage, and the rise of digital wallets, making event-based staking a natural extension of the creator and live economy. Even conservative estimates of the online betting/prediction segment point to a multibillion-dollar yearly volume globally, especially in regions where sports and esports streams are widely consumed and monetized.

### Why this matters for NETSTREAM

Across all five segments, the common pattern is large addressable markets with clear monetization friction (fees, complexity, compliance). NETSTREAM's design—NFT-gated access, NET-settled services, USDC-only RWA—targets those frictions without crossing into financial-rights territory, aligning with a utility-token model while tapping real, growing demand.



# Solutions

## NETSTREAM Trading Engine

### Overview.

NETSTREAM will publish curated copy-trading strategies that are auto-optimized by the NETSTREAM Trading Engine—an AI-driven layer that analyzes each trading pair and proposes parameter sets designed to minimize drawdown and risk while preserving attractive expectancy. The engine performs an exhaustive  $27 \times 27$  search across Long and Short configurations ( $27$  Long options  $\times$   $27$  Short options =  $729$  base combinations), then ranks candidates with a risk-first objective before any follower capital is allocated.

### What it optimizes:

The engine composes strategies from modular building blocks and tunes them jointly:

- Directional triggers (trend, momentum, volatility, structure) for open/close Long/Short conditions.
- Risk controls: Stop-loss, primary/secondary take-profit, trailing TP, max loss per trade/day, max concurrent positions.
- Execution rules: “Directional zones” (only Longs or only Shorts in defined regimes), session/time filters, cooldowns, and partial exits.

### How it works (discovery → deployment):

1. Data & scope. For a given pair/timeframe, the engine builds the  $27 \times 27$  search space from its trigger/exit/zone primitives.
2. Back testing at scale. It evaluates all feasible combinations with automated back tests and stress checks across market regimes.
3. Risk-first scoring. Candidates are ranked primarily by max drawdown, loss-streak tolerance, and risk-of-ruin; secondary metrics (profit factor, Sharpe-like ratios, hit rate) break ties.
4. Validation & monitoring. Top configurations undergo walk-forward checks and continuous live monitoring, degradation triggers parameter rotation or de-listing.
5. Non-custodial follow. Execution and profit sharing remain on exchange-native copy-trading rails; NETSTREAM supplies the strategy, analytics, and follower-side risk overlays (capital caps per leader, daily loss circuits, global kill-switch).



## NETSTREAM Creators Platform

NETSTREAM Creators Platform is a creator membership and live content layer with NFT-gated channels, posts, live streams, and fan interactions. Creators set pricing, bundle perks, and view analytics; fans subscribe with NET/USDC and can receive on-chain receipts. The platform integrates moderation and anti-fraud (chargeback controls, wash-trading checks) and supports affiliates tied to real spend (no recruitment-only rewards).

**Token utility:** NET-denominated subscriptions (with USDC auto-swap for seamless checkout), optional NET-priced events and premium posts; NFTs unlock premium channels and perks.

## Stream the Unstreamed — Channels-as-a-Service

Businesses and organizations launch their own live channels on NETSTREAM and hire vetted creators to produce and stream events to those channels for a fee. The organizer keeps brand control, sets monetization (free + sponsors, subscription, or PPV), and retains VOD for marketing. Creators get paid per assignment (plus tips/bonuses). The platform provides multi-angle live, rights workflows, payouts, and discovery.

### Stakeholders & Roles

- Channel Owner (Business/Organization): holds streaming/VOD rights; configures channel branding, pricing, schedules, and sponsor placements.
- Creators (Capture Squad): 1–5 mobile camera operators per event, optionally with a commentator/host. Deliver live video, clips, and minimal post edits.
- Viewers: fans, customers, community members; can subscribe, tip, and buy PPV events.
- NETSTREAM Platform: ingest, sync, multi-view player, rights & consents logging, payouts, analytics, and moderation.

### End-to-End Workflow

1. Rights & Brief — Organizer confirms streaming/VOD rights, event details, consent requirements (venue, minors), and monetization mode.
2. Creator Booking — Organizer posts an assignment; creators apply; NETSTREAM escrows the fee. Roles: main cam, sideline/roving, behind-goal/stage, interviewer.
3. Live Production — Mobile capture via SRT/RTMP; MultiView (4–6 tiles) with tap-to-enlarge, picture-in-picture, and optional auto-director (audio/motion cues).
4. Monetization — Free + sponsor overlays, subscriptions/PPV, and tipping.
5. VOD & Clips — Event VOD and auto-generated highlights stay in the channel library; short-form clips for social.
6. Settlement — Platform commission applied; creators paid; affiliate shares routed; organizer receives net proceeds.



