



FREITX NETWORK

**Decentralized Network for Supply Chain Management  
Powered by a Stable Coin and Scalable Blockchain**

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## PREFACE

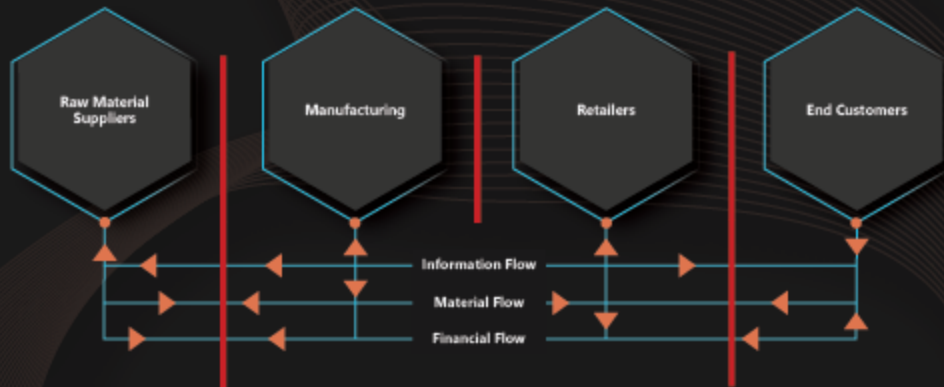
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After the creation of the Bitcoin, Blockchain showed us not only the ability to use for as financial transactions, also the greatest potential to deploy and transform into many other industries such as banking, security, identity management, healthcare, supply chain and etc. While Blockchain technology is developing, every day we can see the numerous blockchain projects coming on the market. They are very promising with their attractive ideas of blockchain integration varieties. Often many of this projects finalize their performance with failures, usually, they are only concentrated to use blockchain technology as a future innovation. Despite the fact that we have many technological promises and talks about future development this industry lacks match points between theoretical and practical sides. In this paper, we represent project where we have balanced blockchain as an innovative technology, adoptable in a real-world environment.

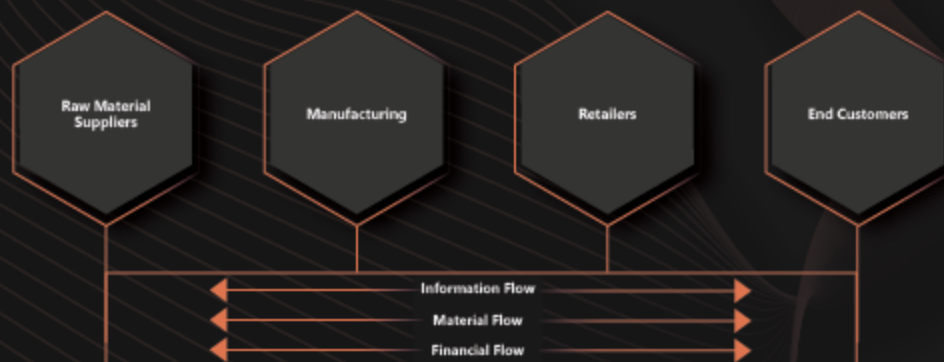
## SUPPLY CHAIN MANAGEMENT MAIN FLOWS

### Current Flows



- The information flow involves product fact sheet, transmitting orders, schedules, and updating the status of delivery.
- The material flow includes the movement of goods from a supplier to a customer, as well as any customer returns or service needs.
- The financial flow consists of credit terms, payment schedules, and consignment and title ownership arrangements.

