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Blockchain Technology Research *Innovations* Corporation

Fostering the Decentralization Revolution

February 15, 2018 (originally published January 1, 2018)

**Organization Launch Plan, including
BTRIC Founding Donor (BFD) Token Fundraising Campaign**

BTRIC is a 501(c)(3) non-profit charitable organization that is devoted to fostering emerging technologies, through business incubation and other initiatives, **that decentralize the control structures that have entrenched global systems for centuries.**

Through our business incubation program, we identify, foster, research and develop projects that **leverage emerging technologies to create a better world.** We infuse these projects with best-practices guidance and work with all stakeholders – innovators, engineers, advisors, marketers, partner organizations, and donors – to bring next-generation, “Internet 3.0”, projects to life. When a project has completed the incubation process, it **separates from BTRIC and becomes an independent business**, ready for investment, growth, and prepared to shatter paradigms.

Contributions to BTRIC – monetary, assets, and in-kind – may be tax-deductible to the extent permitted by law. Consult with a qualified tax advisor for more information.

Executive summary

The world is just beginning to realize the potential of **so-called “Internet 3.0” (what we refer to in this document as emerging technologies)**. These technologies, which include consensus-based distributed ledger (DLT), cryptocurrencies and tokens, Internet of Things (IoT), Artificial Intelligence (AI), Machine Learning (ML), Deep Learning (DL), Augmented and Virtual Reality (AR/VR), Content Creator Control (CCC), and Personal Data Store (PDS) hold great promise and a real potential to reshape business and society. The paradigm-shift we are just now beginning to enter, the **Decentralization Revolution**, holds the promise of dismantling structures of power and control, some of which have existed for centuries. This circumstance presents an enormous opportunity to bring about change to the very fabric and structure of modern society, and, further, to modernize parts of the world that has not been practicable to implement at scale until now.

While this opportunity is vast, it is not without its challenges. While funding of emerging technology business ventures through **Initial Coin or Token Offerings (ICO/ITO)** is a growing form of fundraising, many serious issues have emerged about the quality of projects that have made offerings. Without a doubt, there are model examples of well-run projects that have successfully, and in compliance with all applicable laws, raised funds through these offerings. On the other hand, there have been a number of projects that have been shown to lack one or more components necessary for the successful implementation of viable businesses. There has been instances of alleged fraud and material misrepresentations made concerning some offerings, funds stolen or misappropriated, and legal actions by regulators and investors. Finally, and crucially, delivering on an ICO – more than just raising funds, but delivering the final project – requires a team with expertise in diverse areas. Assembling, maintaining, and focusing the efforts of such a team can be expensive, time consuming, and difficult for those who are traditional innovators (i.e. people with great ideas and/or coding skills to bring those ideas to fruition).

In August of 2017, **Blockchain Technology Research Innovations Corporation (BTRIC, pronounced like “bit trick”)**, incorporated as a non-profit charitable organization to meet these challenges and deliver real value to stakeholders in the **emerging technology community**, from innovators to funders, as an economic development organization focused on fostering promising projects that leverage emerging technologies. Many economic development organizations are geographically based, boosting the economies of a community, state, or country. BTRIC is a global organization and invites projects that will advance free market economies worldwide.

We will forge partnerships with leaders in the community to participate in advancing projects that we are incubating, either as donors, engineers, advisors, or other parts of the project team. Without micromanaging, we will provide much needed structure and oversight to ensure that projects meet their milestones, adopt best practices, overcome challenges, and **ship projects**.

When a project has completed the incubation process, it will be **separated from BTRIC and spun-off as an investment grade independent business, ready to launch**. It will meet all legal and regulatory standards applicable to the field of the project (i.e. a food testing project will meet applicable food handling regulations), as well as any investment model it is pursuing (such as VC, angel investment, crowdfunding, or SEC requirements). It will be poised for growth. Subject to any limitations of the chosen jurisdiction, funding model, and regulatory environment, donors who supported the project will be rewarded by the spun-off entity (typically ensured through appropriate covenants in its founding documents). Those partners and people who worked on the project will be in a prime position to continue their relationship with the new entity, and the donors who helped incubate the separate entity could be investors (if permitted by applicable law).

Legal, investment, and tax disclaimer

Blockchain Technology Research Innovations Corporation is a U.S.-based non-profit charitable organization pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986. **Contributions to BTRIC – monetary, asset, and in-kind – may be tax-deductible to the extent permitted by law.**

Contributions to BTRIC or projects that are being incubated by BTRIC are donations – not investments – and should not be construed being an investment offering of any kind as defined by the Securities Exchange Act of 1934 or other applicable Federal or state law.

Projects that emerge from BTRIC as independent startup business entities may make investment offerings. **They will do so under the jurisdictions, terms, conditions, and requirements for investment as specified by those entities at the time of any such offerings.**

BTRIC is not a legal, investment, or tax professional and nothing in this document constitutes legal, investment, or tax advice. **Always consult with qualified professionals in each of these areas when considering issues within their scope of work.**

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Revision History

- **February 15, 2018:** Extended BFD Token fundraiser to end on March 31, 2018.
- **January 18, 2018:** Clarified that BFD Token holders receive ongoing rewards from each project that completes the Innovations Incubator program.
- **January 1, 2018:** Initial release.

About this white paper

This white paper assumes that the reader is familiar with the term and general meaning of **emerging technology**, so does not lead with overviews of today’s emerging technologies. As a convenience to our readers, we structured this document to lay out the case for launching BTRIC first, followed by our plan to get operational, including describing our

initiatives and some initial projects for our Innovations Incubator program. We then conclude with our vision of the **Decentralization Revolution** and the great change that it will bring to our world. Because emerging technology is in a constant state of change, BTRIC will adapt with the times – identifying and working with technologies and projects that hold the highest potential to be successful businesses or non-profit organizations. We chose the word “blockchain” in our organization name because we view consensus-based blockchain distributed ledger technology as foundational to enabling decentralization. However, BTRIC is focused on leveraging emerging technology – which by definition means the projects we promote 5, 10, 20 years from now will likely be very different from the ones on the leading edge today.

Our challenge

The world is on the precipice of a monumental change that is unparalleled in human history. The widespread availability of modern, instant communications and emerging technologies are providing an opportunity to reshape economies and societies in ways never before possible.

As these technologies come into focus, our world is also embracing great change to paradigms that have existed for a long time. People have less trust in government, banks, the media, and large global corporations than ever before. The confluence of the technology to replace parts of these institutions as well as the societal environment to embrace such changes is just now beginning to foster the **Decentralization Revolution**.

In three words, the challenge is that we “get this right”. Like any technology, tools can be used for “good” or “evil”. We believe it is crucial that we make the most of this unique opportunity to bring about great, positive change by dismantling structures of power and control, removing centralization from the few and distributing fairness and transparency to the many.

There are many great ideas that do not emerge as successful businesses. The reasons for this are diverse, among them: lack of financial support, failure to have a focused and well-functioning team, insufficient marketing, poor business planning, poor governance and financial management.

The challenge is to bridge the gap between the innovators, engineers, advisors, marketers, and others to increase the quality of businesses that successfully navigate the challenges and become successes. Project structure and oversight is needed to help keep projects focused, not to stifle or micromanage them. Milestones and defined outcomes are to be met, challenges to meeting them are to be identified and overcome.

Through this launch fundraising campaign, BTRIC seeks the funding needed to launch our organization. This campaign will finance our startup costs, as well as overhead for all of 2018, as well as the funds needed to begin initial incubation of the projects described in this document and pursue partnerships with other promising projects.

Opportunity for BTRIC

BTRIC was founded to meet this challenge and to identify, foster, promote, and launch projects that are in the planning, research, and development phases. Projects that are incubated by BTRIC will emerge as separate, independent businesses, investment-grade and meeting all applicable requirements for their investment offering. Our donors will support projects through their development phase, and some of them may go on to be investors in the projects that emerge.

Our mission is similar to that of traditional, brick-and-mortar business incubators, but we are focused on providing an incubation program for projects based on **emerging technologies**, as well as other initiatives that will foster growth in the emerging technology ecosystem. Rather than a focus on a particular geography, we focus on the transformative technologies that are just beginning to make profound changes to society and open markets. Like any business incubator, our goal is to build better businesses and promote economic growth by facilitating well-designed projects, progress, and positive outcomes.

While we are based in the United States, our scope is global. Regulatory factors may cause projects we incubate to be structured under the laws of other countries. Over time, we hope more projects will choose to be based in the United States, and we will support reasonable, practical regulation that enables, and not stifles, innovation and economic growth. We differentiate ourselves both by our focus on technologies that are truly paradigm changing as well as our global scope. The projects that we work with may be ideas that are brought to us, projects we seek out as needing assistance, and in some cases projects that governments are seeking to implement. BTRIC offers a unique, focused virtual business incubator that helps projects emerge from the research and development phase as investment-grade startup companies, which contribute to advancing society, smart economic growth, and create viable alternatives to legacy structures.

There are businesses that offer some of the services that we will provide to projects in our incubator program for a fee (please see the image at left for an example). Our intent is not to compete with these entities, but instead work on projects at an earlier stage in their development than would be viable if a project were to “rush” to the funding stage without sufficient research, development, project management, and business planning.

	Price	Success fee
	Paid in BTC or USD, covers the cost of ICBox services	Paid in BTC or USD, percentage of total proceeds
Any solution	25 BTC	1% success fee
Any 2 solutions	40 BTC	2% success fee
Full package	50 BTC	3% success fee

As a U.S. based 501(c)(3) organization, projects that work with BTRIC are shielded from large regulatory burdens during their crucial development phase. BTRIC will work with projects organized in any jurisdiction (excluding jurisdictions subject to U.S. sanctions or other legal or regulatory factors) and implement a comprehensive approach to facilitating progress that ends with the successful launch of solid businesses.

When these businesses launch, they will be separated from BTRIC and fully independent corporations. They may be incorporated in the United States or in other jurisdictions, subject to the requirements of the project. They may be ready for market, or may need to raise capital through investment offerings, including through venture capital, angel investors, crowdfunding, or Initial Coin or Token Offerings.

Opportunity for donors and business partners

The opportunity for persons and businesses to become involved in BTRIC, as donors, projects, engineers, marketing professionals, advisors, and others is outstanding. BTRIC's objective is to make promising ideas into startup businesses as well as promote larger initiatives that benefit the entire ecosystem of emerging technology businesses, and through the support of donors, including asset and in-kind donations, we will make that a reality. Our organization is intended to complement the existing ecosystem by serving as a middle-point between projects with potential, and organizations that help those projects raise operational funds. All parties that work with BTRIC will be impressed with the work that we do to enable great outcomes for projects and the ecosystem as a whole.

BTRIC is conducting a fundraising campaign that we're calling an Initial Donor Offering (IDO), to raise the funds needed for our launch and initial operations. We are highly motivated to get up and running quickly as indicated in our launch milestone chart. Now is the time to build a solid non-profit business incubator that will foster projects through their development phase and into viable, investment-grade businesses.

Donors to BTRIC's IDO will receive at least one **BTRIC Founding Donor (BFD) Token** for each dollar (USD) that they contribute (up to the fundraising target). At the time we launch our platform, everyone that then possesses BFD tokens will receive a free grant of a new token or cryptocurrency (working name **BTRIC Coin**) described later in

this document. Donors, and the public, will be able to contribute BTRIC Coin to the projects of their choosing, and in this way, they can play a real and important role in advancing the development of individual projects, while also keeping BTRIC operating as an organization.

We are excited to participate in accelerating the **Decentralization Revolution** – the transfer of power and control from the few at the top, to the many distributed throughout the world, enabling the shortening and broadening of the capitalist pyramid. Together with our donors, projects, and the partners we work with, we will reinvent business models, and build and launch viable businesses. Ultimately, society as a whole will benefit, with a world that is more transparent, more balanced, and with fairer distribution of wealth.

We look forward to working with you to make a real difference in this viable, very needed, and long-overdue paradigm-shift.

BTRIC's unique role in the emerging technology ecosystem

BTRIC focuses on being a non-profit charitable organization that helps promising projects become viable businesses and to engage in other initiatives that advance the objective of decentralization of legacy structures of power and control. We will develop and promote best-practices that can be used by many of the projects in our incubation program, as well as the wider ecosystem (as they will be open-source licensed). We will help projects assemble teams that enable their progress.

As a non-profit charitable organization, we can operate more efficiently and at a lower cost than an entity that has income tax obligations. The projects that complete our incubation program become businesses – many for-profit and probably some non-profit charitable organizations – that will be drivers of economic growth and support the economies where they do business.

We will partner with angel investors, venture capitalists, advisors, hardware and software engineers, marketing professionals, legal and compliance advisors, security auditors, and other people and organizations to best enable projects that we incubate to be successful when they have completed our program.

There are advantages for all of these stakeholders to get involved and support BTRIC. Our mission is to create and launch strong and viable businesses. Many of these businesses will be able to partner with those people and organizations that participated in their incubation through donations, as advisors, or in other ways.

