



THE CHARRY NETWORK

"A Digital Payments Network Roadmap to Mass Adoption"

Investor Update / Lightpaper V1.2 October 2020

www.charry.network

Executive Summary

The Charry Network is a scalable digital finance solution which is designed as an “open-to-all” digital assets platform with an emphasis on fast, low-cost, and secure enterprise-level performance. Charry is conceptualised to form the backbone of Salamantex payment services infrastructure. Salamantex is currently one of the leading legally operating cryptocurrency payment providers, acting as a catalyst for Charry with instantaneous traction from day one. Consumer focused features will incentivise recurring loyalty spending at merchants’ stores further increasing adoption of

the network. The token will directly benefit from the traction of the network due to its DAG-based structure which utilises the Proof of Burn consensus mechanism. Unlike other cryptocurrencies, and due to the Proxy Token Token structure, the Charry Network will succeed if blockchain adoption at large is successful and not only if a singular native network gains momentum in an isolated market therefore we are completely aligned with and in a position to gain from the growth of the emerging blockchain industry as a whole.



DISCLAIMER

*The Charry network will apply experimental technology and concepts to the vision described in this paper; this may include software, new technologies, and new ways of doing business that are in an early developmental stage and therefore unproven. Consequently, we reserve the right to adopt other technologies or methods which enable Charry to reach the goals described herein, and may discard others in favour of working solutions as is pragmatic for the success of the network. (c) 2019-2020 Berrynomics Limited, Malta, All Rights Reserved.
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1. Introduction to the Charry Network

1.1 THE ORIGIN STORY

This paper outlines the vision of the Charry Network project and the benefits it brings to the general public.

Since the founding ambitions of Charry, the project vision has been and remains focused on building a payment solution which effectively realises its potential in the real world; in other words, mass adoption. Analysing current blockchain technology use cases, each one of them lacks a strong product-market fit, or fails in providing a smooth and seamless user experience. Consequently the Charry Network adopts a strict customer-centric approach. Blockchain-based solutions should first and foremost satisfy consumer and business needs, thereby facilitating its adoption. Any payment solution carrying at its heart such vision, would need to provide individuals and businesses with a dramatically simplified access to and handling of various cryptographic assets. Thus, we have identified the key driving factors towards mass adoption as simplicity, speed and security. While studying possible implementations of these key factors, our research showed us we would encounter problems, such as transaction throughput limitations, relatively high transaction costs and some difficult user experience related issues, such as the process of setting up and using cryptographically secure wallets.

Third party solutions often attempt to address some of these issues. However, if the goal is to create an enterprise-grade network, with the highest performance scores in reliability and speed, using external solutions is problematic. The combination of scalability, speed and a smooth user experience is yet to reach the mass market. As a result, we subsequently identified solutions for launching our own ecosystem, including the essential features for consumers and businesses alike and built these on top of a customer centric and seamless user experience.

1.2 THE VISION OF THE CHARRY NETWORK

"The Charry ecosystem focuses particularly on the key aspects of acceptance, customer centricity and charity, which means to make meaningful contributions to social projects around the globe. The Charry Network is our vision for the future of cryptocurrency payments & finance. It is a network that offers advanced features for trading digital assets while being simultaneously simple, fast and secure. Consequently Charry can be a network enjoying broad acceptance which will thrive under its huge community of global users." - Charry Vision

Broad Acceptance

Nowadays, almost all cryptocurrencies are being used as a store of value or for speculation rather than as a medium of exchange. As a result, cryptocurrencies designed to be used for payments suffer



from low rates of acceptance in the market. Our customers should not need to worry about whether they can pay with Charry at certain locations. Our priority is to reach a wide acceptance of the Charry token and ultimately achieve a reality of reliably being able to pay in most stores.

Customer Centricity

We believe in giving our end-users, both consumers and businesses, the highest priority. People do not necessarily need to know the finer details about blockchain or the DAG-based technology being used at the foundation of the Charry network, as long as we deliver an easy to use solution that fulfills the core needs of our end-users. Often adoption is delayed by presenting end-users with a solution that they are too unfamiliar with. A customer centric approach will allow us to pave the way for the adoption of something new, yet familiar, and achieve this through simplicity.

Charitable Causes

If properly used, technological advances always present an opportunity for societal change. While these opportunities are often discussed within cryptocurrency communities, they have not been properly realized as Vitalik Buterin rightly points out. Charry wants to

Vitalik Non-giver of Ether  @VitalikButerin Follow ▾
How many unbanked people have we banked?
4:46 PM - 12 Dec 2017
388 Retweets 2,059 Likes 
90 388 2.1K

gain user trust by implementing charity features into its basic functions. Charry will via these functions support societal change and incentivize users to get involved with charitable activities. Charry will put computational power to use for a greater good and by focusing on geographical areas in which the underlying technology can have a big impact. Charry is not only a network for transactions – to many Charry will be the epitome of societal change.

1.3 THE DIFFERENCE

We believe in the mass-adoption of cryptocurrencies as a method of payment. However, we do not believe in betting on only one solution. Instead, the Charry Network will act as a scalability solution for all other existing networks. This allows us to aim for the adoption of cryptocurrencies as a whole and positions us to strategically profit from it. The Charry Network will therefore not be focused on its ecosystem alone but rather is coherently aligned with the goal of mainstream adoption of blockchain technology as a whole.