## Monetization Models (configurable per channel)

- Free + Sponsors: sponsor logo bugs, mid-rolls, overlay graphics, scoreboard branding.
- Subscription: monthly or seasonal; bundles VOD library and highlights.
- Pay-Per-View: per event or per tournament/series.
- Tips & Merch: viewer tips; links to tickets/merch from the organizer.

**Token utility (post-token):** Channel subs/PPV NET-primary (USDC auto-swap supported); tipping optionally in NET; platform commission as defined in Financials.

## RWA Economy

The RWA Economy is a curated access hub—not an issuer—listing regulated USDC-denominated offerings from separate SPVs/funds. Members unlock the RWA area via NFTs, complete suitability checks where required, and subscribe directly to issuers with standardized data rooms, risk labels, and audit trails. Secondary activity is limited to a bulletin-board/P2P workflow or routed to licensed venues to avoid operating a trading venue.

**Token boundary:** NET is not used for investing; it remains a platform payment token. RWA subscriptions, distributions, and exits are USDC-only via the issuer rails.

## NETSTREAM AI Assistant

The AI Assistant turns chart screenshots and prompts into structured technical analysis and scenario plans (entries, invalidation, risk notes)—delivered with educational-only disclaimers. It supports tiered quotas, add-on packs, audit logs, and privacy controls. Output templates are optimized for copy-trading overlays (risk caps, timing windows) and creator workflows (explainers, summaries, compliance notes).

**Token utility:** Usage is metered in NET (monthly allowances or pay-as-you-go), with PRO/GOLD enjoying higher limits or discounts.

## NETSTREAM Events Market

The NETSTREAM Events Market extends this opportunity inside the platform: verified users will be able to stake on clearly defined, platform-related or partner-approved events (for example, outcomes of streamed matches or featured shows). All events will run on a user-vs-user, pooled model in which winners are paid from the losing side, while NETSTREAM only charges a transparent platform fee and does not act as the house. Bets will be placed in USDC at launch to keep settlement simple and compliant with the rest of the platform's economy, and—once the NET token payments layer is activated—users will be able to stake and settle in NET as well, preserving the same pooled, non-custodial structure.



# NETSTREAM Community Benefits

## NFT Membership

NETSTREAM is NFT-gated: Users choose a membership tier that unlocks features and access across the platform. To access regulated services users will have to go through the KYC/AML process.

- **Free Members (Free):** browse all the services and watch free channels. To access any of the services Free Members will have to pass the KYC procedure and obtain a paid membership NFT.
- **Silver Member (Minted NFT):** access to premium channels, become creators, access copy-trading bots and ai assistant, and the RWA area.
- **Gold Member (Minted NFT):** includes all Silver Member privileges with broader platform access (create channels, access top performance copy trading bots, higher ai assistant usage limits, access to VIP RWA area).

Initial sales run in USDC. When the Treasury reaches \$200k USDC, NET pairs (NET/USDC & NET/SUI) are launched; thereafter, Creator and AI Assistant subscriptions transition to NET payments.

## Affiliates

Growth is powered by a **5-level affiliate program**, allowing each affiliate to build a network with five sub-levels.

- Global revenue split: across all revenues, the plan routes **50%** to Affiliates, **10%** to Gold Members, **5%** to Silver Members, **20%** to Treasury, **10%** to Team and **5%** to Operational Expenses.

These mechanics align incentives around actual paid usage (NFT mints and subscriptions) rather than recruitment alone.

## Creators/Channel Owners

Any Silver/Gold user (after completing the KYC) can apply to become a Creator/Channel Owner, open a channel, post content, and run live streams with paid subscriptions. NETSTREAM will charge a **20%** platform commission on Creator subscription sales. Subscriptions begin in USDC and migrate to NET after the token pairs go live.

**What creators get:** Channel tools, access to stream bounty page, stream on third party channels to get paid option, subscriber management, and monetization with on-platform settlement; discovery is enhanced via the NFT-gated structure and affiliate-driven distribution.

**What Channel Owners get:** Channel tools, option to post a stream bounty and select creators to stream on the channel, subscriber management, and monetization with on-platform settlement; discovery is enhanced via the NFT-gated structure and affiliate-driven distribution.