Organization information summary table

BLOCKCHAIN TECHNOLOGY RESEARCH INNOVATIONS CORPORATION	
Charity name	Blockchain Technology Research Innovations Corporation
Founding date	August 30, 2017
501(c)(3) determination	Recognized as a tax exempt public charity.
Employer Identification Number	82-2643142
DUNS Number	080901342
CAGE Code	7Z1C8
CONTACT DETAILS	
Office address	Blockchain Technology Research Innovations Corporation / BTRIC 1000 Bennett Boulevard, Suite 8 Lakewood, NJ 08701-5944
Mailing address	Blockchain Technology Research Innovations Corporation / BTRIC PO Box 868 Lakewood, NJ 08701-0868
Office telephone	+1 732-719-6839
General email	info@btric.org
Main website	https://www.btric.org/
CHARITABLE ORGANIZATION DETAILS	
IRS Select Check URL	https://apps.irs.gov/app/eos/pub78Search.do?ein1=82-2643142&dispatchMethod=searchCharities&submitName=Search
GuideStar profile	https://www.guidestar.org/profile/82-2643142
BRIDGE Registry	2812028909
BRIDGE Registry URL	https://bridge-registry.org/org/2812028909/

Organization launch milestones

Our plan to launch BTRIC is the result of nearly a full year of development from its initial concept to the unveiling of our organization and start of this fundraising campaign. We have conducted informal consultations with many participants across the spectrum in the emerging technology ecosystem. There is much interest in launching an organization focused on our mission. There is widespread recognition of the need to improve the quality of projects that are funded, both for the benefit of their eventual investors as well as the credibility of the emerging technology ecosystem.

Achieved milestones

March to July 2017

The idea for BTRIC began in early 2017. BTRIC's founders, who are partners in a for-profit business, were investigating the use of blockchain distributed ledger technology for its possible use in a project to decentralize the collection of seafood related data for food traceability which has been recognized as a large problem in the seafood industry. As a

result of this initial research, one of our founders, Benjamin F. Beideman, took a “deep dive” into blockchain distributed ledger technology and cryptocurrency and realized the enormous potential that these and other emerging technologies have to profoundly reshape society.

In addition to this realization, he also observed that there were many projects addressing a variety of compelling use-cases in the thriving emerging technology ecosystem. However, some of these projects appeared to have trouble with organizing and achieving milestones. He also noted the poor quality of some ICO and ITO ventures, and believed that many projects needed an incubation phase in which they could mature before being ready to launch as entities worthy of serious investment consideration.

He recognized the opportunity in establishing a business incubation organization, as a non-profit, to foster adoption of blockchain and related technologies on a global scale, and the transformative potential of this technology. He also regretted losing his WALLET.DAT (and private key) file from his experimentation with Bitcoin back in 2012 and laments the fact that the file was stored under the ProgramData folder, which he did not routinely backup. At the time, he believed that any serious threat to government and central-bank controlled currencies would be regulated out of existence. Now he clearly recognizes that blockchain will not be stopped and, to a large degree, renders many existing structures obsolete, while creating opportunities for efficiency and fairness in others that were not possible before consensus-based distributed ledger technology.

August 30, 2017

After investigating potential non-U.S. jurisdictions, as well as the states of Nevada and Delaware, Blockchain Technology Research Innovations Corporation was incorporated as a New Jersey non-profit corporation. The founders were advised that, as a non-profit, U.S. jurisdiction was best, and that the jurisdictions that give advantage to for-profit corporations engaged in cryptocurrency-type operations were generally not as relevant as considerations to the jurisdiction of a non-profit charitable organization.

The model of our incubation requires that BTRIC divest projects as independent business ventures (as our tax-exempt charitable purpose of BTRIC precludes it from engaging in significant profit-making activities), and, when formed, those business entities will be formed in countries and/or states that are best for the specific projects and their principals.

September 11, 2017

BTRIC received a Letter of Determination from the Internal Revenue Service that classified it as a Section 501(c)(3) public charity. This means it is exempt from income taxes related to its operations. It also means that contributions (monetary, assets, and in-kind) are tax-deductible to the extent permitted by law. One of the positive attributes of this approach is that, like donations to other charitable organizations, it may enable donors to offset income taxes with charitable contributions. **Please consult a tax professional for more information.**

September 30, 2017

BTRIC began building a basic web presence and social media accounts. We began to scope out our launch and operational infrastructure needs. We received donations sufficient to operate our launch infrastructure and operation of this fundraising campaign.

October and November 2017

The organization's launch concept and incubation program design was developed and refined. This document was prepared. The BTRIC Founding Donor fundraising concept was refined. The BFD Token fundraising campaign is not an Initial Coin Offering or Initial Token Offering; it is a fundraising drive for our charitable non-profit organization. However, in the spirit of the cryptocurrency ecosystem, we wanted to distribute tokens to those who have the belief in our concept, potential, and choose to fund our launch. Holders of these tokens will be able to receive a free grant of "BTRIC Coin" (working name), a future cryptocurrency or token that will be used to support projects in our Innovations Incubator Program. Our plans to launch BTRIC Coin are described further in this document.

In-progress milestones

BTRIC is currently conducting the BFD Token fundraising campaign described in this document. We are also reaching out to potential business partners and projects to build our network of contacts and quality partnerships that will help our organization, and the projects that we incubate, grow. We have done some of this work in advance of releasing our white paper, but wanted to have our plans solidified in written form before we conduct extensive outreach. Updates on any partnerships that we are able to announce will be done on our website at <https://www.btric.org>, on Medium at <https://medium.com/btric>, and on Twitter at <https://www.twitter.com/BTRICorg>. The funds we are raising through

the BTRIC Founding Donor campaign will be used to launch our initiatives, including the Innovations Incubator program. The infrastructure, staff retention, and other expenses we plan on incurring are described in the future milestones section of this document.

In addition, we are beginning to seek donations from other sources, as we will do on an ongoing basis to fund our continued operations. In addition to monetary donations, we will also accept donations of products and services that advance our mission. In-kind donations of products or services, including reductions in price for for-hire services, will be sought if they advance our overall mission or the objectives of any particular project or initiative. We expect that some partners we work with will give us preferred pricing, while others will need to be fully compensated, depending on their financial position and commitment to individual projects or initiatives.

Future milestones (projected schedule)

January to March 2018

During the first quarter of 2018, we intend to invest in building an operational infrastructure to both maintain BTRIC's operations, as well as an infrastructure to be used by projects under our incubation program. Currently, BTRIC is using infrastructure provided as a donation from Vast Array Corporation, the business owned by our Founding Trustees.

However, this infrastructure is not sufficient for long-term use by BTRIC. As many of you know, an organization that works with blockchain and especially cryptocurrency technologies is a huge target for hacking and penetration. Accordingly, we need to build a solid, robust, and well-secured infrastructure to house our core operations. In addition, a separate, isolated infrastructure is needed for use by projects that are in our incubation program. The projects will transition to their own infrastructure when they complete the incubation program and are divested as separate businesses, so this infrastructure will be reused as new projects enter the program. Our infrastructure will be based on a hybrid-cloud model, with security and reliability being the prime considerations in specifying and implementing it.

During this quarter we will also be focusing on building our website beyond the brochure/fundraising campaign website that currently exists, into a more robust website that will provide information on our organization, our initiatives, and a repository for our financial and organizational transparency documents as well as our best-practices templates and guides. Over time, these resources will grow.

We will also contract with, or employ, personnel or businesses to assist us in building out this infrastructure, our website, our outreach and marketing efforts, and our grant writing work. We will be consulting with cryptocurrency experts on the technical specifications for “BTRIC Coin”. We want to design a resilient currency or token and will consult with experts on matters concerning the stability of other platforms that a token would depend on, as well as the best technologies to use in deployment of a new cryptocurrency and its blockchain, if that is determined to be the best course of action. We want to be sure that whatever “BTRIC Coin” becomes – a token or a cryptocurrency – that it is resilient, secure, and that any platforms it depends on are robust and secure as well.

Finally, during the first quarter, we will begin implementing the initial projects into our incubation program that are described in this document, as well as new projects we partner with for incubation services during this time. The application and review process for accepting new projects will be developed and refined, with feedback from the community on its elements. The elements of the incubation program itself will also be extensively documented and those documents will be provided to the public.

April to June 2018

During the second quarter of 2018, we will implement and deploy the “BTRIC Coin”, either as a token on an existing platform, or as a separate cryptocurrency. The technical details will be based on consultation with experts, we want to ensure we are making the best decision for the long-term stability of our organization.

In addition, we will formally open the application process for projects to enter our Innovations Incubator program. Our initiatives in BTRIC Institute and BTRIC Labs will begin operations, based on feedback from our partners and others in the ecosystem.

We also expect that during this time, our first project “Cryptocurrency for Good” (working name), will be able to be launched as a separate non-profit organization. It was selected as a project that is relatively easy to incubate and with low incubation costs. It will be the first demonstration of our process to separate a successfully incubated project from BTRIC as a separate entity. In this case, the entity will be a non-profit organization, as “Cryptocurrency for Good” is designed to increase the use of cryptocurrency in charitable organizations worldwide.

By August 30, 2018

On or before August 30, 2018, we will have adopted final, legally vetted Bylaws that enable operation of BTRIC as a concentric-circles, fluid organization. This will balance the legal requirements of a non-profit corporation with the organizational benefits that are realized from open governance. We will also have expanded the Board of Trustees to at least seven members, so that the Founding Trustees do not constitute a majority of the Board. If it is determined that membership in BTRIC should be allowed, in one or more membership classes, this will be incorporated into the Bylaws.

We also expect that by this date we will have successfully surveyed the cryptocurrency ecosystem regarding “Cryptocurrency Federal Credit Union” (working name). Based on the results of this survey, a decision will be made about whether or not to progress to incubation phase two of that project, which is performing the work necessary to make application for a federal credit union charter.

Fully operational

Once we have implemented the Bylaws enabling concentric circles based governance and expanded the Board of Trustees, we consider BTRIC to be fully launched.

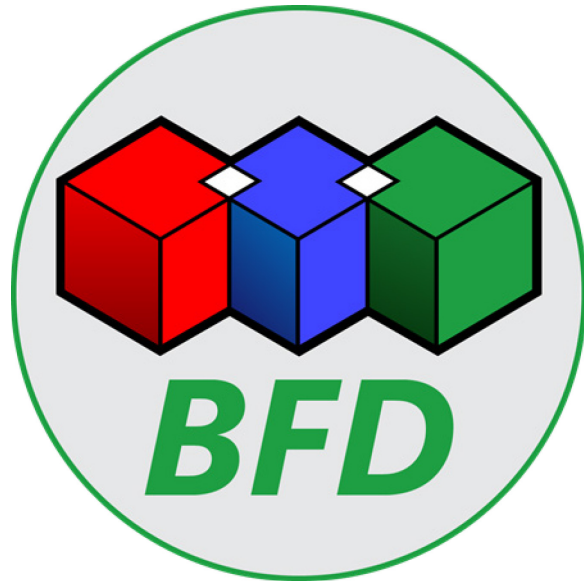
On an ongoing basis, it will operate the initiatives described in this document, as well as new initiatives that are developed as needs in the emerging technology community are identified. We plan on building this organization for the long-term success of the Decentralization Revolution and will be working every day to bring about greater adoption of emerging technologies.

BTRIC launch milestones summary table

BTRIC LAUNCH MILESTONES	
ACHIEVED MILESTONES	
Spring 2017	<ul style="list-style-type: none"> Initial investigation of Blockchain and other emerging technologies by the Founding Trustees.
July 2017	<ul style="list-style-type: none"> Decision to form a 501(c)(3) non-profit business incubator.
August 30, 2017	<ul style="list-style-type: none"> Formation of New Jersey non-profit corporation.
September 11, 2017	<ul style="list-style-type: none"> IRS Determination of 501(c)(3) public charity status.
September 2017	<ul style="list-style-type: none"> Initial “coming soon” website and newsletter launch. Basic social media presence established.
October and November 2017	<ul style="list-style-type: none"> Design and review of launch white paper, budget, and Initial Donor Offering fundraising concept (this document).
November 28, 2017	<ul style="list-style-type: none"> Creation of ERC20 BTRIC Founding Donor Token (BFD) on Ethereum blockchain.
IN-PROGRESS MILESTONES	
January 1, 2018	<ul style="list-style-type: none"> Opening of BFD Token Initial Donor Offering.
January and February 2018	<ul style="list-style-type: none"> Outreach to selected projects, business partners, and potential donors.
March 31, 2018	<ul style="list-style-type: none"> Closing of BFD Token Initial Donor Offering.
By April 9, 2018	<ul style="list-style-type: none"> Distribution of BFD Tokens.
FUTURE MILESTONES (projected schedule)	
January to March 2018	<ul style="list-style-type: none"> Investment in operational equipment and infrastructure. Operational web platform design and implementation. Work begins on the initial projects in our incubation program that are described in this document. Consultation and review of technical details of “BTRIC Coin” token or cryptocurrency. Retention of employees, contractors, or business partners as core operational team. Development of Innovations Incubator program application process and refinement of program elements.
April to June 2018	<ul style="list-style-type: none"> Acceptance of first additional projects into the Innovations Incubator program through the application process. Launch of “Cryptocurrency for Good” project in incubation as a separate non-profit organization (successful incubation). Launch of “BTRIC Coin”, either as a token or cryptocurrency.
By August 30, 2018	<ul style="list-style-type: none"> Adoption of Bylaws that implement open, fluid, concentric circles based governance structure and are legally compliant. Expansion of Board of Trustees to at least seven Trustees. Analyses of “Cryptocurrency Federal Credit Union” survey and decision about proceeding to incubation phase two.