### FreitX Network Flows



## SUPPLY CHAIN MANAGEMENT

### INTERMEDIARIES



### INFORMATION AND DOCUMENTS



- ◆ Transportation, Quality, Origin, Invoice Documents
- ◆ Transport Port & Insurance Invoices & Contracts
- ◆ Transport Service Contract & Insurance & Invoices
- ◆ Customs Clearance & Quality Documents
- ◆ In-house ERP

### SUPPLY CHAIN WORKFLOW



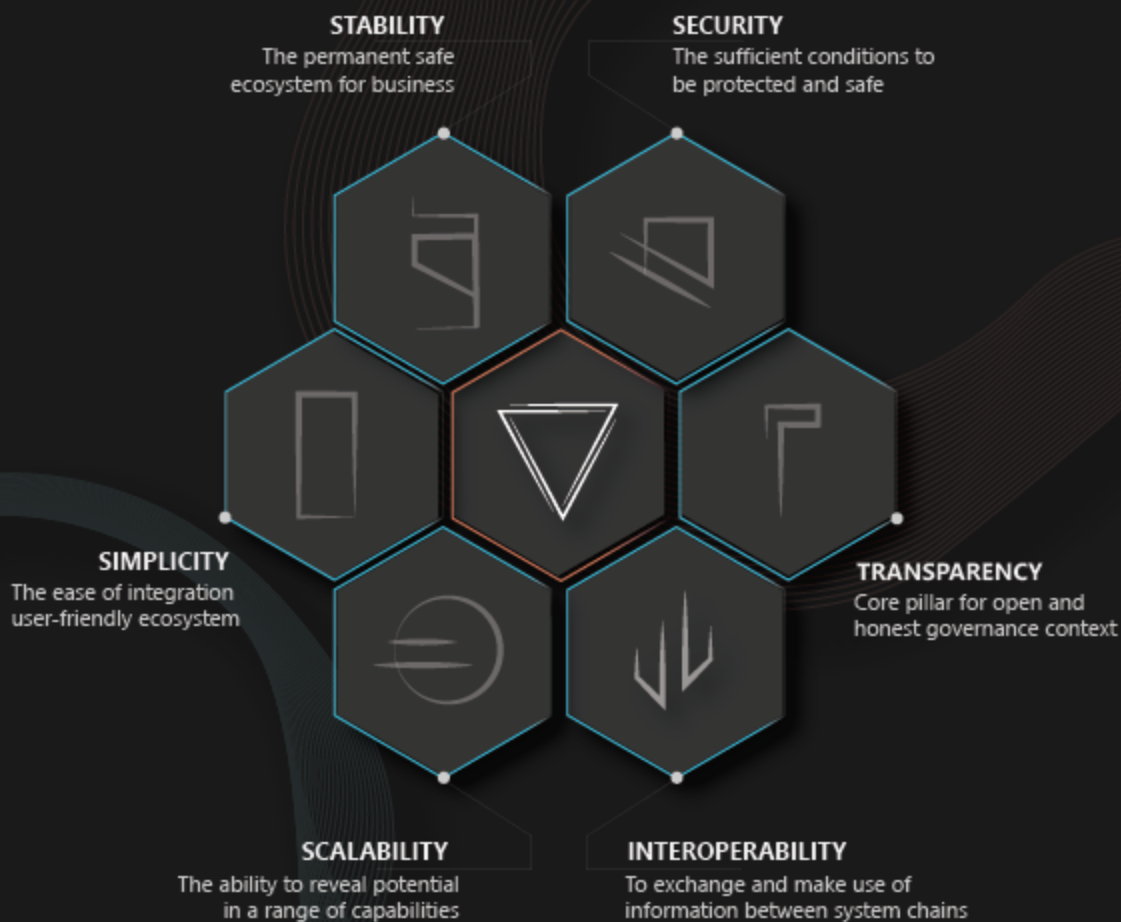
### FREITX NETWORK VISION

#### SEGMENT-SPECIFIC

- ◆ Integrated into the supply chain
- ◆ Gain visibility and credit
- ◆ Empower producers to integrate both up and downstream information and workflow

#### GENERAL

- ◆ Empower all parties with a blockchain platform with increased transparency and trust
- ◆ Empower resource-poor parties by equalizing the inherent information asymmetry
- ◆ Employ data analytics and AI for a better and smarter supply chain
- ◆ Supply chain with improved sustainability

