

FamilyPoints Whitepaper

Smart Buying for Smart Parents

A scalable blockchain-based platform which enables parents to get up to 40% rewards from purchases of Baby and Maternity products and spend it on child education and other services.

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1. Executive Summary

Smart Buying for Smart Parents

The global market for parenting is worth **US\$889 billion**, while education services are valued at a staggering **\$5 trillion**. In one of the biggest parenting markets of the world, China, we see huge potential: **20 million** babies are born each year and the nation is home to **234 million** children aged 0-14. Moreover, **41%** of Chinese families are planning on having a second child. In the world's most populous nation, the value of the market for non-kindergarten education services will reach a predicted **US\$15.3 billion** by 2020.

Globally, parents face a series of problems when it comes to buying safe products for their children or choosing the right parenting and education services at reasonable prices.

The first issue is **price.** Up to **60%** of the price of a children's product is attributable to marketing and promotion costs. Brands want to charge a premium, distributors add their commission, and e-commerce sites and retailers want to recoup promotion costs. They all trade on the fact that parents are prepared to pay more for safe products if they can afford them. <u>45%</u> of Chinese moms and dads state cost as **the deciding factor for not having a second child.**

The second is **trust.** China frequently makes the news for producing fake and dangerous products, ranging from milk powder to toxic paint on toys. This is exacerbated by fake reviews and comments, which prevents parents from reliably assessing product safety and quality or the quality of parenting services like education. In fact, parents have become so skeptical that <u>68%</u> reported that they refuse to buy children's products online. Honest and high-quality manufacturers and service providers are punished because the default position of parents is distrust.

We don't think this is fair or appropriate. So we have used our knowledge of the Chinese market, our experience in the parenting sector, our connections with major manufacturers of baby products, and our established subscriber base of 1.5 million users to create FamilyPoints - a platform that brings parents, experts, manufacturers, and service providers together.

FamilyPoints is a scalable platform which uses blockchain ledgers as the foundation to support the three pillars of our Company's principles: economic value, integrity, and education. Using transparent ledgers which can be seen by anyone and which cannot be tampered with, we provide parents with a system that guarantees peace of mind. Not only are parents able to earn up to 40% rewards from purchases of Baby and Maternity products within the FamilyPoints ecosystem, but they can spend it on a variety of services through the platform, especially on child education services. With a fully transparent ecosystem, parents can also trust that the reviews they see for products and service providers are completely honest.



FamilyPoints is the first platform of its kind to be based on blockchain, a new technology which offers the FamilyPoints community a secure and transparent platform for transactions, referral programs, rewards, reviews, and education services.

By cutting out the middleman, we can provide rewards which have real-world economic value to parents. We work directly with selected producers and brands, eliminate all unnecessary markups, and pass the savings on to parents. For parents who make a purchase, the rewards they receive can vary from between **5%** to **40%** of the cost of purchase.

Parents can spend their rewards on the FamilyPoints platform to buy different kinds of services, from access to educational videos, to classes, and even insurance or family holidays which are focused on children and parents. Parents may even have the option to convert their rewards to cash in the future. The platform currently offers educational services that include online courses, live consultations with experts (beta version), access to the biggest parenting library in the world with 1,150 educational videos, webinars, and booking for offline classes centers. For customers, this means that FamilyPoints can also provide educational services and satisfy the needs of parents and children.

We encourage customers to post content and provide feedback about the products and services we offer on FamilyPoints. Other users can then upvote helpful content and reviews with points (similar to Steem.it's service). Not only does this create a sense of community, but it also lets honest reviews do the marketing rather than paid promotions.

Community referrals will be the main fuel powering the growth of the FamilyPoints platform. Our 1.5 million-strong subscriber base from Babystep.tv and key opinion leaders in the maternity and baby community will become the early adopters and ambassadors of the FamilyPoints platform. As with the Partner Program for service providers, each user has a rewards incentive to invite others to join the community.

Home to a community of **1.5 million moms and dads**, the FamilyPoints platform is a very attractive proposition for manufacturers and service providers who wish to attract new customers and sell their services on the platform. Our Referrals Program is designed to attract third-party services to the platform, giving service providers access to new customers. We also give rewards to third parties who invite their existing customers to our platform. As transactions and rewards are based on the blockchain and are therefore publicly visible, complete transparency is assured.

By providing a secure solution which ensures that parents buy safe products for their children through the platform, Babystep is poised to access the potential of China's huge market and before expanding globally.



2. Babystep

Founded in the US in 2015, <u>Babystep</u> marked its entry into the maternity and baby market by developing a portal where new parents could learn parenting techniques based on science and proven facts, rather than techniques based on legend or culture.

In early 2015, the Sattva Foundation, a Swiss-based fund, invested US\$3 million to create an online education platform for parents. We felt that while there was extensive research about childhood development, few had access to that research, especially in one place. Babystep wanted to make that research available to parents in a format that is simple, easy to access, and practical. The content was produced and filmed in Los Angeles, with the help of our rapidly expanding international network of over 100 leading parenting experts. Our offerings resonated with parents and Babystep now has the largest video library of educational parenting content in the world with more than **1,150 videos localized into 8 languages.**

In May 2015, Babystep.tv won the G-Startup award in China, placing us alongside giants like Didi Chuxing, who won it in 2012. We've since established strategic partnerships with several major platforms, including YouKu (优酷), BabyTree (宝宝树), Ibeiliao (贝聊), Toutiao (今日头条), Baobaozhidao (百度宝宝知道), and Iqiyi (爱奇艺).

In 2016, Babystep R&D started developing furniture for 1–6-year old children. We identified a gap in the market when our experts couldn't find any suitable furniture while we were producing our videos. Soon after, our research and development team came up with 12 furniture items for fully equipping a child's room. In September 2016, we started testing the furniture in kindergartens in Europe and the US.

At the end of 2016, the Babystep.tv team began developing the Babystep.tv mobile platform to bring psychologists, teachers, and parenting coaches together on a single platform, letting parents easily find and contact the right expert for their needs.

By June 2017, we had developed more than 200 prototypes and trials in kindergartens. We then decided to test our furniture in China in collaboration with various partners, including **iBeiliao**, a kindergarten content platform with more than 20,000 kindergartens in its network; **Milaiweilai**, a Beijing Montessori Kindergarten; and others.

In July 2017, the Babystep China team started laying the foundation for retailing our furniture in China and building our e-commerce presence on <u>Taobao</u>, <u>Xiaohongshu</u> (小红书), and <u>Yidoutang</u>. Entering the e-commerce space, however, revealed a multitude of industry problems and inefficiencies in China's maternity and baby market which brought Babystep team to formation of FamilyPoints concept.

In August 2017 we launched the beta version of our **Babystep.tv Expert** application and received more than 6000 profile requests from different child development fields and countries. In the following month, we launched the 2nd Babystep.tv Expert platform at **MommyCon in Orlando**.