BTRIC Founding Donor Token (BFD) fundraising campaign

To launch BTRIC, we are conducting a donation campaign with a special-purpose token given to those who contribute to our fundraising drive. This token, called “BTRIC



Founding Donor Token” (BFD) will be given at a 1:1 ratio based on the USD value of donations contributed toward the campaign. There is a fixed amount of tokens that have been created, and all tokens will be distributed at the end of the fundraising campaign. If we do not reach our target, all remaining tokens will be distributed pro-rata. If we reach our target early, the fundraising campaign will end. **As made clear throughout this document, our BFD fundraising campaign is not an offering to invest in a business. It is a donation to a non-profit charitable organization.** We plan on doing great things,

providing real benefit and economic value to our projects, our partners, and the ecosystem in advancing the Decentralization Revolution. The BFD fundraising campaign allows us to get to work and hit the ground running in doing that!

Ongoing rewards for BFD holders

In addition to being listed as a Founding Donor on our website and in our promotional materials (if you choose), BFD Token holders receive an additional, ongoing benefit.

An important benefit for holders of BFD Tokens is that they **will be rewarded in some form by each project that completes the BTRIC Innovations Incubator program.** For example, when we issue the “BTRIC Coin” (working name) token or cryptocurrency in the second quarter of 2018, all those holding BFD Tokens at the time/date of a “snapshot” (to be announced in advance) will receive a grant of BTRIC Coin. You can read more about that in this white paper.

However, this is not limited to the issuance of our “BTRIC Coin”. Every project that completes incubation and is divested from BTRIC as a separate business will have a publicized “snapshot” date/time. All BFD Token holders as of that time/date will receive some benefit from the business that graduated from the incubation program as a separate business. **In this way, you are rewarded by every project that completes the**

Innovations Incubator program for being among the first to support our organization.

One of the conditions for acceptance into BTRIC's Innovations Incubator program is that the project agrees to provide some reward or benefit to donors to their project, **which specifically includes all BTRIC Founding Donors.**

Because the projects vary in their business models, and will also vary in the jurisdictions they do business in, this reward will vary from project to project. **It could include (subject to applicable regulatory and legal requirements):**

- Credits for use of their product or service;
- Free “not-for-resale” products;
- “Airdrop” coins or tokens;
- Buyback of coins or tokens; or
- Equity in the newly-created business.

By getting on board now as a BTRIC Founding Donor, you will receive benefits from each project that completes the BTRIC Innovations Incubator program for as long as you continue to hold BFD Token. If you transfer your BFD Token, the benefits will be given to holders of BFD Token as of the next “snapshot” time/date.

How to donate to the BFD fundraising campaign

BTRIC will give each Founding Donor one (1) BFD token for each USD donated through the IDO fundraising campaign process. The fundraising campaign will **begin on January 1, 2018 and end on or before March 31, 2018.** If the fundraising target is met sooner, the campaign will end. If the target is not met, the excess BFD will be distributed pro-rata.

Donations to the BFD Token fundraising campaign can be made as follows:

- On our website, a checkout process is available for donations, at <https://www.btric.org>. Through our website, donations can be made by several cryptocurrencies through the CoinPayments.net gateway, PayPal, Stripe, and ACH/bank wire.
- Donations can also be arranged by contacting BTRIC through email at donations@btric.org or by telephone at +1 732-719-6839. **For your safety, do not send any private information, including financial information, through email as it is an unsecure form of communication.**

BTRIC Founding Donor Token (BFD) details

The BTRIC Founding Donor Token (BFD) is an Ethereum ERC20 token with eight decimal places. The full supply of BFD (500,000) is stored in an offline, paper wallet that will remain secure until the end of the fundraising campaign. At that time, BFD tokens will be distributed as described.

BTRIC FOUNDING DONOR TOKEN (BFD) DETAILS	
Token name	BTRIC Founding Donor Token
Token symbol	BFD
Fundraising dates	January 1, 2018 to March 31, 2018
Token use	<ul style="list-style-type: none"> Represents monetary or cryptocurrency asset donation to BTRIC. Holders of BFD will be granted "BTRIC Coin" token or currency when issued.
Token type	<ul style="list-style-type: none"> ERC20 smart contract deployed on the Ethereum blockchain. The BFD token supports eight (8) decimal places.
Compiler version	v0.4.18+commit.9cf6e910
Tokens generated	500,000 (fixed amount)
Date of token generation	November 28, 2017
Cost of token generation	\$8.38 USD (0.0191592 ETH)
Token details URL	https://etherscan.io/token/0x117a4db782f29598d9627a57be5ed331f6aa446c
Contract address URL	https://etherscan.io/address/0x117a4db782f29598d9627a57be5ed331f6aa446c
Token vault address URL	https://etherscan.io/address/0xd4ff4eb15308ea72914d243a7b141a5ef1df40dd
Contract verified	Yes, on Etherscan.io.
GitHub contract repository	https://github.com/btric/bfd-token
Token fundraising goal	\$500,000.00 USD
If the goal is achieved early?	Fundraiser will end early.
If the goal is not achieved?	Remaining BFD will be distributed pro-rata.
Distribution schedule	Token distribution within 10 business days of the end of the fundraising campaign.
Token use	<ul style="list-style-type: none"> Represents monetary or crypto asset donation to BTRIC's as a Founding Donor. Holders can choose to receive a grant of "BTRIC Coin" token or currency when it launches during the second quarter of 2018.
Organization URL	https://www.btric.org
Fundraiser URL	https://www.btric.org
News and updates	https://medium.com/btric
Twitter	https://twitter.com/BTRICorg

Terms and Conditions

Given the fact that our non-profit will incubate projects related to cryptocurrency and that we are branding our charity fundraising campaign as an “Initial Donor Offering”, we feel the need to specify “terms and conditions”. As you are aware, the current regulatory environment in the United States regarding anything related to cryptocurrency is subject to numerous uncertainties. We are confident that as the field matures, regulations will catch up to the technology. BTRIC, through our BTRIC Institute initiative, will work to advocate for policies that are not harmful to the ecosystem. **BTRIC supports and will advocate for practical, common-sense standards that protect consumers, businesses, and give clarity to regulations that enable, and not stifle, the transformational technologies that we believe in.**

- **Donations to BTRIC are not investments and we make no investment offering in this document.** To be clear, BTRIC is a non-profit charitable organization, does not issue stock, shares, or other securities, has no shareholders, owners, or other for-profit corporation constructs. **Donations to BTRIC should not be construed as any type of investment whatsoever.** Our use of the term “Initial Donor Offering” is a rebranding of “Initial Coin Offering”, which is similar to a rebranding of IPO (“Immediate Public Opportunity”) that a charitable organization, Homeward Bound, conducted in 2013.
- **The grant of “BTRIC Coin” that will be issued after infrastructure has been implemented is also not an investment offering.** As described elsewhere in this document, it is designed as a branding for donations to BTRIC that can be directed to specific projects in our incubation program or for our other initiatives. It does not convey any right of ownership or control in those projects or in BTRIC.
- **All donors to the BFD Token fundraising campaign can optionally choose to be featured on the BTRIC website as a Founding Donor.** These donors will be recognized and promoted as such for as long as BTRIC operates. At the conclusion of the fundraising campaign, we will provide information on submission of your logo, name, and website URL for inclusion on the public list of BTRIC Founding Donors. **Donors can also choose to not be listed on our website, and will be kept anonymous to the extent permitted by law.**
- Please subscribe to our newsletter by visiting our website at <https://www.btric.org> to keep informed of the latest news and updates about BTRIC. We will also distribute announcements on our blog at <https://medium.com/btric> and on Twitter at <https://twitter.com/BTRICorg>.

- **As described in this document, projects that complete our incubation program will be divested from BTRIC as distinct business entities.** These entities may raise funds through methods available to them, subject to applicable law and regulations then in effect in the jurisdictions they are organized in. If these entities seek venture capital, ICO or ITO funding, crowdfunding, or other methods of raising capital, they will be responsible for full legal and regulatory compliance. Part of our incubation program is to prepare these entities for this, with best practices guidance and expert consultation, but each project that raises funds will do so in a manner of its choosing. **Do not mistake funds being raised by the BTRIC BFD Token fundraising campaign as being an investment in BTRIC or any project.**
- **Donations to BTRIC may be tax-deductible to the extent allowed by law.** Donors will receive documentation to establish the value of their donation for tax purposes. Please consult your tax advisor for more information. Donors from non-U.S. persons or businesses should coordinate with us to ensure we are able to provide documentation sufficient and appropriate for your country.
- **BTRIC reserves the right to decline donations from any party, including parties that promote hate, violence, discrimination, or criminal activity. We will refuse donations from any parties we are not permitted to accept pursuant to applicable law and regulations, including economic sanctions regulations.**

Use of funds raised by the BFD fundraising campaign

All net proceeds from our BFD Token fundraising campaign will be exclusively used for the launch and operations of BTRIC as described in this document. If we raise the full amount of funds, we expect that we will be able to operate through 2018 with the funding raised. If we raise less, we will continue to build the organization, building partnerships, working with projects, and fundraising through other campaigns as we advance the objectives of BTRIC to the benefit of our projects, partners, and the emerging technology ecosystem as a whole.

As described elsewhere in this document, we will be implementing full operational and financial transparency, well beyond that which is required of 501(c)(3) organizations, so that our donors, partners, and projects can see first-hand the good we are doing.

Overview of our initiatives

BTRICs key initiative is our Innovations Incubator program, a non-profit business incubator that supports projects that need development and guidance before becoming viable businesses. This initiative will provide benefits to the ecosystem by increasing the quantity of projects that remain organized and goal focused to emerge as successful businesses, as well as the quality and readiness of the projects themselves.

The continued operations of BTRIC, including our Innovations Incubator program, will be funded by a cryptocurrency or token that we use as a fundraising vehicle. The working name of this coin is “BTRIC Coin”. Decisions on its design are not yet completed, as we want to ensure that we make a choice that is stable, resilient, and secure, and will consult with experts for guidance in this area.

Our other two initiatives, BTRIC Institute and BTRIC Labs, focus on developing best-practices that will benefit the emerging technology ecosystem as a whole, advocating for them where appropriate, educating the public about them, and research into “blue sky” technologies that could have potential use in the evolution of the ecosystem. All of the work we do on these initiatives will be freely available to the public.

BTRIC Innovations Incubator program

Overview

A business incubation program has been defined as a program that “seeks to give form and substance—that is, structure and credibility—to start-up or emerging ventures. Consequently, a new business incubator is a facility for the maintenance of controlled conditions to assist in the cultivation of new companies.”

Our Innovations Incubator program focuses on projects that leverage emerging technology. This is a wide field, and is not based on a specific geography like many business incubators. Many of those incubators offer a physical presence that businesses can rent or lease at a low cost while participating in their program. Many of the projects that we take on are initially located all around the world. At the end of the incubation process, many will need physical presence, but for the bulk of our program, work will be decentralized as needed by the individual project.

The program will work with promising innovators and projects and keep them on track and achieving their objective of becoming viable businesses. Using shared resources, we will allow projects to focus on research and development while we ensure milestones are met, work to overcome any challenges that arise, coordinate team collaboration, and facilitate financial support of the project through donations.

While every project is unique in some ways, there are many elements that are common to most of the projects that will be in the incubation program. In those areas, we will be able to leverage scale to help our projects accomplish their objectives more efficiently. We will work with outside professionals to advise and provide professional services related to projects, including work that can be applied to multiple projects, and will continue to improve both our programs as well as their content to keep up with best practices and evolving technology.

Ultimately, for a great project to transition to a successful business venture, the idea and the code is not enough. Several other components need to be assembled and maintained, especially funding, team and project organization, and infrastructure. Our incubation program focuses on these key areas, freeing the project team to focus on what they do best.