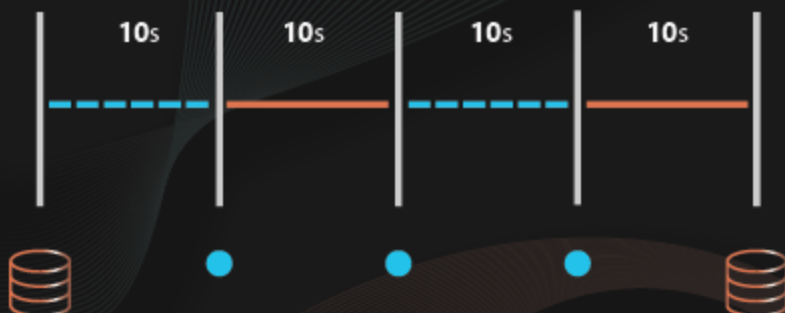




### Current Method

#### Single Transactions

Mainly transactions are provided one-by-one on different network nodes. They try to create the system to make their way through the network. It requires a time limit that appears to be the obstacle for situations when participants have to act faster and process transactions as soon as possible.



### FreitX Network Method

#### Multiple Parallelized Transactions

FreitX Network gives the ability to run several chains which are the main source to provide multiple transactions in parallel. This is how we achieve infinite scalability to the provided transaction system.



## INTEROPERABILITY

We analyze the fact that existing blockchain platforms lack the communication between each other. FreitX Network is designed to enable applications, smart contracts and all operations that are provided on blockchain to easily transact data and assets on other chains. Interoperability is the main solution to isolated existence that blockchain networks are facing today.

**N** NETWORK CHAIN

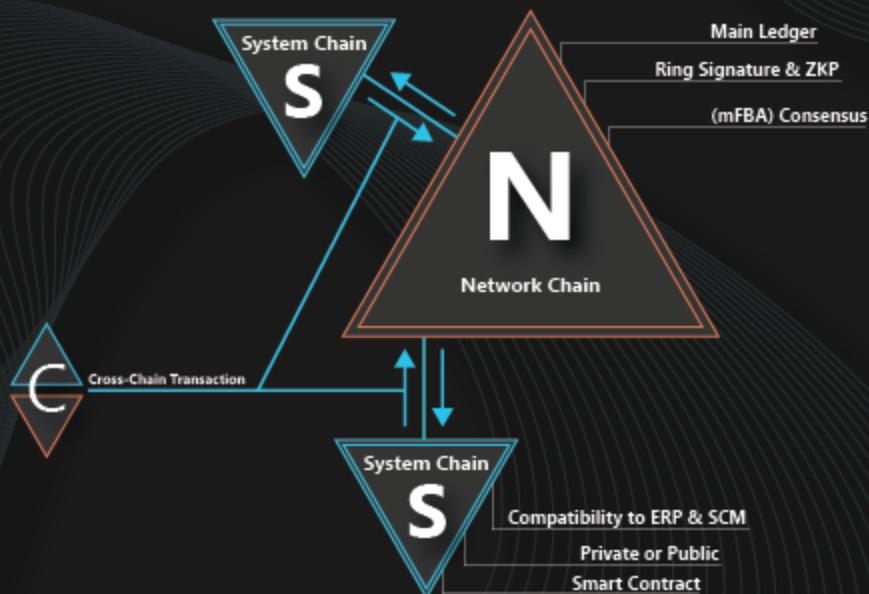
## § SYSTEM CHAIN





## FREITX NETWORK BLOCKCHAIN ARCHITECTURE

FreitX Network Blockchain is a network of multiple independent blockchains that run parallel to each other. The main blockchain in this network which we call Network Chain which connects multiple blockchains such as System Chain. The Network chain is a ledger which is responsible to produce transactions and token movements. The Network chain is always public and provides different options such as modified Byzantine Fault Agreement and Zero Knowledge Proof to make the system stronger. The System Chain can be private or public blockchain which supports smart contracts execution, account management, and privacy. Cross-chain is a distributed coordination assignment where multiple parties exchange assets across multiple system chains. In FreitX Network cross chain transfer tokens between system chain through to network chain.