In September 2017, Babystep.tv received **15 million** organic views and we reached the milestone of **1.5 million subscribers** on our channels.

The company has expanded its presence internationally and has offices in Beijing, Los Angeles, Moscow, and Bangalore. The company is building the **FamilyPoints** platform to offer more services, help grow the business, and expand to additional markets. Based on our experience with Babystep.tv in the parenting sector, knowledge of the Chinese market, support of our subscriber base, and the power of blockchain technology, we have decided to develop the FamilyPoints platform.

3. Our Team

The FamilyPoints Platform team has more than 40 years of combined experience in various fields, including education for parents, e-commerce and distribution, production and manufacturing, community commerce management, web platforms and blockchain, and video content production and distribution. Our team members have worked with some of the largest and most prestigious organisations including Alibaba and Houzz. Our Lead Expert, for example, runs one of the biggest Montessori school chains in the United States. We have made sure that our team is comprised of experienced and highly motivated individuals who all share a common goal - creating value for parents.



3.1. Management Team



Ainar Abdrahmanov

CEO & Founder

As a typical millennial entrepreneur, Ainar faced parenting problems the moment his son was born. He decided then and there to create a company that would provide parents with the greatest of benefits. Ainar has previously owned and operated a chain of kindergartens and has worked in other industries such as gaming and retail. He was the Head of Mobile for Pixonic, which was sold for \$30 million. Ainar is a father of one.



Aloysius Kee

Chief e-Commerce Officer

Aloysius has over 15 years of experience in the baby and juvenile products industry. He has specialized in distribution and sales in the Asian continent. Aloysius has built various companies such as Nosh, an organic baby food producer, Greentom, a manufacturer of 100% eco-friendly strollers, and Antnez.com, a specialty warehousing company. Aloysius is a father of four.



Shaoming Yang

Chief Business Development Officer, ExVice GM TMall

Shaoming founded the first parenting e-commerce website in China and has been working in the e-commerce industry for more than 10 years. Before joining FamilyPoints, Shaoming was a senior manager in the Alibaba Group. Now, Shaoming is focused on platform strategy and e-commerce service providers. Shaoming is a father of two.



Dmitriy Lezhnev

Chief Technology Officer



Ana Rivas

Lead Expert and Chief Methodology Officer



Yan Fisher

Head of Production





<u>Jinwei Li</u> E-commerce Project Manager



Ivan Solovyev
Country Director, China



James Jeong
Business Development Manager



Sonia Sharma
Business Development Manager,
India



Filipp Panfilov
Product Owner, Babystep.expert



<u>Svetlana Kolesnikova</u> Director, Administration



Oksana Abdrahmanova Product R&D Manager



Denis Makkaveev
General Manager



3.2. Advisory Board



Mikhail Konoplev

Member, Advisory Board

Head of International

Development, houzz.com



Artem Tolkachev

Member, Advisory Board

Head of Legal for Tech Group at

Deloitte CIS



Youngyuan Li Member, Advisory Board Associate of Yingke Law Firm



Kenneth Oh

Member, Advisory Board

Senior Partner at Dentons Rodyk



Leonard Grayver
Member, Advisory Board
Partner at Greenberg
Whitcombe Takeuchi Gibson &
Grayver LLP



Dr. Paul Hampton

Member, Advisory Board

Head of Department - Built

Environment, University of

Wolverhampton



Ken Huang Member, Advisory Board VP Blockchain at Huawei



3.3. Token Generation Event Advisors



Denis Grodetskiy
Member, Token Advisory Board
Managing Partner at Group 5
Advisory



Bunty Agarwal
Member, Token Advisory Board
Managing Partner at Group 5
Advisory

3.4. Corporate Partners



















4. Market Overview

By 2015, the global parenting market was worth almost **US\$900 billion**, while education services were valued at a staggering **\$5 trillion**. The factors below testify to the potential of the FamilyPoints platform for being launched in the Chinese market before anywhere else.

• The education industry will be worth 100.8 billion yuan (US\$15.3 billion)

According to the China Early Child Education Market Report 2016, the market volume for early child education services other than kindergarten services almost doubled over five years, from **28.8 billion** yuan (US\$4.5 billion) in 2011 to 50 billion yuan (US\$7.8 billion) in 2016. Industry forecasts predict that the intense growth will continue and hit **100.8 billion** yuan (US\$15.75 billion) by 2020.

20 million children are born per year

According to China Demographics, there are currently **234 million** children aged 0-14 and more than 20 million babies are born each year in China.

• Fake products are a huge problem

According to the Chinese Family Parenting Report 2016, up to <u>68%</u> of Internet users refused to shop online in 2016 because of fake products.

Parenting is too expensive

The new two-child policy means that <u>41%</u> of Chinese families are planning a second child, representing the huge potential for the maternity and baby market in China. However, <u>45%</u> of families don't want to have a second child due to the heavy financial burden.

4.1. Parenting Problems

Parenting is a joy, but it is a tremendous financial responsibility. Products for children are notoriously expensive thanks to unjustifiable markups. Brands want to charge a premium, distributors add their commissions, and e-commerce sites and retailers want to recoup promotion costs. In fact, these hidden extras can account for up to 60% of a product's retail price. Because parents are the ones who feel the hit in the pocket, it is easy to see why 46% of Chinese moms and dads state cost as the deciding factor for not having a second child.

Exploiting parents desire to buy the best and safest products for their child, companies tend to overcharge significantly. Exacerbating this trend is the fact that the Cost of Acquisition of a Customer (CAC) is growing in all industries. Acquiring just one new customer in the B2C space can cost between US\$10 and US\$90. In the lucrative maternity and baby industry, high margins increase competition, driving CAC up and increasing the costs that are then passed down to consumers.



Equally, retail markets and e-commerce platforms profit from charging sales commission and promotional fees. The number of newcomers and level of competition encourages these platform providers to increase fees. With product markups typically ranging between 30% and 60%, the increasing costs are then transferred to parents. Parents may be willing to pay more for safe products, but knowing where a product comes from, what it's made of, and that it's safe should not be a luxury or something for which a retailer can charge a premium.

4.2. Fake Reviews and Comments

The fastest and cheapest way for a brand to promote products on social media is by posting fake reviews and buying fake comments, both of which are highly pervasive in China. Thus, over two-thirds of consumers refused to shop online in 2016. This is mostly because they have no access to reliable assessments of products and have little faith that a company is selling safe and genuine goods.

4.3. Early Education Services are Booming

According to the China Early Child Education Market Report 2016, the market volume for early education services excluding kindergarten services has almost doubled in five years, from **28.8 billion** yuan (US\$4.5 billion) in 2011 to 50 billion yuan (US\$7.8 billion) in 2016. This is set to rise to **100.8 billion** yuan (US\$15.75 billion) in 2020.