- **Funding:** While a project is in the incubation program, we will work to keep it funded with the help of our partners and donor's contributions – monetary, assets, and in-kind. Through our incubation program, we will also work with the project to assemble the materials needed for a successful launch of a business, including a business plan, white paper, regulatory and legal review and compliance. If they have yet to form an entity, we will help them select the jurisdiction that is best for their project, considering regulatory, legal, and logistical factors. This is an opportunity for donors such as venture capital firms and angel investors to donate to financially support projects that could become potential investment opportunities.
- **Organization:** Many great ideas never make it to being a successful business because of a lack of project organization, oversight, focus on delivery, and inability to assemble and maintain all parts of a cohesive team. Projects that are in our incubation program will develop an outline of the project flow and their expected team and organizational requirements. We will work with projects to build their team, selecting advisors, marketers, software and/or hardware engineers, security experts, infrastructure, business partners, and other necessary components to build their project and ultimately launch their business. We will be “hands-on” involved with our projects to ensure that any challenges are identified early and solutions found quickly. We will keep our projects on track, focusing on their ultimate goal. We will also communicate the progress of projects that are in our program and keep all stakeholders informed on an ongoing basis.
- **Infrastructure:** Most emerging technology projects require first-class infrastructure for their operations. Many problems have occurred in our ecosystem because projects infrastructure was not secure enough, resilient, scalable, or reliable. Our project will provide them with resilient infrastructure for development and

“testnet” type activities, and will prepare them to transition to infrastructure that they will need when they are divested from our incubation program as independent businesses. This is an opportunity for partners that we work with to demonstrate their offerings and capabilities to projects that could become potential clients.

Project onboarding

Projects will join BTRIC’s business incubator program through a variety of means. We will pro-actively contact projects that we believe can benefit from our incubation program and engage with their project team to determine if we can assist them. As soon as BTRIC launches this fundraising drive, we will be conducting outreach to projects that we have identified during 2017 to explore opportunities for collaboration. In addition, we will be engaged in assessing opportunities for projects based on government pilot projects, grants, and contracts in federal, state, and local government bodies.

We will be also developing an application and vetting process that allows innovators to bring their projects to us for possible participation. During the first quarter of 2018, we will be developing the initial version of the application and review process. Until that is available, we will be available via email and our website for expressions of interest in participating in the program.

We are highly committed to projects that are fully open-source, as everything we do as an organization will be open-source or open-licensed, but also recognize that some businesses may require “stealth phase” development and/or proprietary technology. Projects that are incubated under BTRIC with non-open technologies will be done under appropriate Non-Disclosure Agreements. All technology developed by these projects will be donated to the project entity when it is formed. A project must be open sufficiently that we can publically fundraise for the project and provide updates on its progress, or we would not be able to responsibly carry out our mission and maintain the trust and integrity of our donors. If a project, because of its need for stealth and/or proprietary technology, is deemed not a good fit for our incubation program, we will attempt to make referrals to angel investors and/or venture capital firms that may be interested in early-stage businesses that require a level of “stealth” that we are unable to provide. Our primary focus is on open projects, but we recognize the need, at times, for non-open components for business ventures.

The Board of Trustees of BTRIC will develop procedures to review applications and also determine the number of projects that would be a maximum that we would incubate at any one time. These procedures will be based on the potential of the project, the time involved to bring it to fruition, the expected donations that would be needed to meet the needs of the project, and other factors. The number of projects will be based on our

operational budget, staff and advisor size, and other factors. We hope to expand this number over time as we grow. We want to be a resource for any promising project, but recognize that we cannot begin operations by trying to take on the incubation of every potential project that could benefit from our program. To that end, all of the materials we develop will be available for anyone to use, adapt, remix, modify, etc. We will be constantly evolving our program to continuously improve.

Innovations Incubator program elements

Basic project oversight and management

Every project will enter our program by fully defining their project and its objectives. Once a project is able to recognize and focus on the idea – the end product – we can provide oversight, resources, and guidance in keeping the focus on the goal, assembling the team, resources, and other components that will help achieve the goal, and ensuring that projects have sufficient oversight to stay focused – without being micromanaging or overbearing. Each project is a little different, their requirements are different, but by beginning with a defined goal and keeping focus on that goal and the subtasks that enable that goal to be met, projects will advance through incubation.

We will work with projects in this phase by providing best practice guidance in matters such as:

- Project organization;
- Team assembly;
- Infrastructure and platform guidance;
- Oversight, including identification and mitigation of blocking problems;
- Community and donor relations; and
- “Bug bounties”, penetration testing, and other infrastructure and software resilience testing.

Business readiness

Every project will be incubated with an eye toward their eventual completion of the program, where they will be investment-grade, independent businesses. We may also incubate projects that are destined to become free-standing non-profit organizations (i.e. donors, not investors). We will work with donors through the incubation process, and when a project is spun-off as a separate entity, they will meet all applicable regulations for investment (i.e. well defined business plan, potential SEC compliance, KYC/AML provisions, VC connections, etc.)

We will ready projects for this phase by assisting in such things as:

- Business plan design and authorship;
- Revenue model design and overhead/revenue projections;
- Business structure and jurisdiction advisement;
- Post-incubation seed funding advisement;
- White paper design and authorship;
- Retention of legal and compliance personnel;
- Legal and compliance review; and
- Security audits.

Divesture design and implementation

When a project is ready to be divested as an independent business, we help facilitate a successful launch. Depending on the business type, the funding sought, and the jurisdiction, the needs in this phase will vary. We will be able to provide the projects we are incubating with assistance with such matters as:

- Connections to project donors that expressed interest as potential angel investors or venture capital funders;
- ICO/ITO platform selection and coin technical advisory;
- Business entity registration and initial organization;
- Marketing planning, including social media marketing;
- Responsible security disclosure program design;
- Escrow and custodial advisory and selection; and
- Accounting and treasury management design and selection.

Project management and oversight

All projects in our incubation program will be monitored and kept on track by BTRIC. We will take a “hands-on” approach to ensuring that reasonable milestones are set and are met. When challenges arise, we will work with them to be overcome in the manner most appropriate for the project.

We will make regular updates to the public about the projects in our incubation program so that projects can focus on research and development. Our goal is to bring these projects to market, so we will, for every project, perform the functions that are best “offloaded” for the specific project. This will vary, depending on the project teams competencies and their needs.

Project divestiture

When a project is divested from BTRIC, the work that has been performed under our Innovations Incubator program is donated to, and for the benefit of, the project's business. We will promote the project as having completed the incubation program, and will provide initial assistance to ensure it gets up and running properly. Once a project is up and running, we look forward to it realizing its full potential as a business, enabling smart economic growth and shattering paradigms!

"BTRIC Coin" (working name)

Overview

BTRIC will develop and launch a cryptocurrency or token during the second quarter of 2018. The working name for this coin is "BTRIC Coin". This coin would provide a means of supporting projects that are in our incubation program. Donors would donate BTRIC Coin and direct them to projects that they want to financially support. Depending on how the coin is implemented, it is possible that it could be used as a donation method for other charitable organizations in the future.

During the development of our BFD fundraising campaign, we began consideration of BTRIC Coin as a way for donors to support the operations of BTRIC, projects in the incubation program, and our other initiatives after our initial startup period.

Technology

BTRIC will be consulting with experts in the cryptocurrency ecosystem on the technical aspects of this coin. One consideration is whether or not it should be created as a cryptocurrency (with its own blockchain, potentially mineable, etc.), or if it should be a token (on top of an existing blockchain platform). While in some ways, using an existing platform makes more sense, BTRIC has concerns with the stability and security of some of the platforms currently available. However, we remain open to consultations with cryptocurrency experts to explore this and other issues.

When the technical aspects of this are determined, we will publicize our progress toward implementation of this coin.

Milestones

During the first quarter of 2018, we will be consulting with cryptocurrency and security engineers concerning the best approach to take with respect to BTRIC Coin. Some of the issues we want to really explore and reach an informed conclusion about are:

- Should BTRIC Coin be a cryptocurrency operating its own blockchain, or a token, dependent on another platform?
- If a cryptocurrency, what is the best cryptocurrency to fork, considering the usability and security needs of the currency?
- If a token, which platform has the best long-term prospects for stability, reliability, and security?

We anticipate launching “BTRIC Coin” during the second quarter of 2018. This will follow a testing period and rigorous security audits. At the time the coin is launched, a snapshot of all Ethereum addresses holding BFD will be taken (the date and time of the snapshot will be publicized), and all of those addresses can choose (but are not required to) claim a grant of BTRIC Coin, subject to applicable regulatory and legal requirements then in effect. A website will facilitate the claim process, which will vary depending on the technical specifications of BTRIC Coin.

BTRIC Institute

Overview

BTRIC Institute is our advocacy initiative. While 501(c)(3) non-profit organizations are limited in some ways regarding the types of advocacy they can perform with respect to support for specific legislation, and are prohibited from supporting or opposing candidates for office, there is much we can do within the limits of the law.

Our Founding Trustees have extensive experience in advocacy, spending much of their careers advocating Federal lawmakers and policy-makers regarding issues affecting the seafood industry. While the emerging technology field is quite different from seafood regulation, they are very familiar with how to conduct effective advocacy. We plan to use our knowledge to promote adoption of emerging technologies, such as consensus-based distributed ledger technology, for use in government and the private sector to transform society. We also plan to advocate for common sense, practical regulation of digital assets, such as cryptocurrency and tokens, that protect the ecosystem, provide regulatory clarity, and enable – rather than stifle – innovations in the field.

BTRIC Institute will also conduct other work in developing, refining, and promoting best-practices that can be used by those in the emerging technology ecosystem, such as:

- Promotion of women and diversity in projects in the emerging technology ecosystem, both as users as well as project participants;
- Open frameworks for best-practices in KYC/AML compliance in various jurisdictions;
- Open frameworks for best-practices for security practices for distributed ledgers, including those for cryptocurrency;
- Open standards and registries for identifiers (such as exchange ticker symbols, TCP ports, and address formats/namespaces) used to represent cryptocurrency and tokens;
- Open standards to address legal, ethical, and practical issues regarding ownership and control of content created by users; and
- Freely available educational and promotional materials to introduce policy-makers to emerging technologies and their potential to reshape society in profound ways.

Partnerships

We will be seeking partnerships with other non-profit organizations, such as Coin Center, ICANN, IANA, and The Linux Foundation to work together to advance these initiatives and educate lawmakers and policymakers regarding the transformative benefits to society that the Decentralization Revolution will enable. We will also work with other people and organizations in the emerging technology ecosystem to support this initiative.

Milestones

We will begin forming partnerships with interested people and organizations as soon as we launch this white paper and our BTRIC Founding Donor fundraising campaign.

We will introduce ourselves to regulators and lawmakers during the first and second quarters of 2018 and devote staff time to staying on top of regulatory issues as they emerge.

BTRIC Labs

Overview

BTRIC Labs will be the core of our research and development efforts that are not specific to any project being incubated. It is the place within BTRIC to explore “blue sky” concepts and approaches. It will also be the initiative under which our staff engineers are given license to contribute to promising open-source projects that form the core of the ecosystem. We believe that, while some areas of the ecosystem (such as Bitcoin) have a

number of paid engineers that advance the open-source project, many other projects have not had the same success in retaining paid engineers, web developers, testers, documenters, and other experts. BTRIC will allow our staff to devote some of their time to advancing free, open source projects that benefit the ecosystem as a whole.

Technology

Initially, BTRIC Labs plans to focus on two key areas:

- Decentralization of user-created content, such as microblogging, social media, sound, video, search indices, and other data that is currently held in large business “silos”, such as Twitter, Facebook, and Google. A practical and scalable approach to decentralization of this content, as well as a decentralized manner that content creators are monetized, is a crucial step to liberating information from traditional and new media gatekeepers.
- Scaling and usability issues that currently hold back worldwide, mass adoption of cryptocurrencies as a replacement for current payment methods, such as payment cards. This problem also has implications for other uses of consensus-based distributed ledger technology. We believe this problem must be overcome, enabling transaction volumes that are commensurate with global payment card volume, in order for a full and true paradigm-shift to take place. This problem is complicated by several factors, but the work in advancing approaches to overcome it will benefit the entire cryptocurrency ecosystem.

Over time, BTRIC Labs will tackle other challenges that hold back the adoption of transformative technologies, such as IoT and AR/VR. The focus of BTRIC Labs is to experiment with technology that is not specific to any project in the incubation program, but that, if deemed viable, could have implications in a variety of businesses, both ones that we incubate, as well as others in the wider ecosystem.

Milestones

Our work in BTRIC Labs will begin after our basic launch infrastructure is in place. Before that time, we will be developing a list of the biggest issues currently being encountered from a research and development perspective. Our staff and contractors will have a voice in determining what open source projects they choose to participate in furthering.

Initial project concepts for Innovations Incubator program

In this section, we describe a few of the concepts we want to incubate as soon as BTRIC is operational. We believe these concepts illustrate the diversity and scope of the type of projects that will be representative of projects BTRIC incubates. The goal of the incubation program is to create viable businesses (and non-profit organizations) that increase adoption of emerging technologies and promote smart economic growth.

In addition to the ideas presented here in this white paper, we will be seeking partnerships with some organizations that we have identified during this fundraising campaign. Please refer to <https://medium.com/btric> for the latest news and updates.

“Cryptocurrency for Good” (working name)

Overview

This project, “Cryptocurrency for Good”, proposes to increase the use of cryptocurrency by charitable organizations by enabling people to donate to any 501(c)(3) charity with proceeds paid in cryptocurrency. As one of the goals in the cryptocurrency ecosystem is to increase its usability and widespread adoption, this project targets one business segment to increase adoption – non-profit charitable organizations.