# Tokenomics

## Token Info

**Ticker:** NET

**Network:** SUI

**Type:** Utility/payment token (non-claim, non-dividend), burnable(based on Team decisions)

**Max Supply:** 250,000,000 NET (fixed)

## Token Allocations

### Ecosystem Growth 25%

These tokens will be used to motivate Communities to join and contribute to the NETSTREAM Platform Growth.

### Treasury 20%

These tokens will be used as a safety back up and can be either sold to cover investments in new technology or get added to the DEX or CEX Liquidity.

### Team 10%

These tokens will be distributed to the Team Members. Initially there will be a 12-month lock period and a 24-month linear vesting period.

### Advisors 5%

These tokens will be distributed to selected Advisors. Initially there will be a 12-month lock period and a 24-month linear vesting period.

### Staking 30%

These tokens will be distributed to the NET Token Holders as an incentive to lock their tokens and participate in actions that will boost NETSTREAM's growth.

### CEX & DEX Liquidity 10%

These tokens will be used for the DEX and CEX Trading Pairs liquidity. NET/USDC and NET/SUI.



## Token Utility

**Definition:** NET is an on-platform payment & access token used to access and use NETSTREAM services. It carries no dividends, no interest, and no claims on assets and is not used for RWA investing.

### Primary utilities (live scope):

#### 1. Membership NFT Mints

- Pay mint prices in NET (or USDC with auto-swap to NET).
- NET to USDC conversion; instant price locks keep NET amounts predictable.
- NFTs are unique, SUI-native access credentials that unlock tiers (Free/Silver/Gold) and gated areas (e.g., RWA hub, premium creator channels).

#### 2. Copy-Trading Platform Fees

- Success fee tiers by capital size.
- Fees are dual tender (NET or USDC); NET payments will receive a discount (e.g., 10–20%).
- Exchange-native profit sharing remains on the exchange; NETSTREAM only settles platform fees.

#### 3. Creator Channel Subscriptions – Creator Payments

- NET-primary checkout for subscriptions, premium posts, and event access.
- Users without NET may pay USDC; the app performs a disclosed auto-swap to NET behind the scenes to preserve token utility.
- On-chain receipts; 20% platform commission (see Financials).
- Creators that stream as a service get paid in USDC (switch to NET once the trading pairs go live).

#### 4. AI Assistant Usage

- Initially in USDC then NET-metered (monthly allowances or pay-as-you-go packs).
- Silver/Gold will receive higher limits or discounts; usage recorded on-chain for transparency.
- Outputs are educational, no investment advice.



### **Cross-utility mechanics:**

- Auto-swap UX: Paying in USDC triggers an in-app swap to NET, reducing friction while sustaining token demand.
- Discounts: Transparent NET-pay discounts (where permitted) increase utility without excluding users.
- Access Staking: Lock NET to unlock higher AI limits, fee discounts, and priority queues (no token yield).
- Treasury routing: NET collected at checkout flows to the Treasury Wallet, then is redeployed per the Treasury Wallet Model (ops, growth, POL) without any “price-support” commitments.

**Non-utility boundaries:** No passive income, no buy-back/return promises, no RWA investments in NET, no governance over financial distributions. Token-holder signaling may guide non-custodial budgets/features only.

## **Financials — Revenue & Distribution (USDC at launch)**

Below we summarize revenue sources, who receives what, and how funds route to the Treasury. Unless otherwise noted, revenues are collected in USDC at launch; after token pairs go live, AI & Creator subscriptions/Creator Payments will be NET-primary with a USDC→NET auto-swap available.

### **A) Revenue split:**

Across all revenues, the plan routes:

50% to Affiliates

10% Gold Members

5% Silver Members

20% to Treasury

10% to Team

5% to Operational Expenses Wallet

### **B) Membership NFTs**

Silver Member NFT: 500 USDC

Gold Member NFT: 1500 USDC

Notes: NFTs are access credentials. Payouts use on-chain accounting and KYC where required.



### **C) Copy-Trading Profit Sharing Fee (USDC/USDT)**

NETSTREAM charges a 30% profit-sharing success fee based on account balance.

Note: Execution/profit-share remains on exchange rails.

### **D) Creator Channel Subscriptions (USDC → later NET)**

NETSTREAM retains a 20% platform commission from Creator subscription sales and gifts; 80% of sales go to the Creators.

NETSTREAM will also retain a 20% commission from the Creator payments for streaming to third party channels.