Our research suggests that education services will follow the same path as the market for parenting products. The more intense competition between market players will push them to follow the same approach: high margins and fake reviews.

4.4. Inefficiencies in the Market

Some high-quality manufacturers can only make single SKU sales. For example, they can only sell one stroller to a single family. That means they need to cover all their overhead expenses from a single SKU sale, rather than generating profits from multiple purchases.

Another source of inefficiency is the high number of middlemen involved in any given transaction: e-commerce platforms, marketing agencies, distributors (global, regional, and local), and traffic providers (such as bloggers and key opinion leaders). These systems and processes are ingrained in the retail chain and are hard to break free. It is one of the main reasons why manufacturers rarely sell directly to consumers.



Technology has the ability to provide a solution for this problem. Companies like Uber, Didi Chuxing, WeChat, Houzz, and Dollar Shave Club (DSC) are disrupting industry after industry with technologies like blockchain, cloud, big data, Internet of Things (IoT), and artificial intelligence (AI).

Launched in 2012, the online razor vendor, Dollar Shave Club, entered the US market. At the time, the industry was dominated by Gillette's 72% market share. DSC started undercutting major players like Gillette and Schick by offering high-quality blades directly to consumers at a fraction of the price. A single video went viral and attracted DSC's first 12,000 customers. By 2016, DSC was the number one online razor company, with a 51% market share, compared with Gillette's 21.2%. This year, DSC is forecast to generate US\$250 million in revenue. However, not all product manufacturers and service providers are using technology to realize the monetary value of digital transformation. The parenting sector, for example, has remained relatively untouched by innovation or disruption.

To help parents afford early education, access inexpensive and reliable maternity and baby products, and bring high-quality products to parents, the FamilyPoints platform is designed to tackle many of inefficiencies that plague the parenting sector.

5. FamilyPoints

Based on our extensive experience in one of the largest parenting markets in the world, China, underpinned by a team with experience in parenting education, and with industry disruptors like Alibaba, Houzz, and numerous other manufacturing experts, the FamilyPoints platform aims to reinvent the parenting industry and transform market inefficiencies into advantages for parents.

FamilyPoints is being created to tackle multiple problems in the traditional maternity and baby industry as it exists today. The entire ecosystem is built around three core values which fundamentally undermine the problems parents face today.

First, the platform allows users to earn substantial rewards and savings while purchasing the goods and services that are essential in providing good quality childcare. By working directly with selected producers and brands, we eliminate the price of marketing and product discovery and return those costs as rewards to platform users in the form of FamilyPoints points.

Second, the platform's integration with blockchain is absolutely vital in establishing a system of trust. Parents around the world, especially those who are first time parents, use multiple sources of information when it comes to products and services that their babies need. A recent problem with information, however, is that there is no clear way to trust it. This is a huge problem because no one wants to risk putting their child in harm's way due to false information. By using blockchain technology, FamilyPoints solves a



core problem in the industry. Reviews of products and services on the platform are truly independent, verifiable by thousands of other sources, and, most importantly, cannot be influenced or tampered with by a third party.

The blockchain ledger that FamilyPoints is creating will eventually become the foundation against which all products and services will be judged. This technology can be scaled across industries so that trust can be established in any system. Manufacturers and service providers will have a higher hurdle to clear and will no longer be able to mislead consumers around the world, a problem that is becoming increasingly pervasive in this day and age.

Finally, the platform leverages the rewards a customer can earn and a system which ultimately promotes the best products and services to provide parents with a positive educational impact. The platform helps parents with their educational needs in two ways: through a decreased budget requirement because of the rewards structure, and through greater choices in education through the various services that the platform provides.

Our ecosystem turns the high markup model on its head by giving back the cost savings we create to end users and providing an environment where those users have the ability to invest in the education of their children.

5.1. Ecosystem Overview

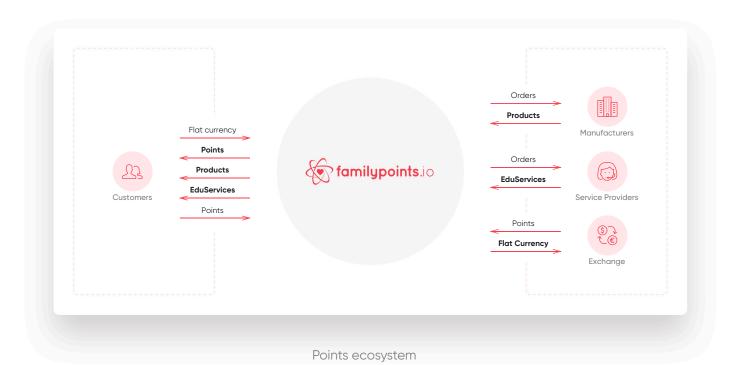
FamilyPoints is the first scalable, blockchain-controlled platform where parents can buy baby and maternity products and get points to spend within the platform. Services include expert consultations, educational video content, language lessons, babysitter services, and more. Over time, the platform will grow to include services such as banking, insurance, and travel and leisure.

To participate, a user creates an account on the FamilyPoints platform. During registration, the system creates a user profile and an individualized wallet that preserves all customer data in a decentralized database, stores the user's points, and enables interaction with other parties.



5.2. Participants

The FamilyPoints ecosystem will involve the following participants, as shown below:

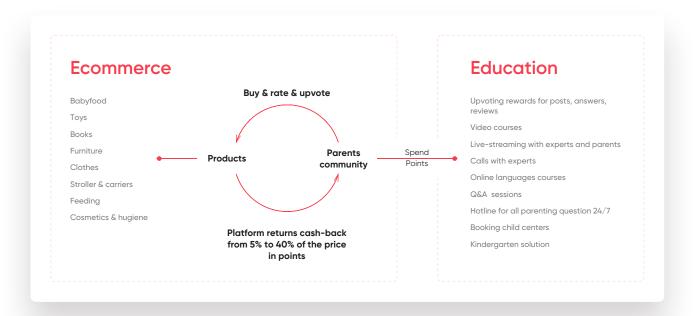


Participants	Demand/Interest	Points Usage
Customers (Parents and Shoppers)	 Buy parenting products; Consume educational services; Consume community reviews; Enter reviews, stories, and other user-generated content 	 Receive points from purchases, upvotes, and new customer invites; Spend points on educational services or upvotes; Save and redeem points
Expert Consultants	Sell their services;Increase sales;Monetise their clients' rewards	 Purchase points for joining Referrals Program; Receive points from customers; Save and redeem points
Service Providers	Sell their services;Increase sales;Monetise their clients' rewards	 Purchase points for joining Referrals Program; Receive points from customers; Save and redeem points
Merchants and Manufacturers (Brands)	 Produce and sell products to FamilyPoints; Looking for stable production demand 	 Purchase points for joining Referrals Program; Receive points from customers; Save and redeem points



5.3. System Overview

The FamilyPoints platform is a website where customers can buy Mother and Baby products and earn and spend points. Points come to customers from purchases or as rewards based on customer activity within the platform: leaving content or receiving upvotes for his content for example. Customers can spend their points within the platform by purchasing Platform education services and upvoting for other customers product reviews.