### Network Chain

The public blockchain that operates as the main ledger and provides the system chains.

### System Chain

The system chain is well suited and can be modified to fit any type of customer requirements.



FRX

Fluctuate



### ● Governance

The governance activity for implementation of processes and structures to inform, direct, manage and monitor the activities of our network.

### ● Operation

New forms of modified Federated Byzantine Agreement with bonding. Bonding gives us the ability to contribute and get rewarded from the network.

### ● Fuel of Network

FRX is designed as fuel for using specific functions on FreitX Network. It empowers users to contribute and maintain the ecosystem. Token will be used as the unit of exchange between participants on the network.

### ● Collateralized

Stabilized with crypto and fiat collateralized methods. Stability and tangibility of crypto and fiat render it an attractive option in an unpredictable market.

### ● Operation

The incentives for token holders to behave in acceptable ways. This ensures the system to stay safe and secure.

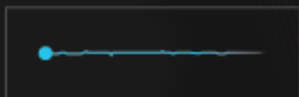
### ● Fuel of Blockchain

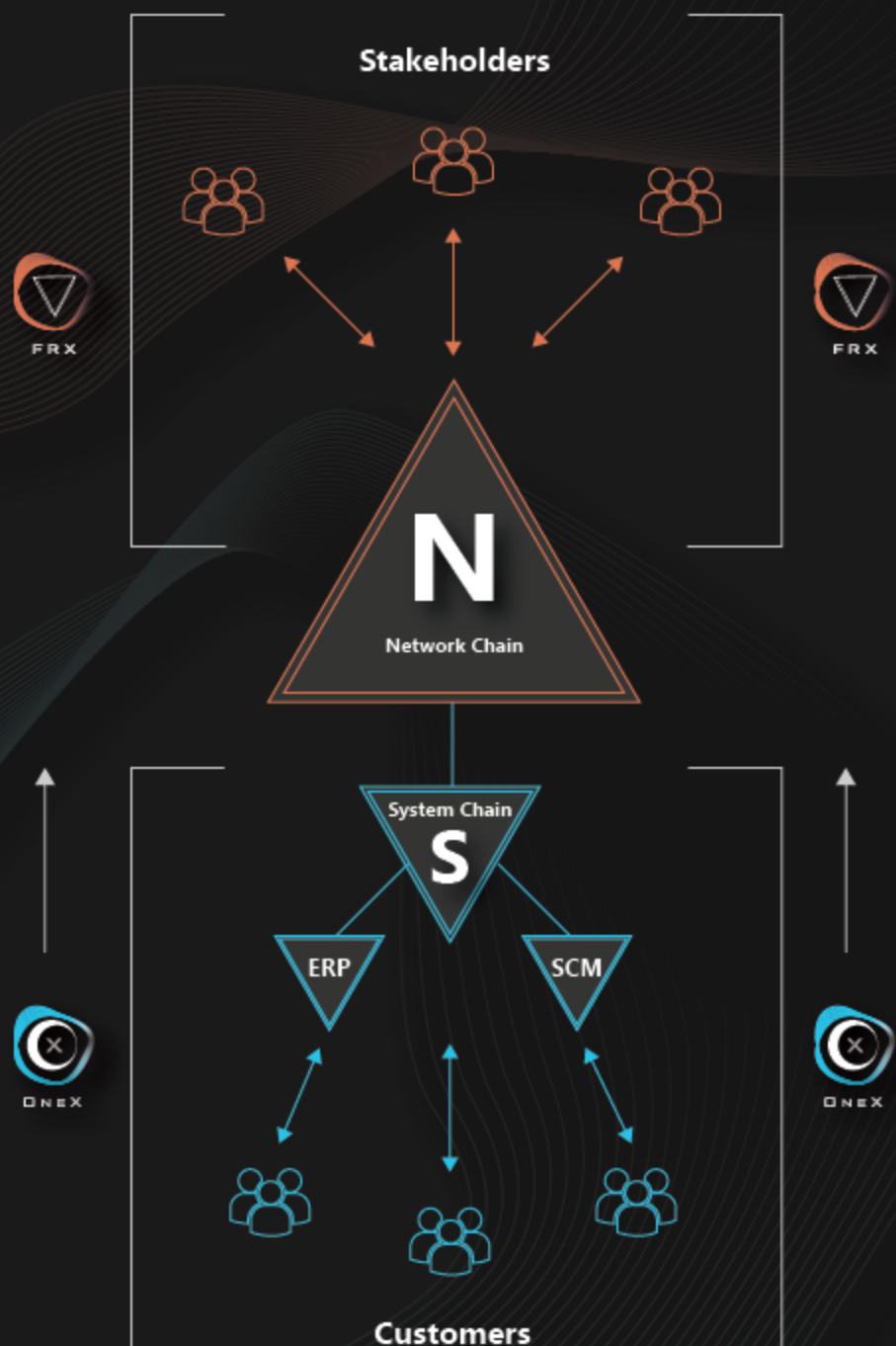
The OneX is the fuel that powers processes in the ecosystem. It gives you the accessibility to use FreitX Network Blockchain.