### **E) AI Assistant Subscriptions (USDC → later NET)**

BEGINNER PLAN: 10 trades per day 50 USDC

PRO PLAN: 20 trades per day 100 USDC

Retention 80% NETSTREAM and 20% Revenue Split due to third party costs.

### **F) RWA Projects (USDC only)**

NETSTREAM receives 10% of RWA token sale proceeds from issuers and withholds 10% of issued RWA tokens for listing/ops.

Allocation (cash proceeds): 100% → Treasury Wallet (then per Treasury Wallet Model).

**Token withhold:** Segregated and subject to issuer/venue rules and lock-ups; never mixed with the NET token treasury.

### **Treasury Wallet Model (applies to Treasury inflows)**

All inflows designated for Treasury Wallet are redistributed according to NETSTREAM needs and after approval from the NETSTREAM Team.

Liquidity deployments follow the published Initial Price & Liquidity Seeding plan (**p<sub>0</sub> = \$0.05**) and ongoing market-ops guardrails (no price-support promises; transparency reports).



### **Staking (one-year hard lock)**

NETSTREAM will offer three staking programs each one available only to specific membership levels.

Free Members Staking Program APR **7%**

Silver Members Staking Program APR **12%**

Gold Members Staking Program APR **24%**

The staking program distribution plan will last till all NET Tokens allocated to the Staking Wallet are distributed in full.

### **Team**

The NETSTREAM Team consists of tech and blockchain enthusiasts with deep experience in the Web3 and Blockchain technologies. The Team scope is to create a suite of premium services that will be powered by the NET utility token.



## Roadmap

**Launch principle:** NETSTREAM goes live without a token first—focusing on real product usage and revenue—then enables NET payments and expands features once the Treasury reaches **\$200,000 USDC**.

### Phase 1 — Platform Launch (No Token)

#### What's live:

- Copy Trading (exchange-native execution; non-custodial follower controls, risk overlays).
- AI Assistant (metered in USDC; screenshots → structured TA; educational use).
- Social Platform (creator channels, posts, live streams; subscriptions in USDC).
- NFT Memberships (mintable in USDC; access tiers for features and gated areas).

**Foundations:** KYC/AML; moderation & fraud controls; initial affiliate program; core audits.

### Phase 2 — Scale & Readiness

#### Hardening & growth:

- Affiliate expansion; creator onboarding; analytics and risk disclosures.
- Compliance readiness (Travel Rule integration; documentation).
- Finalize token docs and listing mechanics so the token switch can be seamless when the Treasury trigger occurs.

### Phase 3 — Treasury Trigger → Token Generation & DEX Liquidity

**Trigger:** Treasury  $\geq$  \$200,000 USDC.

Actions:

- Token Generation Event and DEX listings: NET/USDC and NET/SUI pairs, seeded with Protocol-Owned Liquidity at reference  $p_0 = \$0.005$  (set by pool ratios).
- NET payments become available (optional):
  - AI Assistant and Creator subscriptions switch to NET-primary (with seamless USDC→NET auto-swap).
  - Copy-trading platform fees and NFT mints support dual tender (USDC or NET), with NET pay eligible for a discount.

### Phase 4 — RWA Platform (USDC-Only)

#### What's live:

- RWA access hub, gated by membership NFTs, listing regulated USDC-denominated offerings from separate issuers/SPVs.
- Suitability checks, standardized data rooms, and (where permitted) bulletin-board style P2P exit workflows or routing to licensed venues.
- Token boundary: NET is not used for RWA investing.



## **Phase 5 — Locks & Loyalty Programs**

### **Launch choices:**

- Access Locks (preferred): lock NET (e.g., 12 months) to unlock product perks (higher AI limits, fee discounts, priority queues) with no token payouts.
- Loyalty Lockdrop (alternative): a fixed, capped Rewards Pool may be distributed pro-rata to lockers as promotional loyalty grants (non-compounding; no APR language).



# Disclaimer

PLEASE READ THIS DISCLAIMER SECTION CAREFULLY. IF YOU ARE UNCERTAIN AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISOR(S).

The information set forth in this Whitepaper may not be exhaustive and does not imply any elements of a contractual relationship. The content of this Whitepaper is not binding for NETSTREAM INC. (“Company”) and is subject to change in line with the ongoing research and development of the NETSTREAM Platform (“Platform”) and Validation Protocol (“Protocol”), hereinafter together referred as “Project”. However, there is no obligation to update the Whitepaper or to provide the recipient with access to any additional information.