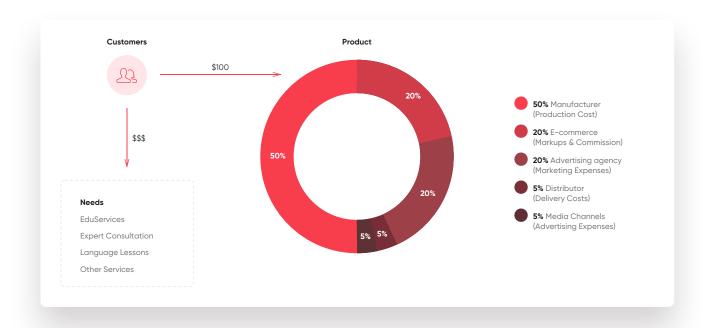


FamilyPoints Platform

The first stage of shopping in both the traditional and FamilyPoints scenarios are the same: the customer logs onto a platform to purchase a product, for example, a toy, by browsing different categories, brands, reviews, and ratings.



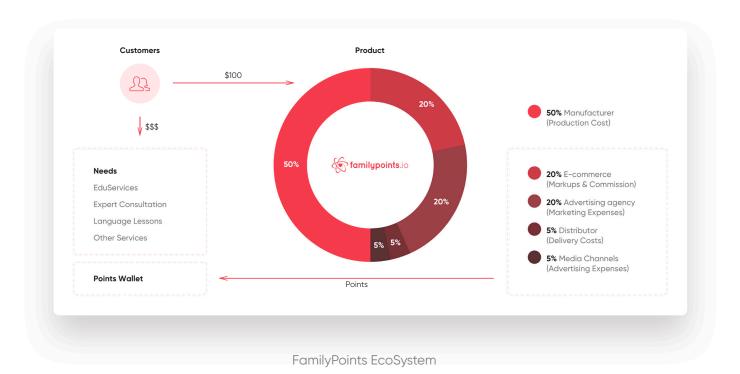
The next step in the purchase process for current parenting platform is shown below:



Current Parenting EcoSystem

Once the product is selected, the customer pays US\$100 and the product is sent out. It is important to highlight that up to **50%** of the price of a Baby and Maternity product is attributable to marketing and promotion costs. All these costs are normally passed on to the customers.

But for the same product, FamilyPoints provides the customer with greater value for this product. The platform shows customers both the product price (US\$100) and the reward that is available in points once the transaction is completed, as shown below:





Accumulated points can be spent on services like online courses, live-streaming consultations with parenting experts, or English classes – benefits that are otherwise unavailable under the traditional retail model.

5.4. Collecting Points

FamilyPoints provides reward points by eliminating high product margins. However, unlike most reward systems on other platforms, FamilyPoints gives back between 5% and 40% of the product price through reward points. There are multiple ways to earn and collect points within the FamilyPoints ecosystem.

5.4.1. As Rewards from a Purchase

The number of points that can be earned on any purchase is shown next to the product price. The maximum number of points offered as a reward (Total Available Reward – TAR) depends on two factors:

- 1. Manufacturing cost of the product and the price at which it is sold on the platform.
- 2. Whether the product is a Babystep brand or a third-party brand.

Generally, products with greater margins offer customers with greater rewards. These factors directly influence the Cost of Sale. TAR can be calculated as follows:

Total Available Reward = Price - Cost of Sale

The actual amount of TAR is specific to each customer. If a customer has referred a large number of users to the platform, that customer is eligible to earn a higher TAR.

For example, imagine a stroller priced at 1,000 yuan. The stroller is FamilyPoints branded and the cost of sale is 600 yuan. This means that the total available reward is 1000 - 600 = 400 yuan worth of points. The base reward for all customers is 25% of TAR, or 100 yuan. Each additional user that the customer refers and brings into the FamilyPoints platform, is worth an additional 5% in rewards of any purchase. This is tracked in a user's profile using the blockchain, which provides full transparency and prevents any issue of doubt. In this scenario, if the customer refers 15 people to the platform, he/she earns the full 400 yuan.

The points are released to the customer when she has rated the product purchased. Additional points may be granted from community upvotes for a review, if she chooses to leave one.



Referral Program	Reward (%)	Value (Yuan)	
Base Reward	25%	100	
Per additional referral	5%	20	

FamilyPoints continues to provide incentives even for those customers who have exceeded 15 referrals. Once a customer has surpassed 15 referrals to the platform, he/she earns 1% of all rewards those additional users earn.

For example, assume that a customer refers 22 people to the FamilyPoints platform. The customer now earns the full TAR on any purchase made. Additionally, the customer also earns 1% of all reward points that the 7 "extra" users generate for themselves. So if those 7 new users earn 1,000 yuan worth of points, the original customer also earns an additional 10 yuan. Our blockchain ledger keeps a transparent record of all transactions and affiliate programs so that referrals are always maintained within the platform. This ensures that the original customer will always get the 1% bonus points.

5.4.2. As Incentives for Experience Ratings and/or Product Reviews

Reviews and ratings are a fundamental feature of the platform. There are two ways customers can give feedback on products and collect points:

- 1. **Experience Ratings.** This is a simple rating based on a 1 to 5 star scale. Experience ratings are meant to be provided a short time after product delivery, with rating categories covering multiple quality indicators such as materials and design.
- 2. **Reviews.** Reviews are comprehensive posts utilizing text, images, and videos. They detail the pros and cons of a particular product and provide greater feedback than would otherwise be found on promotional material. Reviews are visible and can be upvoted by other users on the platform. Upvoted reviews earn additional points on the basis of the number of upvotes.

FamilyPoints encourages customers to leave experience ratings after using a product for a short time. When a purchase is made, the customer receives 50% of the reward points amount. The other 50% is available only after the customer provides an experience rating. The system asks the customer to leave a rating one week after buying the product so the buyer can give an informed review.

Product safety is powered by blockchain technology in which honest feedback is given from real customers rather than paid promotions or fake reviews by brands. Since brands cannot directly communicate with parents on the platform, parents are protected from being pressured or influenced by brands to give positive reviews.



5.4.3. As Rewards for Being a Product Tester

The platform provides test centers with the opportunity to earn points by testing products and posting reviews of products. Upvoted reviews will award additional points to the test centre. This incentivizes even the largest of testing companies to provide deep and thorough analyses of the products they test on the platform. With more upvotes, the test centers can increase their credibility and garner a good reputation for reviews.

5.5. Spending Points

All educational services are available for purchase in the FamilyPoints platform by using fiat currency and/or reward points.

