## APPENDIX A: TOKEN ECONOMY PAPER

The SLOTHEE and The SLT Token

### THE TOKEN

* 1. The SLT Token is an Ethereum/Bitcoin based token under the ERC-20 standard.
  2. The total token supply for SLT will be 950,000,000. A total of 380,000,000 tokens shall be offered in the upcoming sale. SLT shall be listed on at least two (2) exchanges shortly following its initial token sale, and will become available to the public for exchange and trading. Any unsold tokens shall be retained by Slothee and allocated to Reserves to fuel the development and growth of the Slothee, its community and partners (See Exhibit C).

### THE TOKEN SALE

* 1. The offering of SLT Tokens is being conducted over one private and two public sessions with varying bonus schemes as follows. All tokens (Pre-ICO or ICO) will be allocated to the token holder wallet upon the later of (i) the official token allocation date at completion of ICO, and (ii) expiry date of the lock up period in respect of the relevant portion. Details of the allocation dates will be released through Slothee website at [www.](http://www/) slothee.io and all our community channels:

#### Private Sale: April 2019

Slothee is conducting a Private Sale of SLT Tokens through the month of April. Please stay tuned for updates and announcements on our website. If you are interested to learn more details on how to participate in this phase, please visit our website, register your details and contact us directly.

#### Pre-ICO Sale: 1st May 2019 to 15th May 2019

Each SLT Token is valued at USD $0.05. To kick start a robust Pre-ICO sale token buyers in this phase shall be rewarded with an attractive bonus calculated on the number of SLT Tokens they subscribe to and based on their SIZE of participation. Participants contributing during the Pre-Ico sale will be granted **+30%** bonus tokens on top of their contribution. The ETH equivalent shall be calculated for BTC contributions for the purpose of bonus token allocations as based on the exchange rate at time of subscription. A minimum contribution will be 1000 tokens (USD 50) for this Pre-ICO Sale.

Additionally, as a special “Additional Quantity Bonus”, we will offer efficient participants who contribute for 100,000 tokens (USD 5000) **during the** Pre-ICO Sale an additional +10% bonus on top of the aforementioned bonus scheme. **Therefore, contribute more than 100000 tokens (USD 5000) within the Pre-Ico sales, and receive up to a +40% bonus in total.**

50% of tokens purchased (and granted as bonus) in this Pre-ICO phase are subjected to a 3-month lock-up period subsequent to the closing of the ICO, while no lock-up period applies to the remaining 50%.

* + 1. ICO Crowd Sale: 16th May 2019 to 15th June 2019.

Each SLT Token is also valued at USD $0.05 but with declining levels of bonus as time passes from the initial date of launching the crowd sale. There is no lock-up period for tokens purchased in this phase.

Round 1: (16th May 2019 to 25th May 2019): +20% Bonus

Round 2: (26th May 2019 to 4th June 2019): +10% Bonus

Round 3: (5th June 2019 to 14th June 2019): No Bonus

Additional Quantity Bonus of +10% on top of the aforementioned bonus scheme in all the rounds will be offered to efficient participants who contribute for 100000 tokens (USD 5000) **during the** ICO crowd Sale.

**Annex A** Bonus scheme across Pre-ICO and ICO Crowd Sales

**Annex B** Summary Termsheet of Pre-ICO and ICO Crowd Sale

|  |  |
| --- | --- |
| **TOKEN SYMBOL** | SLT Token |
| **TOKEN NAME** | SLT |
| **TOKENTYPE** | ERC-20 |
| **USD PRICE PERTOKEN AT ICO SALE** | 0.05 + Time bonus based on Rounds and 10% Additional Bonus based on participation size |
| **USD PRICE PERTOKEN AT PRE-ICO SALE** | 0.05 + 30% bonus with in Pre-ICO time and 10%Additional Bonus based on participation size |
| **TOTALTOKEN SUPPLY** | 950,000,000 |
| **TOKENS BEING SOLD** | 380,000,000 |
| **TOKENS UNSOLD** | Retained for Reserves; See Exhibit C |

|  |  |  |
| --- | --- | --- |
| **PRIVATE SALE** | **PRE-ICO SALE** | **ICO CROWD SALE** |
| **April 2019** | **1st May 2019 to 15th May 2019** | **16th  May 2019 to 14th June 2019** |