ONEX

Stable



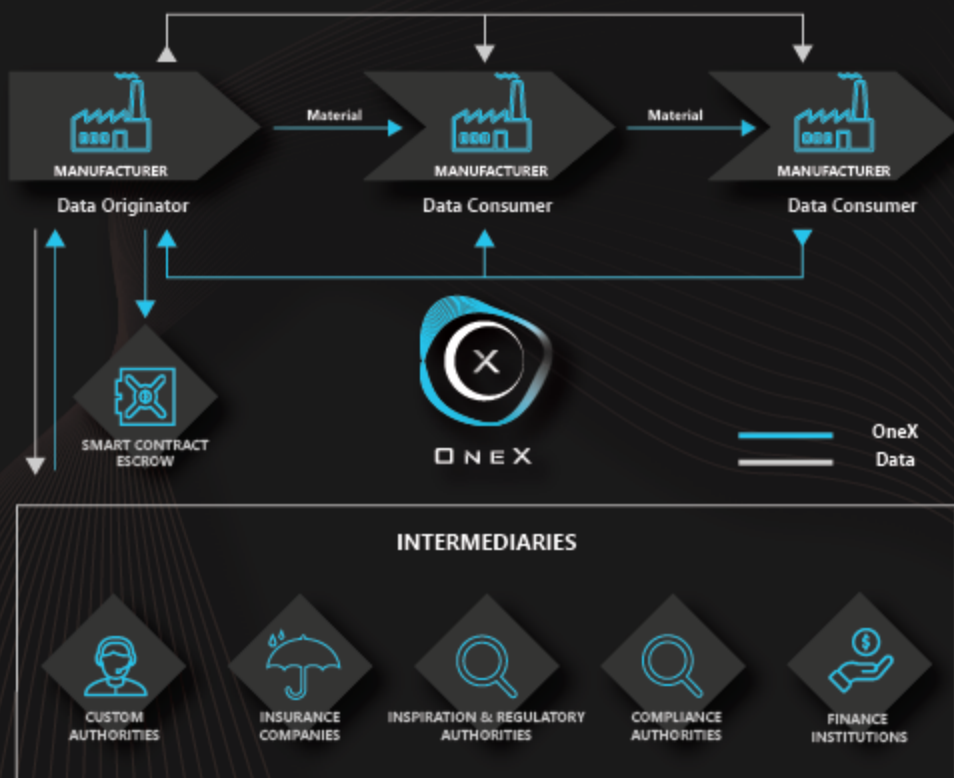


## TOKEN ECONOMICS

Given the non-fungible nature of supply chain data moved by Freight Network, it is essential to facilitate liquidity and stability of the market. One of the main prerequisites for this is both a stable medium of exchange and accurate price discovery mechanism. Former is being addressed by native OneX stable coin, which provides much-needed stability and security for the somewhat conservative supply chain industry. Freight Network allows data originators and data consumers to freely negotiate fees and data that are being exchanged; this enables the ecosystem to discover price given the value of the data in each unique case, as well as contribute to the liquidity of the market.