5.5.1. Educational Content

Video courses about parenting will be available on the platform from in-house and third party content providers that meet the standards set by Babystep. Babystep's library is already live and has a catalog of over 1,150 videos in 8 different languages.

5.5.2. Consulting with Experts

Parents can search for and directly speak with parenting experts on FamilyPoints to ask any questions that they may have. Experts, who meet standards set by Babystep, can set up a profile, connect their calendar, make video calls, and accept payments through the platform. Experts are asked to provide the first 10 minutes of the first call with a new customer for free.

Our beta version can be found here.

5.5.3. Live Streaming

FamilyPoints will have live streaming capabilities so experts and language teachers can run free and paid webinars and classes for parents and children. Experts and teachers will be able to promote, run, and accept payments for webinars through the platform.



5.5.4. Early Education Centers

FamilyPoints provides a list of early education centers that meet FamilyPoints's standards. Parents can give ratings and reviews only after using a service of a given center. If an education center wants a closer partnership and greater visibility on the platform, it has the option to receive payments on the platform in points. Education centers will be asked to give certain free trials of their services to customers, who will then write the first reviews and ideally promote the centers.

5.5.5. Future Options

FamilyPoints has a strategic milestone and development plan. We will deliver new and innovative features and enable all users to utilize those features. Our goal will be to continue to find and offer additional services so users will be able to earn and spend reward points in unique ways, thereby gaining real value from accessing and using the FamilyPoints platform. For more details, please refer to the Roadmap and Milestones sections.

5.6. Acquiring New Users & Customers

The FamilyPoints platform is a very attractive proposition for service providers who wish to attract new customers. The intense competition in the education services market is becoming more evident. There are around 11,400 early education centers in premieretier cities of China alone. Additionally, the fact that the FamilyPoints platform is already home to a community of 1.5 million moms and dads provides a huge user base for service providers to try to acquire new business.

5.6.1. Customer Referrals

FamilyPoints provides incentives for each customer to invite others to the platform. By inviting other users to the platform, a customer upgrades his profile and earns higher rewards for actions within the platform. The customer referral program is designed with incentives so that a greater number of users join the platform, making the pool of potential customers much more attractive to service providers. Once a customer invites a new user into the platform, that information is stored on the blockchain to ensure that the new user is always connected to the customer as a referral.



5.6.2. Third Party Referral Program

Vendors sell products, services, or content to their existing customers and are constantly looking for new ways to monetize their customer database. Most of the huge number of referral programs have insurmountable barriers to participation, the major one being lack of trust due to poor transparency in affiliate platforms. Participants cannot reliably judge income generated by the referrals they've given.

Using the blockchain allows for the FamilyPoints Referral Program to have open access to the logs of each action a referral completes on the affiliate program. This makes the revenue stream for each referrer completely transparent. Because blockchain technology and smart contracts are completely public, users have no way of cheating each other because all transactions will be stored and visible for anyone to see. With this in place, we expect service providers will be open to sharing their existing customer base with the platform and invite them to join the ecosystem.

5.7. Partners

FamilyPoints has finalized direct agreements with a number of services, infrastructure providers, and manufacturers, including multinational parenting brands, to support the FamilyPoints platform. Their participation with the platform ensures the success of the platform during the initial stages of development.

#	Partner Brand	Description	Cooperation Details
1	Babyhaven USA Babyhaven China E-commerce	Baby and Maternity products oriented e-commerce website which sells its products in USA and cross border into China. They have 14,000 SKU, 2 warehouses, and US\$51M turnover in 2016.	Ready inventory with 14,000 SKUs, software and operational infrastructure to integrate into FamilyPoints platform; confirmed reward points acceptance and usage terms.
2	Meinkind Baby (Fujian Meinkind Baby Products Co.Ltd. listed company in China) Manufacturer	Meinkind Baby is a professional baby and juvenile products manufacturer. Company has wide product range including child travel systems, smart toys, baby care and bath products. Products are already sold in Asia, Europe, and South America. They produce 600,000 car seats annually.	Sales and distribution of Meinkind Baby products at FamilyPoints platform; confirmed reward points acceptance and usage terms.



3	EduToys Manufacturer	Established in1987, Nu Look IPI Enterprises Ltd. is one of the biggest producers of educational and scientific toys. The company is an OEM for Wal-mart, Toys R us, and other major retailers of Europe and the Americas.	Sales and distribution of EduToys products at FamilyPoints platform; confirmed reward points acceptance and usage terms.
4	Nosh Manufacturer	Nosh produces USDA and EcoCert compliant organic baby food products which are sold in 5,000 stores across US and 12 other Asian and European countries.	Sales and distribution of Nosh products at FamilyPoints platform; confirmed reward points acceptance and usage terms.
5	Greentom Manufacturer	Greentom creates smart, functional, and sustainable strollers which are produced from fully recycled PP. Greentom has recognitions by Reddot Award 2016, EcoExcellence Award 2016, and Design Intelligence Award 2017. Greetom strollers are sold in Europe and US markets.	Sales and distribution of Greentom products at FamilyPoints platform; confirmed reward points acceptance and usage terms.
6	Airayi Service provider	Xian China is a government acknowledged Babysitter service provider, babysitter education, and certification provider.	Service agreement.
7	Magee - 湖南金鹰卡通有 限公司 Brand Owner	Hunan Radio and Television Channel is among the most viewed channels in China. They also own Magee – an artificial intelligence enabled robot for child entertainment.	Sales and distribution of Magee products at FamilyPoints platform; confirmed reward points acceptance and usage terms.
8	Antnez Infrastructure and service provider	Antnez is an international logistics and fulfillment company that connects Europe and USA with China and Southeast Asia. With a 58,000 sq. ft. warehouse in Los Angeles and a 25,000 sq. ft. warehouse in Singapore, as well as a state-of-the-art WMS and TMO, Antnez offers an efficient and high-quality direct delivery service to and from China and Southeast Asia.	Service agreement.



9	UPS Delivery service provider	UPS is the world's largest package delivery company and a leading global provider of specialized transportation and logistics services operating in more than 200 countries.	Service agreement.
10	<u>Deppon</u> (德邦) Delivery service provider	Deppon is a specialty and express delivery company which covers 34 provinces of China with transfer centers that have a total area of over 1.2 million square meters.	Service agreement.
11	SF Express (SF Express (Group) Co., Ltd.) Delivery service provider	SF Express is a Chinese delivery services company based in Shenzhen, Guangdong, China. It is the second largest courier in China after China Post and it provides domestic and international express delivery solutions to a wide array of customers and businesses.	Service agreement.

5.8. Development Roadmap

Babystep's development roadmap involves many different components, such as signing partnerships, installing operational infrastructure, developing technology, testing products, launching marketing initiatives, and entering new markets.