This Whitepaper does not constitute investment, legal, tax, regulatory, financial, accounting or other advice, and is not intended to provide the sole basis for any evaluation of a transaction on acquisition of NET tokens, hereinafter referred to as “Token(s)”. The NETSTREAM platform and NET tokens are not available to all persons. Participation may be subject to a range of steps, including the need to provide certain information and documents.

Prior to acquiring the Tokens, a prospective purchaser should consult with his/her own legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of such a transaction. NET tokens (as described in this Whitepaper) are not intended to constitute securities or any other regulated product in any jurisdiction. This Whitepaper does not constitute a prospectus and is not an offer document of any sort nor is it intended to constitute an offer or solicitation of securities or any regulated product in any jurisdiction. This Whitepaper has not been reviewed by any regulatory authority in any jurisdiction.

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Tokens are not being offered or distributed to, nor can be resold or otherwise alienated by their holders to, citizens of, natural and legal persons, partnerships, having their habitual residence or domicile, location or their seat of incorporation (i) in the United States of America (including the District of Columbia), Puerto Rico, the Virgin Islands of the United States, or any other possessions of the United States of America, or (ii) in a country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations. If such a restricted person purchases Tokens, that person has done so on an unlawful, unauthorized and fraudulent basis, and in this regard shall bear any negative and/or legal consequences.

The Company does not carry on any regulated activity in the Republic of Korea, in the People's Republic of China or in other countries and territories where transactions in respect of, or with use of, digital tokens fall under the restrictive regulations or require from the Company to be registered or licensed with any applicable governmental authorities. Each purchaser of Tokens is reminded that this Whitepaper has been presented to him/her on the basis that he/she is a person to whose attention the document may be lawfully presented in accordance with the laws of the purchaser's jurisdiction. It is the responsibility of each potential purchaser of Tokens to determine if the purchaser can legally purchase Tokens in the purchaser's jurisdiction, and whether the purchaser can then resell the Tokens to another purchaser in any given jurisdiction.

No representations or warranties are made as to the accuracy or completeness of the information, statements, opinions or other matters described in this document or otherwise communicated in connection with the project. Without limitation, no representation or warranty is given as to the achievement or reasonableness of any forward-looking or conceptual statements. Nothing in this document is or should be relied upon as a promise or representation as to the future. This White Paper is provided in an official English version only. Any translation is for reference purposes only and is not certified by any person. If there is any inconsistency between a translation and the English version of this Whitepaper, the English version prevails.



## Risks Connected to The Value of NET Tokens

**Rights, Functionality or Features:** The NET Tokens (Tokens) may only have the rights, uses, purpose, attributes, functionalities or features, on the Platform or within the Protocol as described in this Whitepaper. Company Parties do not guarantee that the Tokens have any rights, uses, purpose, attributes, functionalities or features.

**Lack of Development of Market for the Tokens:** Because there has been no prior public trading market for the Tokens, the Token Sale may not result in an active or liquid market for the Tokens, and their price may be highly volatile. Even if the Tokens are tradable in a secondary market, in practice, there may not be enough active buyers and sellers, or the bid ask spreads may be too wide. The Token holders may not be able to exit their token holdings easily. In the worst-case scenario where no secondary market develops, a Token holder may not be able to liquidate his/her Token holdings at all. The exchanges or platforms that facilitate secondary trading of the Tokens may not be regulated by any applicable laws.

**Risks Relating to Highly Speculative Traded Price:** The valuation of digital tokens in a secondary market is usually not transparent, and highly speculative. The Tokens do not hold any ownership rights to Company's assets and, therefore, are not backed by any tangible asset. Traded price of the Tokens can fluctuate greatly within a short period of time. There is a high risk that a token holder could lose his/her entire payment amount. In the worst-case scenario, the Tokens could be rendered worthless.

**The Tokens May Have No Value:** The Tokens may have no value and there is no guarantee or representation of liquidity for the Tokens. Company is not and shall not be responsible for or liable for the market value of the Tokens, the transferability and/or liquidity of the Tokens and/or the availability of any market for the Tokens through third parties or otherwise.

**The Tokens are Non-Refundable:** Company is not obliged to provide the token holders with a refund related to the Tokens for any reason, and the token holders will not receive money or other compensation in lieu of the refund. No promises of future performance or price are or will be made in respect to the Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that the Tokens will hold any particular value. Therefore, the recovery of spent resources may be impossible or may be subject to foreign laws or regulations, which may not be the same as the private law of the token holder.