Several programs on the Internet allow people to donate to any charity they choose that is listed as eligible in the Internal Revenue Service’s exempt organization master file. The most well known of these is probably Amazon Smile. This project proposes to create an Amazon Smile-like experience for donations. After this project is launched, it may seek partnerships with merchants and/or cash-back websites such as ebates.com to increase awareness of the program and the amount of donations given to charity.

Like Amazon Smile, this program will not require a charity to register in advance. Funds received will be remitted to the directed charity as cryptocurrency. It is our belief that Bitcoin would be the best cryptocurrency to use, at least initially, because of its recognition and relatively wide acceptance.

Incubation period

We estimate that this project will take approximately four months to fully implement and launch.

Incubation budget

The cost to incubate and launch this project is minimal, approximately \$25,000.00 USD.

Project partners

This project will partner with one or more U.S.-based cryptocurrency exchanges. We want to ensure that onboarding new non-profit organizations into cryptocurrency accounts is done as easily as possible. BTRIC is not a licensed money transmitter in any jurisdiction, so we will work with partners that are so licensed, and will provide an easy onboarding experience for non-profit organizations.

Launch method

This project will be divested from BTRIC as a separate non-profit organization. We estimate that its overhead will be very minimal, consisting of website infrastructure, secure storage, and costs of postal mailing of contributions. If the IRS EO master file ever begins to include email addresses, costs would be significantly reduced as the need for postal mailings would be limited to those entities that have not supplied them.

“Sea to Table” (working name)

Overview

Illegal, unreported, and unregulated (IUU) fishing and seafood fraud undermine the sustainability of U.S. and global seafood stocks and negatively impact general ecosystem health. At the same time, IUU fishing and fraudulent seafood products distort legal markets and unfairly compete with the products of law-abiding fishers and seafood industries globally. This issue is so significant to the health of the U.S. seafood industry that it was the subject of a Presidential Taskforce. The materials from the Taskforce are available at <http://www.nmfs.noaa.gov/ia/iuu/taskforce.html>.

This project, “Sea to Table”, will create a fully compliant traceability system for seafood that is caught, farmed, or imported into the United States. This project will build a specialized distributed ledger and engineer IoT devices developed to track and transmit location information concerning seafood in transit between the point of harvest (or, in some cases, point of importation) and the end-user (restaurant, wholesaler, or retailer). It will enable consumers to scan a QR code that will be able to detail its journey and establish the full chain of custody of the seafood.

By establishing a consensus-based distributed ledger for seafood traceability, it will take major steps to combat fraud that is rampant, and provide economic benefits to the seafood industry that has to compete in the marketplace with seafood caught by IUU fishing parties. Parties are often distrustful of each other, so the immutable record that a distributed ledger traceability system can provide is key to a successful system. In addition, IoT technologies will be leveraged to provide real-time data to enable a fully traceable and compliant system.

Implementation of traceability systems in some imported fisheries is currently scheduled to be mandated by the National Oceanic and Atmospheric Administration, part of the U.S. Department of Commerce. Over time, it is expected that these systems will become mandated for more fisheries. In addition, international implementation of equivalent requirements is likely to take place when full implementation of the seafood import provisions of the Marine Mammal Protection Act are effective in 2021.

Incubation period

We estimate that this project would take approximately one year to be incubated.

Incubation budget

We project that this project will cost approximately \$200,000.00 USD to incubate.

Project partners

We will seek partnerships with government and non-governmental organizations that have an interest in reducing fraud from IUU fisheries, and will also work with the seafood industry to design a system that is commercially-viable.

Launch method

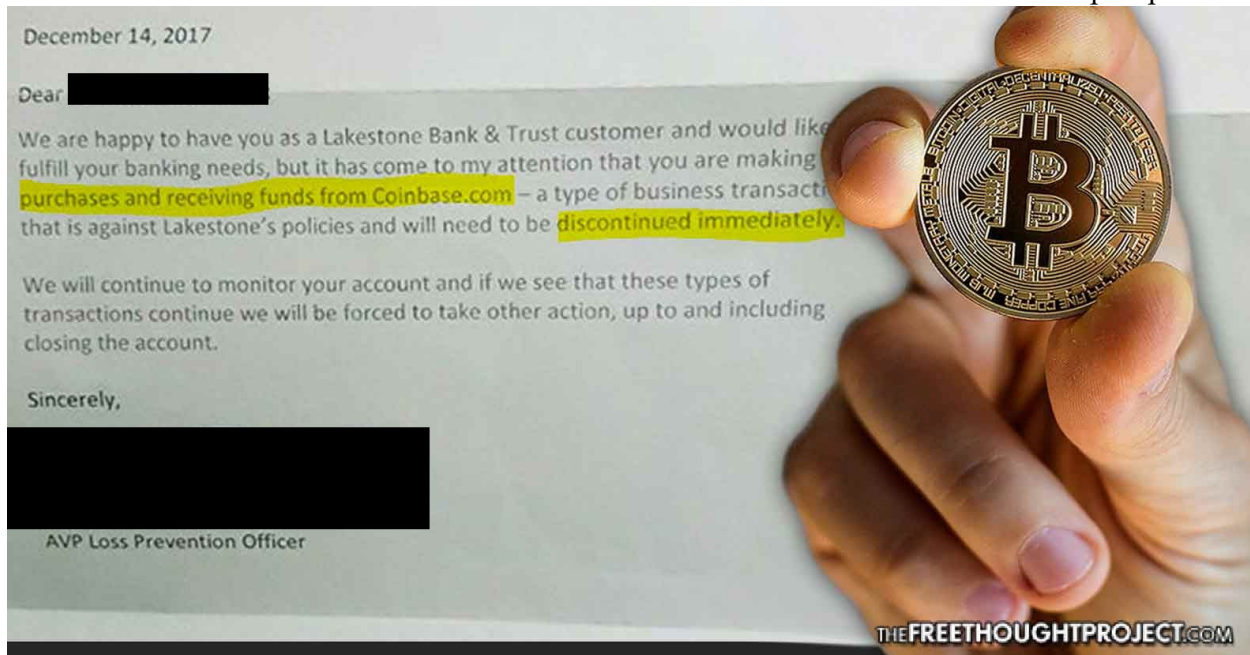
This project will be launched as a for-profit business once the technology has been developed. The software and hardware engineered will be open-source to enable its use by the industry, but the commercial entity will provide “turn key” systems, integrating the hardware and software developed, that are able to be used by those in the chain of custody of seafood (importers, fishermen, wholesalers, trucking companies, and fisheries management bodies).

“Cryptocurrency Federal Credit Union” (working name)

(Please note: this is a conceptual name only. There has been no application made with the National Federal Credit Union Association at this time.)

Overview

In the United States, both individuals and businesses involved in cryptocurrency face real challenges in maintaining relationships with financial institutions. One reason may be because these institutions see cryptocurrency as a threat to their viability and business models (which in many ways it is). However, we believe that most of the reason is due to the high regulatory and supervisory burdens associated with cryptocurrency-related transactions, which are often seen by regulators as “high risk” transactions. Numerous reporting and compliance requirements, including anti-money laundering and countering the financing of terrorism (AML/CFT) requirements, are often time-consuming, manual processes performed by smaller financial institutions, while larger institutions often view this extra effort for a minute subset of its accounts as not worth it from a ROI perspective.



The letter at the bottom of the previous page illustrates this problem, which has not abated over time. In fact, though it is difficult to know for sure, evidence suggests that this practice may have increased as banks have become more aware of cryptocurrency exchange businesses in recent years.

This project, “Cryptocurrency Federal Credit Union” (working name), proposes to investigate, and if deemed feasible and with sufficient community support, seek a federal

credit union charter from the National Credit Union Association (NCUA). If successfully chartered, the business created would be a federal credit union, a type of financial institution that is owned by, and can pay dividends to, its members, which can include U.S.-based individuals and their businesses. The institution would specialize in the types of “high risk” compliance that is integral to current regulations for accounts that transact cryptocurrency. It would be able to offer the full array of services that a federal credit union can legally offer, including savings and checking accounts, debit cards, ACH settlement, merchant services, etc.

It should be noted that a federal credit union would be unlikely, under current regulations, to allow accounts to be denominated in any cryptocurrency. Until and unless regulations allowed for it, accounts would be based in fiat currency. However, it is clear that a reliable financial institution that specializes in working with members who transact in cryptocurrency would be a beneficial addition to the ecosystem. We believe a member-owned credit union to be appealing to more of the cryptocurrency ecosystem than a traditional chartered bank. While the eventual goal of cryptocurrency is to eliminate much of the need for traditional financial institutions, the need exists today for a reliable financial institution to help bridge the gap for those consumers and businesses that deal heavily in cryptocurrency. Such an entity can help existing consumers and businesses in the cryptocurrency ecosystem, as well as enable easier launches for new people and businesses entering the field.

We have conducted informal discussions with credit union advisors that indicate that a credit union may be able to be chartered if there is enough interest among those that would be included in the scope of membership. However, without formally contracting with some advisors and experts, we are unable to conduct further work on this project.

- **Incubation phase one:** Initial contracting with experts to design and implement a survey to determine if sufficient interest exists to pursue further.
- **Incubation phase two:** If it is deemed feasible, the work would be done to make application for a federal credit union charter.

If the charter is granted, the entity would then conduct the work needed to begin operations.

Incubation period

- **Incubation phase one:** We estimate that it would take no more than six months to develop and conduct a survey of the scope of membership and to analyze its

results. The results would be made public and then a determination on proceeding to phase two would be made.

- **Incubation phase two:** We estimate it would take two years or less to complete the credit union charter application process. Some federal credit union charters have been granted in as little as one year, but two years is a precautionary timeframe. Once chartered, the period to become operational would be approximately six months. Once operational, it is likely that the credit union entity would increase its portfolio of services as it matured.

Incubation budget

- **Incubation phase one:** We project that the cost of designing, implementing, promoting, and analyzing a survey of the potential scope of membership to be no more than \$50,000.00 USD.
- **Incubation phase two:** We project that the cost for preparing the application and business plan needed to secure a federal credit union charter to be about \$250,000.00 USD. Startup and initial operational expenses for the federal credit union, if the charter was issued, are estimated to be approximately \$250,000.00 USD.

If the application for a credit union charter was not granted, of course the second half of the incubation phase two costs would not be incurred. Based on our initial consultations with NCUA and credit union professionals, it is likely that a credit union charter application, if presented with all required business planning and other supporting information, would be granted. However, this is not guaranteed, and it is possible that political issues relating to cryptocurrency could slow down or complicate the process. We determined that it is more likely to receive a charter from the National Credit Union Association for a federal credit union than a national bank charter through the Office of the Comptroller of the Currency. Funds for a proposed federal credit union (PFCU) must come from donated sources, including donations from BTRIC to the PFCU entity, grants, and other sources of financial and in-kind contributions.

Project partners

During incubation phase one, BTRIC will partner with a credit union consultant, marketers, and media organizations in the cryptocurrency ecosystem to distribute the survey widely.

If this project progresses to incubation phase two, BTRIC plans to partner with consultants with expertise in credit union startups and work closely with the NCUA and other credit union industry groups to prepare the organization and materials for its charter application.

Launch method

If the project advances to incubation phase two, a separate PFCU entity would be created. This organization would be structured as advised by the consultants with expertise in credit union startups. This entity would very likely be a non-profit organization with a Board of Trustees. During the incubation process, we will identify persons that would be committed to serve as Trustees as well as others that would eventually be employed to operate and manage the credit union if the charter is granted.

Assuming the charter application is successful, the launch of the federal credit union would be promoted through marketers and media in the cryptocurrency ecosystem.

BTRIC structure and governance

BTRIC is a New Jersey non-profit corporation and is subject to the jurisdiction of the State of New Jersey and United States federal law. It has been recognized by the Internal Revenue Service as a Section 501(c)(3) public charity. As a corporation, it must have certain structures that are legally required, such as a Board of Trustees.

Even though we are required under current law to have a Board of Trustees that is, from a legal perspective, at the top of the governance structure, BTRIC intends to adopt an open form of governance.

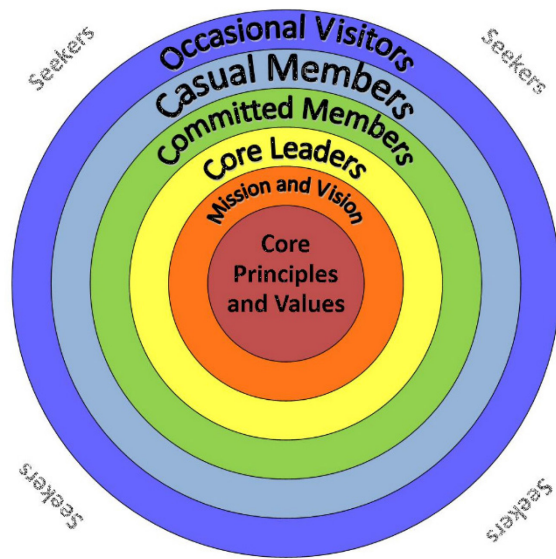
We consider our Founding Trustees as caretakers that will operate the organization in an open and transparent manner while putting in place legally-vetted Bylaws that allow for a concentric circles organizational structure. These Bylaws (which will be Creative Commons licensed and open for use by any organization), once completed and adopted, will embrace open governance that we hope becomes the model for many non-profit and even for-profit organizations that operate in the ecosystem.