#	Stage of Development	Deadline	Status
1	FamilyPoints concept created.	July 2017	Done
2	Juridical and business infrastructure preparation.	August 2017	Done
3	Agreements with Producers and to provide 14,000 items of Mother & Baby products signed.	August 2017	Done
4	Agreements with third party service providers for 2,100 Kid & Parent education services confirmed.	September 2017	Done
5	Infrastructure for e-commerce operation created: warehouses Shenzhen, Tianjin, Singapore; delivery operator.	October 2017	Done
6	Strategic cooperation with NEM Foundation.	December 2017	Done



7	Development of FamilyPoints platform.	November-March 2018	In process
8	FamilyPoints token sale event.	February-March 2018	Planned
9	Launch of alpha-version of FamilyPoints (limited audience).	March 2018	Planned
10	Launch of beta-version of FamilyPoints (wide audience).	April 2018	Planned
11	FamilyPoints commercial launch (public for everyone in China).	June 2018	Planned
12	FamilyPoints commercial launch in United States	December 2018	Planned

6. FamilyPoints Token

6.1. FPT Token Generation Structure

FamilyPoints's Token Generation Event (TGE) is designed with a clear and transparent structure. The TGE will be done through a proprietary wallet which is secured with two-factor (2FA) authentication. The entire TGE is scheduled to take place over four weeks. However, there will be a short, closed pre-sale held prior to the TGE.

Token Name	FamilyPoints Token
Ticker Symbol	FPT
Token Supply	500,000,000 (Five Hundred Million Tokens)
Adjustable Supply?	No. Any unsold or unallocated tokens will be burned.
Initial Rate	USD 0.10 (Ten US Cents)
Minimum Raise	USD 3,000,000 (Three Million US Dollars). If minimum raise isn't achieved, all collected funds will be returned to participants.
Target Raise (capped)	USD 25,000,000 (Twenty Five Million US Dollars)
Token Distribution	
Investors	325,000,000 (65%)



Bounties	7,500,000 (1.5%)
Advisors & Services	42,500,000 (8.5%)
Management Team *	125,000,000 (25%)
Date Pre-Sale Begins	21 February, 2018
Date Token Generation Event Begins	28 February, 2018
Date Token Generation Event Ends	27 March, 2018
Bonuses	
Closed Private Sale (Capped) **	30%
Pre-Sale (21 February - 27 February) ***	20%
Week 1 (28 February - 6 March)	10%
Week 2 (7-13 March)	7%
Week 3 (14-20 March)	4%
Week 4 (21-27 March)	0%
Currency Bonus ****	10%
Currencies Accepted During Token Sale	XEM, BTC, ETH, LTC, BCH, USDT, USD, EUR

^{*} The token allocation for the management team will be frozen for a period of not less than one year. Tokens will be used as mechanism to provide incentives to the existing management team as well as new managers or partners who will join the FamilyPoints' team in the future. The FamilyPoints board will ensure that blackout dates and limits are applied to the sale of tokens held by managers to prevent the market supply and price of FPT from changing dramatically.



^{**} FamilyPoints is hosting a closed private sale. This round will be limited to a select group of institutional investors and capped to a raise of \$10 million.

^{***} To participate in the pre-sale, participants must be registered on the FamilyPoints whitelist. The minimum contribution during the pre-sale is \$1,000. Users registered on the whitelist may also receive an additional 10% bonus if they participate in the TGE with XEM tokens.

^{****} Whitelisted participants may purchase FamilyPoints Tokens using XEM tokens and earn an additional 10% bonus above the Period Bonus. For example, a whitelisted participant who buys token in week 3 using XEM tokens will earn 14% total in token bonuses.

The whitelist for the FamilyPoints TGE will be open for registration from 1 February to 14 February. Only whitelisted users may participate in the pre-sale. Only whitelisted users may receive an additional bonus of 10% for purchasing FPT with XEM.

We have anticipated our development budget based on calculations derived from internal discussions with every department within the Babystep organization. We believe that this budget is aligned in accordance to our milestone and development plan. We also believe that a successful TGE raise will allow us to not only successfully complete the platform's development, but also boost the availability of the platform to multiple countries and markets.

Use of Proceeds	Amount (%)
Platform Development – Technology (Software Development, Hosting, Servers, etc.)	15%
Platform Development – Infrastructure (Inventory, Warehouse, Delivery, etc.)	35%
Operations (Processing, Testing, QA, etc.)	10%
Marketing & Sales (Promotions, PR, Events, Ambassador Program, etc.)	30%
Legal	5%
Contingency	5%

Funds allocated to the contingency fund will be set aside and saved for unexpected expenditure such as cost overruns or inventory shortages. The contingency provisions can be accounted for as additional working capital requirements that may not have been factored into the operating budget.



6.2. What is a FamilyPoints Token?

FamilyPoints is offering the FamilyPoints Token (FPT) in its token generation event. FPT is an ERC20 compliant token which can be traded on cryptocurrency exchanges and stored in Ethereum-compatible wallets.

FPT tokens are discount tokens that can be redeemed for products and services on the FamilyPoints platform. FamilyPoints charges its users a subscription fee in order to access the platform servises. Using FPT, users can receive discounts of up to 80% on subscription fees. Additionally, users can also use FPT to purchase certain products or services with significant discounts.

6.2.1. Rights

FPT do not provide tokenholders with ownership rights, voting rights, or any other legal stake in the FamilyPoints platform or the Babystep corporation. Tokenholders are not entitled to any guaranteed form of dividend or revenue distribution.

6.2.2. Usage

Users accumulate FPT in their wallets to spend on:

- Accessing the FamilyPoints market as an individual buyer.
- 2. Accessing the FamilyPoints market as an expert consultant.
- 3. Accessing the FamilyPoints market as a service provider.
- **4.** Accessing the FamilyPoints market as a merchant.

On receipt of FPT, FamilyPoints will burn the tokens in order to limit the overall supply of FPT available in the market.



6.2.3. Adoption

We understand that the value of the platform is directly dependent on the number of daily active users and the number of service providers available within the platform. FamilyPoint's Referral Program is designed to maximize both the number of users and the number of service providers.

- **1.** A user who invites friends will increase their base reward amount. For more information, please refer to Section *5.4.1* As Rewards from a Purchase.
- 2. Service providers who invite their existing customers to the platform gain a percentage of rewards from the points their clients receive. For more information, please refer Section 5.6.2 Third Party Referral Program.

6.3. Milestones

FamilyPoints has built a strategic plan for its platform over the next four years. We are planning to expand our services to larger and more accessible markets such as the United States, Korea, Singapore, Indonesia, Japan, and India.

Rather than asking contributors to blindly trust that FamilyPoints will achieve its expansion plans, we have developed a transparent structure that is designed around building credibility for users and contributors alike. The proceeds of this token generation event will only be used to complete the platform and establish FamilyPoints as the one-stop source for parenting needs in Asian and Western Markets.