## Blockchain And Software Risks

**Risk of Software Weaknesses:** The concept of token smart contract which creates the mechanism of creation and distribution of the Tokens (“Tokens Smart Contracts”), the underlying software application and software platform (i.e. the SUI blockchain) are still in an early development stage and unproven. There is no representation and warranty that the process for creating the Tokens will be uninterrupted or error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the cryptocurrency and/or the Tokens.

**Risk of New Technology:** The Platform, the Protocol, the Tokens and all of the matters set forth in this Whitepaper are new and untested. The Platform, the Protocol and the Tokens might not be capable of completion, creation, implementation or adoption. It is possible that no blockchain utilizing the Platform or the Protocol will be launched. Even if the Platform and the Protocol are completed, implemented and adopted, it might not function as intended, and any Tokens may not have functionality that is desirable or valuable. Also, technology is changing rapidly, so the Platform, the Protocol and the Tokens may become outdated.

## Security Risks

**Risk of Loss of Private Keys:** The Tokens purchased by Buyer may be held by Buyer in Buyer’s digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private keys associated with such Buyer’s digital wallet or vault storing the Tokens will result in loss of such Tokens, access to Buyer’s token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private keys, including by gaining access to login credentials of a hosted wallet or vault service the buyer uses, may be able to misappropriate the Buyer’s Tokens. Company, members or any related parties are not responsible for any such losses.

**Lack of the Tokens Security:** The Tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the Tokens Smart Contracts or the Tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing.



Furthermore, because the SUI Blockchain platform rests on open source software, there is the risk that SUI smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the Tokens or result in the loss of the Tokens, the loss of ability to access or control the Tokens. In the event of such a software bug or weakness, there may be no remedy and holders of the Tokens are not guaranteed any remedy, refund or compensation.

**Failure to Map a Public Key to Buyer's Account:** Failure of buyer of the Tokens to map a public key to such buyer's account may result in third parties being unable to recognize buyer's Tokens balance on the SUI blockchain when and if they configure the initial balances of a new blockchain based upon the Platform and the Protocol.

**Risk of Incompatible Wallet Service:** The wallet or wallet service provider used for the acquisition and storage of the Tokens has to be technically compatible with the Tokens. The failure to assure this may have the result that buyer of the Tokens will not gain access to his Tokens.

## **Risks Relating to The Project Development**

**Risk Related to Reliance on Third Parties:** The Project may rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, all of might have a material adverse effect on the Project.

**Dependence of the Project on Senior Management Team:** The ability of the Project team which is responsible for maintaining competitive position of the Project is dependent to a large degree on the services of a respective senior management team. The loss or diminution in the services of members of respective senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Project. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this situation affects the ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a adverse impact on the Project.

**Changes to the Project:** The Project is still under development and may undergo changes over time. Although Company Parties intend for the Project to have the features and specifications set forth in this Whitepaper, changes to such features and specifications can be made for any number of reasons,



any of which may mean that the Project does not meet expectations of buyer of the Tokens.

**Risk Associated with Other Applications:** The Project may give rise to other, alternative projects, promoted by unaffiliated third parties, under which the Tokens will have no intrinsic utility and value'.

### **Risks Arising in Course of Company Parties' Business**

**Risk of Conflicts of Interest:** Any Company Party may be engaged in transactions with related parties, including respective majority shareholder, companies controlled by him or in which he owns an interest, and other affiliates, and may continue to do so in the future. Conflicts of interest may arise between any Company Party's affiliates and respective Company Party, potentially resulting in the conclusion of transactions on terms not determined by market forces.

### **Governmental Risks**

**Uncertain Regulatory Framework:** The regulatory status of cryptographic tokens, digital assets, and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact the Tokens in various ways, including, for example, through a determination that the tokens are regulated financial instruments that require registration. Company may cease the distribution of the tokens, the development of the Project or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so.

**Failure to Obtain, Maintain or Renew Licenses and Permits:** There may be various statutory requirements obliging Company to receive licenses and permits necessary for carrying out of its activity in different jurisdictions, there is the risk that new statutory requirements may be adopted in the future and may relate to any of Company Parties. Requirements which may be imposed by these authorities and which may require any of Company Party to comply with numerous standards, recruit qualified personnel, maintain necessary technical equipment and quality control systems, monitor our operations, maintain appropriate filings and, upon request, submit appropriate information to the licensing authorities, may be costly and time consuming and may result in delays in the commencement or continuation of operation of the Project.



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