BTRIC's Executive Director is the only paid member of the Board of Trustees, though other Trustees can receive reimbursement for reasonable expenses incurred in connection with their duties as a Trustee. Our Executive Director supervises operations, staff and contractors, and is responsible to the rest of the Board of Trustees. The Executive Director, while serving on the Board of Trustees, does not vote except to cast the deciding vote in cases of a tie.

We believe in transparent and fluid governance and governance structured based on concentric circles, concepts partially described by Heather Marsh in her book, *Binding Chaos: Systems of Mass Collaboration*. This book, which is Creative Commons licensed, is downloadable from her blog at <https://georgiebc.wordpress.com/2013/05/24/binding-chaos/>. The book can be purchased in printed form from Amazon.com at

<https://www.amazon.com/Binding-Chaos-collaboration-global-scale/dp/1489527680/>,

and donations can be made on her website. Many open source projects implement parts of this type of governance without recognizing it, and BTRIC Institute hopes to document and provide templates that can serve as tools for new organizations to follow.



No later than August 30, 2018, BTRIC will be operating under final adopted Bylaws that embody this open governance model. By that date, the one year anniversary of formation of BTRIC, we will have increased the Board of

Trustees to at least seven people (so that our Founding Trustees are not a majority). We are currently seeking interest from people involved in our projects and others in the community. Other Board members can be involved in projects, but must adhere to our Code of Ethics and any conflicts of interest must be disclosed if they arise.

It is important to have just enough of a structure to ensure that our mission can be accomplished, without the bureaucracy that has been shown to cause issues relating to dominant personalities and factions within other organizations. These issues often take the focus away from the idea and the overall mission. By adopting open governance, we strive to include a much wider spectrum of ideas when considering decisions.

We are committed to operating BTRIC as an organization through adoption of the centric circle form of management and operational structure. This form of management is dynamic and focused on ideas, rather than personalities. This structure is illustrated on the right side of this page, and begins with a focus on BTRIC's core principles and values, followed by our mission and vision to achieve the mission, and then by the Board of Trustees, committees, and top advisors as "Core Leaders".

The larger circles are committed members (project participants, employees, top donors), casual members (enthusiasts, project gurus), and then occasional visitors. Over time, people will naturally gravitate from one circle to others. An occasional visitor could

eventually become a real enthusiast of a project, or even serve as a member of the Board of Trustees or on a committee. Over time, Trustees will decide to take on less active roles, and this dynamic structure allows for that. The key is that each circle is able to react and respond to the others. An occasional visitor may have a great idea to improve a project – that idea needs to get to the project team. On the other hand, the project team must be responsive to the users and consider changes in approach when appropriate.

Founding Board of Trustees

Terri Lei Beideman, Chairwoman, Board of Trustees



Terri has a lifetime of experience in organizing and operating non-profit advocacy organizations, specifically in the seafood industry. She also has a good deal of experience in organizing research and development projects, including technology projects, for both public and private sector clients.

Since its founding in 1990, Terri was involved with Blue Water Fishermen’s Association, a non-profit trade association that represents the Atlantic pelagic longline fishery for swordfish and tunas. She became the Executive Director of BWFA following the death of her husband, Capt. Nelson “Hammer” Beideman, in 2006. She left BWFA in 2016 to bring about greater change to U.S. fisheries policy.

Through October of 2020, Terri is the Chairwoman of the Marine Fisheries Advisory Committee, or MAFAC, which advises the U.S. Secretary of Commerce and the National Oceanic and Atmospheric Administration regarding living marine resource matters that are the responsibility of the Department of Commerce. She also serves on the Advisory Committee to the U.S. Section of the International Commission for the Conservation of Atlantic Tunas, the Atlantic Highly Migratory Species Advisory Panel, the Atlantic Pelagic Longline Take Reduction Team, and the Southeast Data, Assessment, and Review pool.

Terri also has experience in the administration of contract and grant research projects. She was instrumental in the development and implementation of projects in the early 2000s that established the high efficacy of the use of circle-style hooks in reducing harm to incidentally-caught sea turtles. Following Nelson’s death, she founded the Nelson R. Beideman Center for Responsible Fisheries, a non-profit charitable organization that is dedicated to researching, recognizing, fostering, and promoting responsible fisheries practices.

Terri's unique life experience will benefit BTRIC Institute's initiatives in advocating for policies that benefit the emerging technology ecosystem. She is also a strong supporter of increasing the role of women in the emerging technology ecosystem, another initiative that the BTRIC Institute strongly supports.

Benjamin F. Beideman, MBA, Executive Director



Benjamin is the driving force behind the founding of BTRIC. He strongly believes in the transformational potential of emerging technologies to create better businesses and ultimately, a better world. He has spent his career working in the technology field, especially with non-profit organizations and implementing projects for public-sector entities. While he is a coder, he does not have specific expertise in blockchain, though he is committed to continue to expand his knowledge and capabilities. Most of Benjamin's professional experience is in project management, especially managing teams in their development and implementation of projects.

Benjamin began coding at the age of eight on an Atari 400 computer. He has been a user of networked forms of communications since the late 1980s, well before the masses took to the Internet, and used to run a FidoNet-connected bulletin board system (BBS). He first became interested in Bitcoin in early 2012. Earlier this year, Benjamin found the installer for Bitcoin-Qt 0.5.1 on an old hard disk drive. If he had he found the WALLET.DAT file he experimented with back in early 2012, he would have been much happier.

Benjamin has experience in the Federal regulatory process and, knowing that these agencies tend – like a gas – to occupy any space they are given, felt that technologies such as cryptocurrency would be prohibited or regulated extensively. He now feels far differently and believes that the promotion and adoption of emerging technologies is, indeed, the best way for society to progress. As someone who has spent his life with specific expertise in organizing and structuring business and government projects, he is highly devoted to BTRIC's mission in enabling many projects to emerge as successful businesses that, one by one, reshape society.

Justin S. Beideman, Founding Trustee



Justin has a background in musical and graphic design as a graduate of Full Sail University. A very creative person, Justin always thinks “outside of the box” in devising creative solutions for challenges faced by the projects he’s been involved with. Justin joined our business in 2013 and has been an enormous asset in keeping our projects focused and guided toward their goals. He is just as devoted to enabling that level of throughput for BTRIC.

He has taken a large interest in emerging technology and is devoted to learning more about the quickly growing field. He is especially interested in developing practical technology that decentralizes content and gives users more privacy and security. He recognizes the potential of modern technology to reshape society in ways never before possible, and is eager to expand his role in facilitating that transformation.

A very creative person, he spends much of his leisure time experimenting with fractal art, music composition, and has even been known to experiment with game development.

Committees, Advisory Panels, and Working Groups

BTRIC’s final Bylaws will bridge the gap between the legal requirements of operating a non-profit corporation and the liquid, open, concentric-circle approach to governance. This will include structures that adopt Committees, Advisory Panels, and Working Groups in an untraditional manner. This is an area that requires legal vetting to ensure that it is fully compliant with the law while still allowing the open governance that we embrace. As previously indicated, our final Bylaws and all other documents we produce will, with limited exceptions related to personal identifiable information and any applicable legal requirements, be available for use by anyone under Creative Commons or other open licensing models.

Operational and financial transparency

As a 501(c)(3) charity, we are required to make certain information (namely, our Form 990 information return filings) available to the general public. However, BTRIC plans to go well beyond that and make a vast array of materials on our operational and financial status available to the public. We want our donors and the public to see the good work that we are accomplishing, so – with limited exceptions to protect personal information, and in some cases potentially proprietary information specific to projects in our incubation

program – everything will be available to the public. This will be a process that evolves as we become fully operational, but for now, we plan to release monthly financial summaries of our financial condition and regular updates on our operations.

Memberships

Our final Bylaws may allow for one or more membership categories. We do not have any membership categories at this time. However, membership in BTRIC could be a good way to have participation from the community, and potentially a source of donations to keep the organization operational over the long-term. The disadvantage of a membership is that it could cause some people to feel “excluded”, which is not our intent at all. This is a matter that we will be considering further as we work towards the final Bylaws.

Other ways to participate in BTRIC

Donations

BTRIC is a non-profit organization supported entirely by the public through donations and grants. In addition to the BFD fundraising campaign described in this document, BTRIC accepts monetary, asset, and in-kind donations from the public or grant-making organizations. We have a “collection jar” donation address for anonymous donations of Bitcoin, which is 1btricdjXr4uAFnxPULmzpXmaVWnP25o6.

BTRIC reserves the right to refuse donations that are “earmarked” or have other encumbrances on them if they do not comport with our mission and purpose. We also reserve the right to decline donations from any party, including parties that promote hate, violence, discrimination, or criminal activity. We will refuse donations from any parties we are not permitted to accept pursuant to applicable law and regulations, including economic sanctions regulations.

All donations will be acknowledged by receipts, appraisals, or other documentation required so that our donors can receive any tax benefit to which they may be entitled. Unlike many non-profit business incubation organizations, we do not operate in a specific geographic area, so we may not be eligible for grants that are spatially based. We will apply for grant funding and for contracts with government entities to implement pilot projects, provided these projects are within the scope of our charitable purpose of identifying, researching, developing, and promoting emerging technologies. Generally, grant funds from government entities can only be used to implement the specific terms of the grant. Grant funds from other non-profit organizations may be able to support aspects

of our overall purpose, subject to the requirements of the organization making the grant. The BFD fundraising campaign is designed to raise sufficient funds to cover our costs of launch and at least 2018 operations. In order to maintain operational status, we will continue to seek monetary donations and grant opportunities.

Monetary

Our BFD fundraising campaign is intended to provide all of the funds needed for us to get fully operational and our ongoing overhead costs for all of 2018. It also includes funds for initial incubation of the projects described in this document. We will need continued funding to keep operational, which is why our incubation program will operate on an ongoing basis, with new projects entering the program and mature projects being divested as independent businesses. Non-profit organizations are not permitted to conduct significant business operations, so projects will not remain part of BTRIC after the research, development, and operational design phases. Our intent is to ready projects for the business world with all of the resources that we can provide while preparing them to be independent businesses, and then facilitating that divestiture.

Asset

Asset donations will also be used to support BTRIC's operations. This includes cryptocurrency, which is currently classified as an asset for Federal income tax purposes. Donations of cryptocurrency could have significant tax benefits for the donor, as outlined below (however, consult your tax advisor for authoritative information specific to your circumstances). We welcome "air drop" donations of emerging cryptocurrencies.

Asset donations also include donations of computer hardware (that are still usable), software, or other equipment that can help us to advance our objectives. For example, the donation of a company's depreciated servers or other equipment could be very useful for BTRIC's R&D facilities, and we welcome contributions of this type to help our initiatives have more impact. As with any other donation, the value of these contributions would be fully tax-deductible to the extent permitted by law.

We also welcome donations of evaluation hardware or services that could be used by projects in our incubation program or for our other initiatives.

In-kind

In-kind donations are donations, including discounts, on products and services that BTRIC needs to implement its initiatives. **If you work in the field and you volunteer your time with BTRIC, this could be considered an in-kind contribution.** The fair market value of these products and services is the cost basis for a tax deduction. For example, if a donor provided a service at a 50% discount to their normal rates, the other 50% may be considered a donation and is generally tax deductible.

Tax benefits of giving

The following summary is excerpted, in part, from Charity Navigator's website at <https://www.charitynavigator.org/index.cfm?bay=content.view&cpid=31>, describe the tax benefits of making donations to 501(c)(3) charitable organizations. **This brief summary of certain federal income tax laws is provided for informational purposes only. We urge you to consult your tax advisor for the federal, state, and local tax consequences of a charitable contribution.**

- **A gift to a qualified charitable organization may entitle you to a charitable contribution deduction against your income tax if you itemize deductions.** You must itemize in order to take a charitable deduction. Make sure that if you itemize, your total deductions are greater than the standard deduction. If they're not, stick with the standard deduction.
- **A contribution is deductible in the year in which it is paid.** Putting the check in the mail to the charity constitutes payment. A contribution made on a credit card is deductible in the year it is charged to your credit card, even if payment to the credit card company is made in a later year.
- **There are limits to how much you can deduct, but they're very high.** For most people, the limits on charitable contributions don't apply. Only if you contribute more than 20% of your adjusted gross income to charity is it necessary to be concerned about donation limits. If the contribution is made to a public charity, the deduction is limited to 50% of your contribution base. For example, if you have an adjusted gross income of \$100,000.00 USD, your deduction limit for that year is \$50,000.00 USD.
- **Rules exist for non-cash donations. If you contribute property owned for more than one year, the value of the deduction is normally equal to the property's fair market value.** You have an advantage when you contribute appreciated property, such as cryptocurrency, because you get a deduction for the full fair-market value of the property. **You are not taxed on any of the**

appreciation, so, in effect, you receive a deduction for an amount that you never reported as income.