**380,000,000 tokens (40% total supply)\*\***

|  |  |  |
| --- | --- | --- |
| **Stage\*** | **Bonus Tokens** | **Additional Bonus** |
| Pre-ICO sale **1stMay to 15th May** | + 30% | 10% |
| Round 1 16th May to 25th May | + 20% | 10% |
| Round 1 26th May to 5th June | + 10% | 10% |
| Round 1 16th May to 25th May | No Bonus | 10% |

|  |  |
| --- | --- |
| **SOFT CAP ONTOKEN SALE (USD)** | $4,000,000 |
| **TARGET CAP ONTOKEN SALE (USD)^** | $19,000,000 |
| **ACCEPTED CRYPTO ASSETS** | BTC, ETH |

*\* The ETH equivalent shall be calculated for BTC contributions for the purpose of bonus allocations (based on exchange rate at time of subscription).*

*\*\* Token allocations across Private, Pre-ICO, and Crowd Sales may vary subject to community take up across tranches of sales.*

*\*\*\* Maximum token sale restricted to 9500000 TOKENS (USD 475000) single investor*

*# We reserve the right to terminate the token sale beyond this milestone.*

*^ Unsold tokens shall be allocated to reserves*

### TOKEN DISTRIBUTION

* 1. The total supply of tokens is intended to be distributed over a number of areas where 40% shall be allocated to this initial token sale, along with an additional 10% in bonus scheme allocations. Other uses include tokens to be deployed to Advisors, Bounty legal expenses and those retained by the Company and team.
  2. Among the tokens that are retained by Slothee team, total tokens allocated to the management team are subjected to an overall lock-up period of between 6 to 24 months from the initial token offering, where 25% of tokens are released and tradable only every 6-months. Therefore 25% of allocated tokens to management are tradable after 6-months, 50% tokens after 12-months, 75% after 18-months, and 100% only after 24-months. The primary goal is to demonstrate that the management team is committed throughout the duration of the underlying development and technology roll-out. Tokens allocated to non-management staff are locked up for a period between 6 to 12 months.

**Annex C** Indicative Token Supply and Allocations

**50%**

**token sales**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **TOKEN ALLOCATION** | **INTENDED USE** | **LOCK-UP PERIOD**  (From the closing date of the ICO Crowd Sale) | **AEN AMOUNT** | **ALLOCATION PERCENTAGE** |  |
| Token Sale (excluding bonus allocations) | Covers the Private sale, Pre-ICO sale, and ICO crowd sale (excluding bonus tokens allocated). | **Private Sale and Pre-ICO Sale:**  Lock-up of 3 months on 50% of tokens;  No lock-up on remaining 50%.  **ICO Crowd Sale**: No lock-up. | 380,000,000 | 40.00% |  |
| Bonus Allocations (on token sale) | Bonus tokens allocated to early subscribers throughout the Private sale, Pre-ICO sale, and ICO crowd sale. | **From Private Sale and Pre- ICO Sale:**  Lock-up of 3 months on 50% of tokens;  No lock-up on remaining 50%.  **From ICO Crowd Sale:** No lock-up.  **Incentive Programs:** Not Applicable | 95,000,000 | 10.00% |
| Retained by Company and Team | The team will be allocated tokens as compensation for early involvement and to incentivise continued engagement in the Slothee. | **Management:** Lock-up of:  6 months on 25% of tokens;  12 months on 25%;  18 months on 25%;  24 months on 25%.  **Non-Management:** Lock-up of 6 to 12 months. | 190,000,000 | 20.00% |
| Strategical partners | Slothee strategical partners | **6months** | 95,000,000 | 10.00% |
| Advisors | Advisor involvement | **6months** | 95,000,000 | 10.00% |
| Legal | Legal advisors | **6 months** | 47,500,000 | 5.00% |
| Bounty Programs |  | **6 months** | 47,500,000 | 5.00% |

*\* Subject to token take up across tranches of sale*

*\*\* Unsold tokens will be retained for reserves*

**950,000,000 100%**

### CONVERSION OF SUBSCRIPTION PROCEEDS TO SLT TOKENS

* 1. The conversion price between SLT Token against BTC or ETH will be fixed on a daily basis upon the date of receipt of the subscription consideration. The fixing will be determined based on the method of payment opted by the token buyer. We currently offer two methods of payment.

**Option 1:** Direct deposit of ETH or BTC to our designated wallet addresses.

In which case, the U.S. Dollar (USD) daily average price as calcuated being the average of the OPEN and CLOSE prices as shown on “coinmarketcap.com” for BTC or ETH where relevant (“USD Daily Average”)

**Option 2:** Payment through our adopted payment gateway “Coin Payments”.

In which case the USD Daily Average will be at the default exchange quote at the time.