For the network to function, the fee structure should be simple, while creating incentives for both suppliers and consumers to join. Each data consumer provides pre-negotiated payments linked to each instance of requesting data. Allowing for fee fluctuations helps absorb the shock produced by the difference in the value of each unique data point with respect to each of the consumers.

After defining incentives to join the network, it is essential to identify and promote compliant behavior for each of the stakeholders. First, it is essential for data produced to place valuable information onto the blockchain and abstract from spamming it. Thus a fee is associated with uploading data onto the blockchain, which will be covered in case there is sufficient demand for the data point. The second type of compliant behavior is the provision of the data consistent with the frequency outlined in the contract. To incentivize data originator to adhere to this requirements, the party is required to pledge collateral during the lifetime of the contract. Thanks to the stability provided by OneX, there is no exchange rate risk associated with collateral requirements. The total amount of funds in collateral scales with the growth of the network, which helps reduce the velocity of the token further strengthening the stability of the price.



## TOKEN ALLOCATION & FUND USAGE

### Token Allocation

#### Private Sale 28%

28% of the total amount of tokens will be sold during the private sale with a 25% bonus. Will be distributed sequentially after the token issuance date with one year vesting period, with 7% distribution per quarter.

#### Public Sale 7%

7% of the total amount of tokens will be sold during the public sale. Public sale tokens will be distributed immediately.

#### Early Contributors 7%

7% will be awarded to the early contributors. We appreciate our early contributors, who contributed early funding, helped with marketing and provided connections.

#### Team & Executives 20%

20% will be held for the team and executives. The remaining tokens will be locked up before the mainnet 1.0 and vested subsequently over the two year period with monthly vesting frequency.

#### Advisors 3%

3% will be reserved for advisors of the project, and locked-up until the mainnet.

#### Future Development 25%

25% will be locked up long-term, to facilitate future development. These tokens will be locked up before the mainnet 1.0 and vested subsequently over the three year period with yearly vesting frequency.

#### Partnerships 10%

10% will be locked-up before Testnet 0.8 and utilized to incentivize participation. This portion of the tokens is intended to help grow and sustain a community and partners around FreitX Network, to ensure the liquidity.

### Fund Usage

- The funds raised from the token sale will be used to further develop the product, software and hardware development, marketing, community building, network ecosystem development and as well as for the general operations of the project.

Product Development	50%
Business Development	20%
Administration Expenses	10%
Ecosystem Development	20%



## TIMELINE

2018

- Q1** ♦ Project FreitX Network Started  
Research For Adoptable Blockchain
- Q2** ♦ Research Blockchain For SCM  
Design Core Principles and Components
- Q3** ♦ **FreitX Network Localnet 0.1**  
Development of Minimum Viable Blockchain on Local Network  
Development MotionX Prototype
- Q4** ♦ **FreitX Network Localnet 0.3**  
White Paper Released  
Local Network Beta Launch Demo

2019

- Q1** ♦ **FreitX Network Localnet 0.5**  
MotionX DaPP Beta Launch Demo  
Improving Network and System Chains  
Cross-chain Interoperability  
SDK Development
- Q2** ♦ **FreitX Network Testnet 0.7**  
Smart Contracts  
Web Wallet  
Blockchain Explorer
- Q3** ♦ **FreitX Network Testnet 0.9**  
Privacy Improvement  
DaPP Integration  
Testing Security & Audits  
OneX Collateralization
- Q4** ♦ **FreitX Network Mainnet 1.0**  
Mobile Wallet  
OneX Mint  
FRX Token Swap  
Masternodes

2020

- Q1** ♦ **FreitX Network 1.2**  
Supply Chain Management Tools Development  
First Commercial Use Cases  
MotionX DaPP Launch  
IoT Integration
- Q2** ♦ **FreitX Network 1.5**  
Supply Chain Management Platform Beta
- Q4** ♦ **FreitX Network 2.0**  
Supply Chain Management Platform Launch