6.3.1. Phase 1 - Mainland Success

Amount Raised	USD 7,500,000 (Seven Million Five Hundred Thousand US Dollars)
Geographic Focus	China
Anticipated Number of Users *	1,200,000
Implementation Timeline	June 2018

^{*} This number assumes one year of the FamilyPoints platform availability in the region. The estimates shown herein are purposefully conservative and align with our financial projections below.

Expectations for this phase:

- 1. Launch of the FamilyPoints platform with a focus on business development in China.
- 2. Implement the reviews system. Users will be able to leave reviews for experts, service providers, and products within the platform. Reviews cannot be influenced or tampered with by brands or third parties. Reviewers will be able to receive upvotes from other users in the system for reviews that are especially helpful and valuable.
- 3. Implement a blockchain ranking ledger for experts and opinion leaders in the parenting industry. The system will track and store reviews of the experts to create the basis of a public ranking/rating similar to TripAdvisor or Yelp reviews. This will greatly encourage service providers to ensure that their services are always high quality. Because the reviews will be stored on the blockchain, their ratings will be transparent and will be tamper-proof.
- **4.** Implement a blockchain reviews ledger for products. The system will track and store reviews of products and create the basis of a public transparent ranking/rating system. This system will automatically filter out products which are poorly reviewed or of low quality.
- 5. Implement a blockchain affiliate and transaction ledger which stores a record of all transactions that occur within the platform. This system allows customers to always have a transparent record their transaction history within the platform. More importantly, by storing a record of all referrals within the platform, referrals are always maintained and linked to the original customer, which introduces full transparency and trust.



6.3.2. Phase 2 - Western Expansion

Amount Raised	USD 12,500,000 (Twelve Million Five Hundred Thousand US Dollars)	
Geographic Focus	China and United States	
Anticipated Number of Users *	3,200,000	
Implementation Timeline	December 2018	

^{*} This number assumes one year of the FamilyPoints platform availability in the regions. The estimates shown herein are purposefully conservative and align with our financial projections below.

Expectations for this phase:

- 1. Includes the features listed in the previous phase.
- 2. Expansion of the FamilyPoints platform with a focus on business development in the United States. FamilyPoints will take advantage of its already established business units in the United States to scale the business in the region. We will develop domestic partnerships with logistical operators to continue to provide high quality services for our customers.
- **3.** Launch of the "0 to 6" tailor-made pilot program in Shenzhen. The program offers customers with an all-in-one package of goods and services to provide care and support for a child from birth to 6 years. Packages will include service partners such as parenting experts, pediatricians, day care centers, nutritionists, learning centers, clothing, toys, etc. all in one comprehensive package for parents. On successful implementation, we will expand the service to other regions.



6.3.3. Phase 3 - Global Growth

Amount Raised	USD 25,000,000 (Twenty Five Million US Dollars)
Geographic Focus	Global
Anticipated Number of Users *	9,800,000
Implementation Timeline	June 2019

^{*} This number assumes one year of the FamilyPoints platform availability in the regions. The estimates shown herein are purposefully conservative and align with our financial projections below.

Expectations for this phase:

- 1. Includes the features listed in the previous phase.
- 2. Continued focus on business development in the Asian and Western markets. FamilyPoints will host multiple events in large cities such as Shenzhen and Los Angeles where we invite key opinion leaders in the industry to showcase our platform and present our affiliate program. FamilyPoints will also have everything ready in order to scale the platform to new markets. Before entering new markets, we will conduct due diligence, select additional partners, and define the obstacles and differences of launching our platform in the region. If we determine that we cannot deliver the same quality of service or product range, we may adjust our expansion strategy or limit our services in the particular region.
- 3. Implement global sales and logistics so the platform can send goods worldwide. We are planning on introducing global delivery features for all products and goods that are proposed by our partners. As an additional feature for our global presence, FamilyPoints may give customers the opportunity to buy and receive parenting products even if they are not in the countries where the platform is available.
- 4. Launch of the "Education Center" pilot program in Shenzhen. The program is focused on building an "ideal" education center. The center will serve as a physical test center where FamilyPoints can conduct product research and test existing products from the market. The centers can also be used to develop and test new educational methods for parents and teachers alike. We will invite teachers and directors from educational chains across China to provide training and showcase our research findings. On a successful implementation of the program, we will begin building education centers across multiple regions.



7. Financial Performance

7.1. Business Model

Babystep is planning on establishing a hybrid subscription and marketplace model for the FamilyPoints platform. All users must pay a nominal subscription fee to participate in the FamilyPoints platform servises. Subscription fees can be paid in local fiat currencies. The subscription fee goes towards platform maintenance and providing users with a unique ecosystem around the world. Users may use FPT to receive discounts of up to 80% on the cost of their subscription.

Shoppers will not only get access to a huge inventory of high quality maternity and baby products that are available at a reasonable price, but also to a platform with a fulfilling rewards program that has real financial value, a system with genuine user reviews, a huge library of educational videos, and a comprehensive list of service providers that can actually address the needs and worries of new parents everywhere. While shopping, there may be certain products or services on which users may receive discounts if they use FPT to buy them.

In addition to the subscription model, Babystep will earn money through commissions on the sales of goods and services by third party providers. Shoppers gain immediate benefits of subscribing to the FamilyPoints platform through the savings they will earn. Service providers and education centers will also appreciate the large number of customers to whom they can now directly advertise their services. Finally, retailers and manufacturers can eliminate the middleman and sell their goods directly from their factories to end users and pass on huge savings.



7.2. Financial Expectations

Platform Summary Statistics	2018	2019	2020
Individuals/Shoppers	500,000	1,500,000	5,000,000
Experts	5,000	10,000	20,000
Education Centers	7,500	15,000	35,000
Merchants	500	1,250	2,500
Babystep.tv Video Services	750,000	1,750,000	4,750,000
Total Number of Platform Subscribers	1,263,000	3,276,250	9,807,500
Total Sales	\$244,524,900	\$681,905,500	\$2,150,428,750
Gross Profits	\$80,346,000	\$199,695,000	\$575,325,000
Net Income	\$66,685,625	\$160,504,910	\$425,418,669

Based on conservative assumptions and projections, we anticipate that the platform can generate gross profits of \$80 million and climb to \$575 million by 2020. Assuming a discount rate of 5%, a \$25 million token raise implies a theoretical valuation of \$850 million by the end of 2020.

While using discounted cash flows (DCF) is generally considered the ideal method to calculate terminal value, FamilyPoints' high growth rate skews those calculations to abnormally high numbers. Since the platform's growth rate will not stabilize until the platform has matured, a process that will take at least seven years, using DCF is inadvisable. Therefore, for the purposes of calculating the terminal value after three years, we have multiplied FamilyPoints' EBITDA by a factor of 2. For e-commerce firms, we typically see multiples of around 2.62 on net income. However, even though we have an online marketplace (which typically have better margins as compared to traditional e-commerce sites) and our company will have substantial growth rates, we have taken a conservative 2x multiple for EBITDA to calculate our terminal value.