- **You need to maintain proper documentation of your contributions.** If you want to claim a charitable deduction for a cash gift, then you must be prepared to verify your claim. In other words, you cannot deduct the spare change dropped in a charity's collection bucket without the proper documentation. If you are audited, the IRS will only accept one of the following to substantiate a monetary gift: a canceled check, credit card statement, bank statement or a written acknowledgment from the charity.
- **The IRA charitable rollover offers tax benefits for those who qualify.** The IRA Charitable Rollover allows individuals who are 70 1/2 years old to donate up to \$100,000.00 USD to charitable organizations directly from their IRA, without that donation being counted as taxable income when it is withdrawn. To qualify, contributions must come from a traditional IRA or Roth IRA, and they must be made directly to a qualified charitable organization. Additionally, the donor may not receive goods or services in exchange for the donation, and they must retain a receipt from each charity to which a donation is made.

Remember, it's always better to give than receive. The glory of charitable donations is that you can give and receive at the same time.

If you have any questions about our donation options, please reach out to us by email at donations@btrc.org, or by calling us at +1 732-719-6839.

Partners and sponsorship opportunities

BTRIC is focused on forging partnerships across the emerging technology ecosystem to offer the most vibrant array of capabilities to projects in our incubation program, as well as the maximum effectiveness in achieving all of our initiatives. BTRIC intends to benefit the entire ecosystem, helping to speed adoption of the transformative technologies that we all believe in. We will seek partnerships with people and organizations that we believe can help us better achieve that goal.

In addition, we welcome potential partners coming to us. We look forward to working with everyone that is focused on making real progress in making the most of this unique opportunity in world history. Please feel free to reach out to us by email at partners@btrc.org, or by calling us at +1 732-719-6839.

Promotional opportunities

We look forward to working with the media, both within the ecosystem, as well as the wider media, to communicate about BTRIC, emerging technologies, and the change we are all bringing about. We welcome press inquiries by email at media@btric.org, or by calling us at +1 732-719-6839.

Appendix A: The Decentralization Revolution

For the first time in history, technologies have converged that enable humanity to make progress on a scale never before seen. **Blockchain Technology Research Innovations Corporation (BTRIC), a US-based 501(c)(3) charitable organization was founded to identify, research, develop, and foster the technologies and projects – some that already exist, and some that will emerge in the future – that will usher in this revolution in modern society.**

Throughout much of history, and up to the present day, centralized systems of power and control hold enormous influence over various aspects of our lives. These systems of power are controlled by the few in a centralized way. Gatekeepers of power rely on having structures of control to continue their opaqueness, unaccountability, corruption, inefficiency, nepotism, and stagnation. This has been going on for thousands of years and it has been no different in the last century with our corporations, banks, and governments.

In the past, some of this centralization was necessary. For example, the only way to get information in a pre-telegraph era was from leaflets and newspapers. Depending on where a person lived, they may only have access to “stale” information many days or weeks old. These early information sharing mediums were limited to those who could physically get their hands on a copy, or have it read to them (and literacy rates in those times were only a fraction of what they are today). Telegraphs and telephones increased the speed at which information could travel from point A to B, which helped increase the timeliness of long-distance communications – newspapers could become more relevant and rapid person to person long-distance communication became possible. Radio and television broadened the size of the audience significantly and allowed for information to be disseminated to large numbers of people at once.

However, unfortunately today’s society is rife with instances of abuse of this centralized power and control. Around the world, governments have been corrupted by dominant corporations working in concert with information providers to maintain their mutual control over public discourse. Monetary authorities have abused their power to manipulate markets, put nations in debt to the tune of many trillions of USD, and favor the small few at the expense of the many. Thinking about it, with control over information flow, this wasn’t that hard to accomplish.

Instant, worldwide communication holds the potential to change the paradigm in a spectacular and disruptive manner. The emergence of the Internet began this process, allowing billions of people to spread their message, build their business, or increase awareness of their cause or belief. People can, in virtual space, gather, exchange

information, socialize, and work on projects of many different types. The Internet has changed businesses and business-models as well, one example being the recording industry, which used to charge \$20 USD for a compact disc (of which only a tiny fraction was earned by the composers and artists). This business had to adapt to market dynamics and adjust their practices, as the proliferation of file-sharing services caused serious impact to their legacy business model.

Times have changed. We now live in a world with instant, worldwide communication. Mediums such as Facebook, Twitter, and YouTube have shown that anyone, anywhere can spread information to millions of people, pretty much instantly. This is enormously powerful and revolutionary. It has never truly been possible before in human history. **However, even the Internet, as it currently exists, has centralized controllers.** These are large corporations, such as Apple, Facebook, Amazon, Twitter, and Google – including its YouTube brand. They have been shown to exert significant power over what they choose to allow on their platforms. This is their right – after all, it’s their platform – but is it what is right for society? We know that they only share a small amount of the revenue they make with the people that are publishing the content on their platforms. Some even accuse them of censorship and spreading of propaganda. More commonly, it has been observed that manipulation of search results or content display has been done to influence ad revenues. Some companies have even been forced to restate their earnings as these abuses have become known. Governments are censoring (or forced these and other platforms to self-censor) content that is “controversial”, as are other powerful special interests. The platforms themselves are large corporations and have been shown to censor content that does not comport with their agenda.

Much of the world has moved from a silo of “traditional media” to “new media” as the source of their news and information. **The problem is the silo.** So long as content providers control what you see, and what you don’t, they hold enormous sway over the public discourse. A fair society requires open, uncensored access to all sources of information. Of course, illegal and obscene content should be moderated, but no central authority is necessary for that.

The Promise of Decentralization

Decentralization is a big part of the solution to this problem. Imagine – instead of one large YouTube run by Google that stores all of the video content, a thousand or even ten thousand small “YouTubes” – nodes on a decentralized video platform, with no central point of control or censorship, with full redundancy, and more efficiently using resources that otherwise would be idle. Each of these nodes talks to and shares content and users

with all of the others, yet none can censor the other. Community-based rules could be implemented that require some type of consensus for content moderation. If enough people flag a video as being obscene, it's hidden. Higher, trusted moderators can double check those decisions to ensure they weren't censored for an inappropriate reason. Each time the a user's moderation flag decision agrees with the trusted moderators, their "moderation accuracy" increases, and therefore next time, they will hold more sway in the level of consensus required to hide an individual video. Dynamic systems, controlled by software rules and consensus – not personalities, politics, or ideology.

Today we see decentralization beginning to show the real power to do away with an institution as old as recorded history itself, banking. Since the time of the money changers, banks have held control over people, businesses, even whole countries. Bitcoin demonstrated that much of what banks do can be done more fair, more efficiently, and direct – with no middleman – through the blockchain, the most common type of consensus-based distributed ledger technology. Over a thousand other cryptocurrencies exist. Some are simple clones, but some demonstrate novel technologies that could eventually gain widespread adoption. Traditional financial institutions will not be able to keep up with the rate of technological innovation. Cryptocurrencies have already proven the power to store wealth in a way that cannot be tampered with by a body such as the Federal Reserve or a government. Unlike fiat currencies, cryptocurrency, when properly implemented, cannot be debased.

In many ways, the emerging technologies that will shape our future are arriving at a crucial time in world history. People are less trustful of banks, governments, corporations, and the media than ever before – and for good reason. The curtain is being pulled back before their eyes, and the levers of control exerted over society for so many centuries are laid bare for all to see. People have known this before, but had no effective way to combat it at scale.

The Internet changes everything. The **Decentralization Revolution** has arrived, and it's not going anywhere but to the moon. These technologies, the most important among them being consensus-based distributed ledger technology, will change the world in ways that were never before possible. They hold the promise of a future with greater accountability, equality, and efficiency and a modern society that is much more fair, much more open, and much more honest. **There has never been a time before where it was possible to change the world in the ways that now are happening.**

- The silos will become open, distributed networks, where arbitrary censorship is impossible and users have full control over their own data.

- The gatekeepers, powerful people, and corporations that control the flow of information will be gone, replaced with structures to promote good people and great ideas. **May the best idea win!**
- Wealth will be distributed more fairly to everyone, through true free-market capitalism, not oligarchy or socialism.
- Rigging the system will become impossible as technology renders “points of rigging” nonexistent.
- The tactics that have been used to divide people – based on gender, religion, race, national origin – will be overcome by fair, immutable records and decisions based on rules agreed upon by consensus.
- Even democracy itself may be reshaped, modernized into a more fluid construct where more power is held directly in the hands of the many. Certainly, more factual information, something that is necessary for the health of a democracy, will be available without gatekeepers constraining it.

Power to the people. Power to each individual. Decentralize the world.

Overview of Selected Emerging Technologies

Consensus-based Distributed Ledger Technology (DLT)

The foundational technology enabling this revolution is consensus-based distributed ledger technology (DLT). The most common type of distributed ledger technology in use today is blockchain, but there are other variants of distributed ledger, including a proprietary technology called “Hashgraph” as well as directed acyclic graph. All of these technologies allow for data to be stored immutably and distributed to a large number of participants, each of which validates the data as authentic using consensus-making rules. Because each node in the distributed system is using software that validates incoming transactions and applies the same rules, DLT allows trust to be placed in the software and network, instead of the counterparty.

The most widely used application today of DLT is in cryptocurrency, but its potential extends well beyond that. Broadly implemented in many diverse fields, this type of peer-to-peer distributed system has immense potential to render largely obsolete centralized “choke-points” that have slowed human progress. This powerful technology, enabling decentralization and trust-free transactions, can be extended into use well beyond digital currencies. Many applications can benefit from trustless yet immutable records of transactions. These include authentication of intellectual property rights, traceability of products in commerce, equity and commodities trading, and many more.

For example, a sufficiently developed DLT based stock exchange could be operated peer-to-peer, without any brokers or underwriters. A company could issue shares of stock that would be transacted through DLT, facilitating the initial issuance as well as all future transactions of each share. The entire record of transactions would be shared across all of the nodes in the system, allowing full transparency and no possibility of fraudulent transactions.

Trust the code and the consensus rules it enforces. Trust consensus-based distributed ledger technology.

Cryptocurrency and tokens

Bitcoin (BTC) is the most widely recognized application of blockchain. Bitcoin is a worldwide cryptocurrency and digital payment system called the first decentralized digital currency, as the system works without a central repository or single administrator. It was created by an anonymous person or group of people that communicated under the pseudonym of Satoshi Nakamoto, and released as open-source software in 2009. Bitcoin exists outside of the control of any government, any corporation, or any other entity. As of December 31, 2017, 1 BTC had a value of \$14,156.40 USD, with a total market capitalization of \$237.4 billion USD. The value of Bitcoin has grown immensely as it is recognized as a reliable and independent store of value and medium of exchange. This growth is despite the fact that less than 1% of the world's population have ever possessed any Bitcoin. It is widely expected that growth in Bitcoin will continue as adoption increases.



Bitcoin price (in USD) and volume (in BTC traded), year 2017.

Many other cryptocurrency projects have been created, inspired by the success of Bitcoin. Some of these projects have been simple “clones”, adding little to the ongoing progress of

cryptocurrency development. However, other projects, such as Ethereum, have contributed significant innovation in the field. Enabling and fostering innovation is good for the ecosystem as a whole, as it allows concepts to be developed and refined that may provide solutions to challenges that have been identified. In the cryptocurrency ecosystem, challenges that are currently being tackled include the reliance on centralized exchanges, the high (as compared to a credit card transaction) learning and usability curve, the difficulty of scaling transaction volumes and speeds to those needed for widespread adoption, and regulatory compliance.

The economies of the 21st century move at the speed of light. Only cryptocurrency delivers fair, immutable, and tamper-proof exchange of value without centralized control.

Internet of Things (IoT)

The Internet of Things (IoT) refers to the connection of devices (other than typical fare such as computers and smartphones) to the Internet. Cars, kitchen appliances, and even heart monitors can all be connected through the IoT. This list will continue to grow.

At its essence, IoT enables smarter decisions to be made about things in the real-world. Electrical grids can be made much more efficient, traffic patterns more regulated.

For example, IoT could enable tractor trailer trucks to deliver cargo more efficiently by sharing information between themselves. Two trucks, both half full, going to Philadelphia? Inefficient; instead, they can share the load. UPS and FedEx already do this for their own fleets, IoT will let the entire trucking industry gain similar improvements in efficiency. A distributed ledger would ensure that each item to be shipped would be tracked, fully accounted for, and that the responsible parties would be properly compensated for sharing in the task, probably paid in cryptocurrency. It is easy to see how IoT can increase efficiency and flexibility in scales that were not possible before.

IoT includes specialized hardware, such as telemetric sensors, commodity hardware, such as microcomputers, and software to coordinate and orchestrate the efficient operations of complex real-world systems. The opportunities in IoT are as diverse as the world we live in. Especially in the developing world, where trucks are not as plentiful and fuel is expensive and hard to obtain, IoT will enable people, communities, and countries to modernize their worlds faster than the current industrial nations could.

Technological innovation and advancement is a positive feedback loop. IoT brings efficiency and accuracy on a scale never before possible.