*SLOTHEE retains full discretion and right to determine or change the terms of the fixing at any time.*

* 1. Your entitlement to the final number of SLT Tokens will be calculated by:

1. The number of BTC or ETH received during the UTC time zone multiplied by the applicable USD Daily Average (“USD Equivalent”);
2. The USD Equivalent is divided by USD 0.05 in determining the subscribed number of SLT tokens (“SLT Token Base”); Plus
3. The SLT Token Base multiplied by bonus percentage applicable at the time of subscription as pursuant to ANNEX A.
   1. Example (Direct deposit of ETH or BTC to our designated wallet addresses):

A token buyer subscribes to SLT Tokens during the Pre-ICO sale with an amount of 2 BTC on 1 May 2019. As depicted on the website coinmarketcap.com, the OPEN/CLOSE prices for BTC in UTC time are 3950.00 USD/ BTC and 4050.00 USD/BTC respectively. This would result in a USD Daily Average exchange rate of (3950.00

+ 4050.00)/2 = 4000.00 USD/BTC.

The USD Equivalent = 2 BTC x 4000.OO USD/BTC = USD 8,OOO.00.

STL Token Base = USD 8,000.00/ USD 0.05 = 160,000 tokens.

If we assume the subscriber is entitled to a 40% bonus scheme during this phase, the final number of SLT Tokens the subscriber is entitled to including the relevant bonus scheme = 160,000x (1+40%) = **224,000 SLT Tokens.**

### TOKEN ISSUANCE PROCEDURE

* 1. Upon successfully registering for the subscription of SLT Tokens and fulfilling conditions of our know-your- client (“KYC”) verification requirements (See Exhibit E), token buyers are eligible to make payment in the form of ETH or BTC for the token purchase. Subsequently, token buyers shall be able to view their allocation on their membership profile located at our engagement portal. SLT Tokens are allocated after closing of the ICO (“Token Allocation Date”), which date will be announced on our website (www.slothee.io) and also by email. At the execution level, it is expected that tokens are distributed within 5 business days subsequent to the Token Allocation Date as determined at the time. For subscribers who have participated in the Pre-ICO stage, the relevant portion of the SLT Tokens will be released and eligible to be transferred to your specified wallet address within 5 business days of the expiry of the lock up.

**Annex D** Eligible Token Subscribers1

#### Nationals or residents of:

|  |  |
| --- | --- |
| Hong Kong | Professional Investors ONLY |
| U.S.A | Restricted |
| The People’s Republic of China | Restricted |
| Samoa | Restricted |
| Sanctioned countries | Restricted |
| Rest of world | Sophisticated Investors |

* 1. Upon the allocation of the SLT Token, Gas payable to the Ethereum network for this initial deposit shall be borne by the company. SLT Token holders will be responsible for further depositing their tokens to designated exchanges2 should they want to transact or exchange their SLT Tokens in the market.

**Annex F** SLT Token Issuance Procedure

Know-your-client (’KYC’) Checks

Pre-ICO

Subscriber

1TH May 15TH May 2019

Register

Photo ID / Address proof & other forms of verification

Payment (ETH or BTC)

Subscription payment settled in major

crypto only (no fiat)

Dashboard Allocaton

SLT Tokens (+30% Plus+10% add bonus) allocated on subscriber dashboard, but not delivered

Closing of Initial Token Sale (T+5 days)

50% allocated tokens (including bonus) delivered to subscriber wallet

Expiry of Lock-up Period (T+3 months)

Remaining 50% allocated tokens (including bonus) delivered to subscriber wallet

Personal wallet address provided by subscriber

ICO

Subscriber

16th May to 15th June 2019

Photo ID / Address proof & other forms of verification

Payment (ETH or BTC)

Subscription payment settled in major

Know-your-client (’KYC’) Checks

crypto only (no fiat)

Dashboard Allocation

AEN Tokens (+0% to +20% bonus)+10% add bonus allocated on subscriber dashboard, but not delivered

Closing of Initial

Token Sale (T+5 days)

100% allocated tokens (including bonus) delivered to subscriber wallet

1. (i) Nationals or residents of the United States of America; (ii) The People’s Republic of China; (iii) Samoa; and (iv) any sanctioned countries are NOT eligible to subscribe to SLT Tokens (Sanctioned countries as depicted within: ht[tps://www](http://www/). treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx); Citizens and residents of Hong Kong SAR shall be further required to present “proof of wealth” to demonstrate that they are Professional Investors as defined under the Hong Kong Securities & Futures Ordinance (“SFO”) before being eligible to subscribe. Sophisticated Investors in rest of the world

refer to subscribers who self-declare to have knowledge on cryptocurrencies.

1. Designated exchanges will be announced on www.slothee.io.