8. Conclusion

Designed for one of the largest parenting markets in the world, several factors differentiate FamilyPoints from other projects in not only China, but in the industry.

Huge market demand and great opportunity in China.

The market volume for early child education services other than kindergarten services almost doubled from 28.8 billion yuan (US\$4.5 billion) in 2011 to 50 billion yuan (US\$7.8 billion) in 2016. The market is predicted to rise to 100.8 billion yuan (US\$15.75 billion) by 2020. The market has incredible potential and will serve as a springboard to other markets around the world.

Largest growing industry that needs innovation and disruption.

A total of <u>45%</u> of parents state that the reason for not having a second child is the heavy financial burden, implying that the demand for greater value in the Baby and Maternity industry is high. The widescale adoption of the FamilyPoints ecosystem is highly probable.

Unique business experience in the market and an expert core team.

The team behind FamilyPoints has over 40 years of combined experience in education, community work, e-commerce, manufacturing, and blockchain technologies. We have deep market insights that others simply do not have. With verified consumer interest, wide support from the parenting community, and a clear vision of how FamilyPoints will disrupt the parenting industry, the team is ready to execute its vision.

The successful development and operation of the FamilyPoints ecosystem provides advantages for further expansion in the very near future.

Developing the platform with our customers.

The successful operation of FamilyPoints will provide us with the unique advantage to grow with our customers, accumulate the experience and know-how, and offer new products and services that ensure high returns on investment.

Expansion into other markets and industries.

Successful operations in the maternity and baby domain will enable us to expand both vertically and horizontally into other high-margin markets like beauty, hobbies, and fitness. Furthermore, FamilyPoints will also be able to expand geographically into the US alongside the rest of Asia.



9. Tech Agnostic Statement

We believe in blockchain and how it can help parents buy the safest products and unlock access to various services. However, we will not attach our vision to a single technology or service provider. Babystep and FamilyPoints will continually evaluate and test available solutions so that we can best implement our vision.

Having started with the Ethereum platform, we are open to the new approaches and technologies that are constantly emerging. Our top priority remains the satisfaction of our customers: parents, producers of safe products, and service providers.

10. Appendix

10.1. Legal Notices

The purpose of this Whitepaper is to present FamilyPoints Inc. (that is, the FamilyPoints platform) and the FamilyPoints Token to potential donors in connection with the proposed token generation event. The information set forth herein may not be exhaustive and in no way constitutes a contractual relationship. Its sole purpose is to provide relevant and reasonable information to potential tokenholders so they can determine whether to undertake a thorough analysis of the company with the intent of acquiring FamilyPoints Tokens.

FamilyPoints Inc. is incorporated in British Virgin Islands and is the official entity which creates and issues the tokens and to manage the internal reward economy of the FamilyPoints platform. FamilyPoints Inc.'s objective is to become a leading loyalty program operator by applying blockchain and smart contract technologies in parenting.

Nothing in this Whitepaper is deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This document is not composed in accordance with, and is not subject to, the laws or regulations of any jurisdiction, which are designed to protect investors.

Tokens are not a digital currency, security, commodity, or any other kind of financial instrument and have not been registered under the Securities Act, the securities laws of any state of the United States, or the securities' laws of any other country, including the securities laws of any jurisdiction in which a potential tokenholder resides.



Tokens cannot be used for any purpose other than as provided in this Whitepaper, including but not limited to, any investment, speculation, or other financial purposes.

Tokens confer no other rights in any form, including but not limited to any ownership, distribution (including, but not limited to, profits), redemption, liquidation, property (including all forms of intellectual property), or other financial or legal rights, other than those specifically set forth below.

Certain statements, estimates, and financial information contained herein constitute forward-looking statements or information. Such forward-looking statements or information involve known and unknown risks and uncertainties, which may cause actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

This English language Whitepaper is the primary and official source of information about the FamilyPoints platform and FamilyPoints Tokens. The information contained herein may, from time to time, be translated into other languages or used for written or verbal communications with existing and prospective customers, partners, and so on. In the course of such translation or communication, some of the information contained herein may be lost, corrupted, or misrepresented. The accuracy of such alternative communications cannot be guaranteed. In the event of any conflicts or inconsistencies between such translations or communications and this official English language Whitepaper, the provisions of this English language version will prevail.

10.2. Risk Factors

All participants should be familiar with this Whitepaper to minimize the risks associated with buying tokens, which are described below:

10.2.1. Dependence on Computer Infrastructure

FamilyPoints depends on software applications, computer hardware, and the Internet. Despite FamilyPoints' network security measures, our processing center servers are vulnerable to computer viruses, physical break-ins, electronic hacks, or other disruptions that can affect any business. This may interrupt services.



10.2.2. Smart Contract Limitations

Smart contract technology is still in its early stages and its use is experimental. This may create operational, technological, regulatory, reputational, and financial risks.

Although audits conducted by independent third parties increase the level of security, reliability, and accuracy, audits cannot serve as any form of warranty, including any expressed or implied warranty that the FamilyPoints' Smart Contract system is fit for purpose or has no flaws, vulnerabilities, or issues that may cause technical problems or the complete loss of tokens.

10.2.3. Regulatory Risks

Blockchain technology, including the issuance of tokens, may be a new concept in some jurisdictions, which may then apply existing laws or introduce new regulations that affect applications based on blockchain. Such regulations may conflict with the current FamilyPoints' Smart Contract and token concept.

This may result in substantial modifications, for example, the termination, the loss of tokens, and the suspension or termination of all related functions.

10.2.4. Taxes

Points holders may be required to pay taxes associated with the transactions contemplated herein, whether in the US or their home countries. It is the sole responsibility of users to comply with the tax laws of the US and any other applicable jurisdiction.



10.2.5. Force Majeure Events

The Platform's performance may be interrupted, suspended or delayed due to a force majeure event.

Force majeure is defined as events that cannot be prevented by the FamilyPoints' system; for example, acts of nature; wars, armed conflicts, and mass civil disorders; industrial action; epidemics; lockouts, slowdowns, prolonged shortages, or other failures in power or communication services; acts of municipal, state or federal governmental agencies; and other events that have arisen since this Whitepaper was published.

If such circumstances occur prior to when tokens are issued and FamilyPoints is unable to issue said tokens within one month of the intended date, the affected party can request a refund, which will be paid into the digital wallet or bank account used for payment.

10.2.6. Disclosure of Information

Personal information received from tokenholders, number of tokens owned, wallet addresses, and any other relevant information may be disclosed to law enforcement, government officials, and other third parties if required by law, subpoena, or a court order. FamilyPoints is at no time liable for such information disclosure.

10.2.7. Value of Tokens

Once purchased, the value of tokens may fluctuate. FamilyPoints does not guarantee any specific value of the tokens for a given period of time and is not liable for any changes in value.