Virtual and Augmented Reality (VR/AR)

Virtual and Augmented Reality are two complimentary technologies that have potential to change how people interact with computing devices.

Virtual reality (VR) is an artificial, computer-generated simulation or recreation of a real life environment or situation. It immerses the user by making them feel like they are experiencing the simulated reality firsthand, primarily by stimulating their vision and hearing. VR is typically achieved by wearing a headset like Facebook's Oculus equipped with the technology, and is used prominently in two different ways:

- To create and enhance an imaginary reality for gaming, entertainment, and play (such as video and computer games, or 3D movies, head mounted display); and
- To enhance training for real life environments by creating a simulation of reality where people can practice beforehand (such as flight simulators for pilots).

Augmented reality (AR) is a technology that layers computer-generated enhancements atop an existing reality in order to make it more meaningful through the ability to interact with it. AR is developed into apps and used on mobile devices to blend digital components into the real world in such a way that they enhance one another, but can also be told apart easily. AR technology is quickly coming into the mainstream. It is used to display score overlays on telecasted sports games and pop out 3D emails, photos or text messages on mobile devices. Some overview facts about AR are:

- The 2016 pop culture phenomenon known as “Pokémon Go” was a form of AR technology, where virtual characters appeared, using geolocation, in real-world places; and
- AR technology has uses beyond gaming and entertainment, and can be used to receive information from and give information to computer systems in a more immersive manner than current technologies.

The potential applications of VR/AR go beyond entertainment, and can also be used to simulate real-world exercises including applications in military, law-enforcement, medicine, and science. It has been shown that virtually “going inside” of a human body, through a simulation, can provide medical insights that were difficult to discover in other ways. Potential applications exist when combined with advanced sensing technology to virtually “place people” where they otherwise could not go, for tactical planning, scientific exploration, and, indeed, entertainment and educational purposes.

Beyond keyboards, mice, and screens. Virtual and Augmented reality redefines the interface between humans and machines.

Artificial Intelligence, Machine Learning, and Deep Learning (AI/ML/DL)

Artificial Intelligence (AI), Machine Learning (ML), and Deep Learning (DL) are three different levels an overarching goal, focusing on technology to think and act like humans do. The application of these technologies enables interaction with computers in a more intuitive ways, as well as enabling those systems to detect patterns, analyze large data sets, and ultimately to actually “think”, making informed decisions based on data as well as the computer’s memory of past experiences. AI, ML, and DL are often used interchangeably, especially in the realm of big data. But these aren’t the same thing, and it is important to understand how these can be applied differently.

Artificial intelligence is a broader concept than machine learning, which addresses the use of computers to mimic the cognitive functions of humans. When machines carry out tasks based on algorithms in an “intelligent” manner, that is AI.

Machine learning is a subset of AI and focuses on the ability of machines to receive a set of data and learn for themselves, changing algorithms as they learn more about the information they are processing. Training computers to think like humans is achieved partly through the use of neural networks. Neural networks are a series of algorithms modeled after the human brain. Just as the brain can recognize patterns and help us categorize and classify information, neural networks do the same for computers. The brain is constantly trying to make sense of the information it is processing, and to do this, it labels and assigns items to categories. When we encounter something new, we try to compare it to a known item to help us understand and make sense of it. Neural networks do the same for computers. Some of the benefits of using ML neural network technology are:

- Extraction of meaning from complicated data;
- Detection of trends and identification of patterns too complex for humans to notice;
- Learning by example; and
- Processing of information much faster than humans.

Deep Learning goes yet another level deeper and can be considered a subset of machine learning. The concept of DL is sometimes just referred to as "deep neural networks," referring to the many layers involved. A neural network may only have a single layer of data, while a deep neural network has two or more. The layers can be seen as a nested hierarchy of related concepts or decision trees. The answer to one question leads to a set of deeper related questions. DL works best when it has a large dataset to be trained. Instead of being programmed with the edges that define items, the systems learn from exposure to millions of data points. An early example of this is the Google Brain learning to recognize cats after being shown over ten million images. Deep learning networks do

not need to be programmed with the criteria that define items; they are able to identify edges through being exposed to large amounts of data.

More intelligent technology improves humanity by making it easier, and faster, than ever before to find the “signal” in the “noise”.

Content Creator Control and Personal Data Store (CCC/PDS)

As more information about people and businesses are stored and aggregated online, there is a growing recognition that people want more control over their own content. Social media illustrates the example of a person posting an embarrassing post or photo and it being essentially “part of the Internet” forever. Content Creator Control and Personal Data Store are two concepts that focus on improving the balance between content creators and content aggregators.

Large platforms such as YouTube depend on creative (and sometimes, not so creative) users to post videos to their platform. These videos are then monetized by selling advertisements. Some content creators get a slice of that monetization. Most do not. Even those that do only get a small fraction of the revenues generated. Content Creator Control is about developing new platforms that give the content creators more control over the use of their content, and ultimately a better share of the revenues. In addition, CCC platforms are being designed that are decentralized, so that they cannot be controlled or censored by any single entity. Moderation methods can be based on consensus, not political ideology. CCC platforms, while still young, hold the potential to obsolete “silo” based methods of storage of rich data. They also have the power to revolutionize and decentralize search engines, which, is currently a huge business for just a small handful of large corporations globally.

PDS technology, on the other hand, allows a user to control key identifying information, including social connections, contact information, and other personal information in a manner that is under the users own control, delegating it from a secure store to only those parties or services the user chooses. As is often said on the Internet, “If you’re using a website for free, *you are the product*”. PDS has the potential to change some of the commercial exploitation of user’s personal information, browsing habits, social or geo-located connections, etc.

End the gatekeepers who have censored information. Break down the walls that cause divisiveness, while maintaining more control over your private information.

Summary

The technologies that have potential to reshape society for centuries to come have emerged, with more to come. Surely, 100 years from now, all of them will look very different than they do today. However, if we do not make the most of this opportunity – unique with respect to economic, social, and technological developments – to develop these technologies to the benefit of humanity, others will seize control of them, either by sequestration, or by subversion.

Let's work together to build great businesses that reinvent humanity.

Appendix B: Organization legal filings

Certificate of Incorporation

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF INC. (NON PROFIT)

**BLOCKCHAIN TECHNOLOGY RESEARCH INNOVATIONS CORPORATION
0450196475**

The above-named DOMESTIC NON-PROFIT CORPORATION was duly filed in accordance with New Jersey State Law on 08/30/2017 and was assigned identification number 0450196475. Following are the articles that constitute its original certificate.

1. **Name:**
BLOCKCHAIN TECHNOLOGY RESEARCH INNOVATIONS CORPORATION
2. **Registered Agent:**
VAST ARRAY CORPORATION
3. **Registered Office:**
1000 BENNETT BOULEVARD
SUITE 8
LAKEWOOD, NEW JERSEY 08701-5944
4. **Business Purpose:**
THIS CORPORATION IS ORGANIZED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, AND SCIENTIFIC PURPOSES WITHIN THE MEANING OF SECTION 501(C) (3) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986.
5. **Duration:**
PERPETUAL
6. **Effective Date of this Filing Is:**
08/30/2017
7. **Qualification as set forth herein:**
AS SET FORTH IN THE BYLAWS
8. **Rights and Limitations of members if not previously addressed:**
AS SET FORTH IN THE BYLAWS
9. **Method of electing Trustees as set forth herein:**
AS SET FORTH IN THE BYLAWS
10. **Asset Distribution:**
UPON DISSOLUTION OF THE CORPORATION, THE BOARD OF TRUSTEES SHALL DISPOSE OF ANY REMAINING ASSETS TO ONE OR MORE ORGANIZATIONS THAT ARE ORGANIZED FOR EXEMPT PURPOSES WITHIN THE MEANING OF SECTION 501(C) (3) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986 (OR THE CORRESPONDING PROVISION OF ANY FUTURE UNITED STATES INTERNAL REVENUE LAW) OR TO A STATE OR LOCAL GOVERNMENT FOR A PUBLIC PURPOSE.
11. **First Board of Trustees:**
BENJAMIN F. BEIDEMAN
215 NANTUCKET ROAD
FORKED RIVER, NEW JERSEY 08731-5105

JUSTIN S. BEIDEMAN
215 NANTUCKET ROAD
FORKED RIVER, NEW JERSEY 08731-5105

TERRI L. BEIDEMAN
215 NANTUCKET ROAD

Continued on next page ...

Page 1 of 3

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF INC, (NON PROFIT)

BLOCKCHAIN TECHNOLOGY RESEARCH INNOVATIONS CORPORATION
0450196475

FORKED RIVER, NEW JERSEY 08731-5105

12. Incorporators:

BENJAMIN F. BEIDEMAN
215 NANTUCKET ROAD
FORKED RIVER, NEW JERSEY 08731-5105

JUSTIN S. BEIDEMAN
215 NANTUCKET ROAD
FORKED RIVER, NEW JERSEY 08731-5105

TERRI L. BEIDEMAN
215 NANTUCKET ROAD
FORKED RIVER, NEW JERSEY 08731-5105

13. Main Business Address:

1000 BENNETT BOULEVARD
SUITE 8
LAKEWOOD, NEW JERSEY 08701-5944

Additional Articles/Provisions:

14. NO CAPITAL STOCK SHALL EVER BE ISSUED, NO DIVIDENDS SHALL EVER BE PAID, AND THE CORPORATION SHALL BE OPERATED EXCLUSIVELY ON A NON PROFIT BASIS IN FURTHERANCE OF ITS CORPORATE PURPOSE. ANY SURPLUS SHALL BE USED TO FURTHER SUCH PURPOSE.
15. NO PART OF THE NET EARNINGS OF THE CORPORATION SHALL INURE TO THE BENEFIT OF, OR BE DISTRIBUTABLE TO, ITS MEMBERS, TRUSTEES, DIRECTORS, OFFICERS, OR ANY OTHER PRIVATE PERSONS, EXCEPT THAT THE CORPORATION SHALL BE AUTHORIZED AND EMPOWERED TO PAY REASONABLE COMPENSATION FOR SERVICES RENDERED. NO MEMBER, TRUSTEE, DIRECTOR, OR OFFICER SHALL BE ENTITLED TO SHARE IN THE DISTRIBUTION OF ANY REMAINING ASSETS OF THE CORPORATION UPON THE DISSOLUTION OF THE CORPORATION.
16. NOTWITHSTANDING ANY OTHER PROVISION OF THESE ARTICLES, THE CORPORATION SHALL NOT CARRY ON ANY OTHER ACTIVITIES NOT PERMITTED TO BE CARRIED ON (A) BY A CORPORATION EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(C)(3) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986 (OR THE CORRESPONDING PROVISION OF ANY FUTURE UNITED STATES INTERNAL REVENUE LAW), OR (B) BY A CORPORATION CONTRIBUTIONS TO WHICH ARE DEDUCTIBLE UNDER SECTION 170(C)(2) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986 (OR THE CORRESPONDING PROVISION OF ANY FUTURE UNITED STATES INTERNAL REVENUE LAW).
17. NO SUBSTANTIAL PART OF THE CORPORATION SHALL BE THE CARRYING ON OF PROPAGANDA, OR OTHERWISE ATTEMPTING TO INFLUENCE LEGISLATION, AND THE CORPORATION SHALL NOT PARTICIPATE IN, OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTION OF STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF OR IN OPPOSITION TO ANY CANDIDATE FOR PUBLIC OFFICE, EXCEPT AS OTHERWISE PROVIDED BY SECTION 501(H) OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986 (OR THE CORRESPONDING PROVISION OF ANY FUTURE UNITED STATES INTERNAL REVENUE LAW).

Signatures:

BENJAMIN F. BEIDEMAN
INCORPORATOR

Continued on next page ...

Page 2 of 3

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES

CERTIFICATE OF INC, (NON PROFIT)

BLOCKCHAIN TECHNOLOGY RESEARCH INNOVATIONS CORPORATION
0450196475

JUSTIN S. BEIDEMAN
INCORPORATOR

TERRI L. BEIDEMAN
INCORPORATOR



Certificate Number : 4039294681

Verify this certificate online at

https://www1.state.nj.us/TYTR_StandingCert/ISP/Verify_Cert.jsp

*IN TESTIMONY WHEREOF, I have
hereunto set my hand and
affixed my Official Seal
30th day of August, 2017*

A handwritten signature in black ink, appearing to read "Ford M. Scudder".

*Ford M. Scudder
State Treasurer*

IRS Letter Determining 501(c)(3) Public Charity Status

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **SEP 11 2017**

BLOCKCHAIN TECHNOLOGY RESEARCH
INNOVATIONS CORPORATION
1000 BENNETT BLVD STE 8
LAKEWOOD, NJ 08701-5944

Employer Identification Number:
82-2643142
DLN:
26053644002897
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
August 30, 2017
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 947

BLOCKCHAIN TECHNOLOGY RESEARCH

Sincerely,

A handwritten signature in black ink that reads "Stephen A. Martin". The signature is written in a cursive style with a large initial 'S'.

Director, Exempt Organizations
Rulings and Agreements

Letter 947