1.4. THE FIVE KEYS TO CHARRY

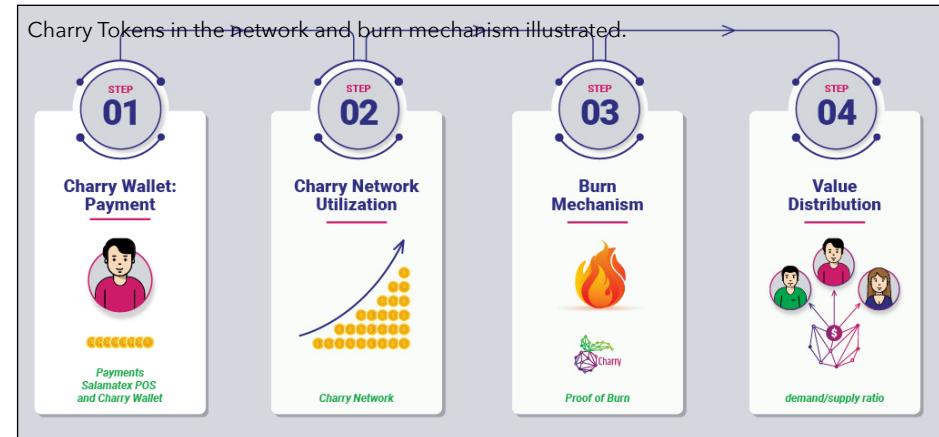
Directed Acyclic Graph (DAG), Proxy Tokens, and Proof of Burn Consensus



The inability to handle a real-world level of use in the global economy is one key component which has prevented the mass-adoption of cryptocurrency thus far in its short history. Consequently, the issues of increasing transaction throughput and limiting latency have been at the heart of the scalability debate over the past several years. Considering this as of fundamental strategic importance, Charry has designed its network with scalability at its foundational core, which is why we decided to build a DAG-based payment network with unique aspects to allow us to remain flexible with a Proxy Token token structure to remain blockchain agnostic and a Proof of Burn consensus algorithm to ensure sound tokenomics.

1.4.1 DAG

Where a blockchain network has blocks of transactions linked as a chain, a DAG is a distributed ledger branching out from transaction to transaction. DAGs enable scalability by allowing short block intervals and rapid transfer confirmations. The Charry Network is a DAG-based network rather than a proof-of-work linear blockchain which is a set of blocks containing data where new blocks are referenced to the hash of the previous block. Instead, the Charry Network's DAG structure enables multiple blocks of information to be published at near simultaneous speeds which makes the network massively scalable from the very beginning.



1.4.2 PROOF OF BURN

The Charry Network will utilise the Proof of Burn consensus mechanism. That is, a certain percentage of Charry tokens will be burned for every transaction on the network. Meaning that the more transactions will run over the Charry Network the more tokens will be burned. This equally aligns the network growth and the decrease of supply of the token, effectively leading to a situation in which the network and its participant size increases while the token supply decreases. Meaning fewer and fewer tokens for an ever increasing number of interested parties. This positions the Charry Token as being the core of the whole ecosystem, the fulcrum of the crypto network services.

The Charry network is a permissioned system which allows for the quick resolution of potential conflicts such as double spends by using



the Proof of Burn consensus algorithm. For each transaction, our Proof of Burn consensus mechanism requires a Charry token to attach proof to the transaction and will be burned (hence the name Proof of Burn) so that a permanent ember record will be kept within the network for immediate transaction verification.

1.4.3 PROXY TOKEN

We achieve rapid transactions for all digital assets through the creation of a Proxy Token token, no matter whether you use Bitcoin, Ether, the Charry coin itself or any of the other integrated currencies. Once you deposit a supported digital asset into the Charry Wallet, we will ‘lock’ your digital asset on the respective network and create a Proxy Token token of the particular asset on the Charry Network. Transactions that are now being sent within the Charry Ecosystem will be near to instant, as the transaction speed is not based on the speed of the native network anymore but instead the speed of the Charry Network. More details about this process will be disclosed in an upcoming technical paper.

The process of adopting a Proxy Token token technology within our ecosystem effectively enables Charry to stay open to the digital assets that will be victorious in the contest for the most widely-used medium of exchange in the future. For the adoption of the Charry Network it does not matter whether it is a stablecoin, a privacy coin or a permissionless protocol like Bitcoin. The Charry Network will be able to support all of them.

1.4.4 GEOGRAPHIC REACH VIA STRATEGIC PARTNER SALAMANTEX

A network without proper traction in the real world is simply set up for failure. Thus Charry’s parent, Berryconomics Limited, has reached a strategic co-operation with Salamantex, a cryptocurrency payment provider. Salamantex is rolling POS payment hardware and software payment infrastructure across the EU, Middle East and South East Asia, enabling merchants to accept crypto currencies for goods and services. Success of Salamantex is closely connected to the traction and distribution the Charry network will enjoy. This cooperation is a key element and detailed in Chapter 4.

1.4.5 FLEXIBLE MERCHANT LOYALTY AND CASHBACK PROGRAMS AS PART OF AN ENTERPRISE NETWORK

Charry as an enterprise grade network allows offering side chains for other exciting features to existing cryptocurrency projects that want to leverage our network effects. These are white labelled “turn-key” solutions or “powered by Charry” options with various levels of customisation for potential business partners. Enjoying the same benefits as the core Charry service, new strategic partners can extend our network respectively which is a win-win scenario for both parties. Our custom designed features add a level of additional benefits to participant stakeholders, creating an added value proposition. One such feature we envisage as a key attraction to the Charry ecosystem will be loyalty programs, allowing businesses to build leveraged ecosystems and subsequent customer retention measures at a fraction of the cost of traditional systems.



2. Problems Of the Current Market

To understand the context within which the ideas of the Charry network are to function, a table of the typical user journey into the world of cryptocurrencies is presented below.

2.1 TABLE OF ISSUES FACING DIGITAL CURRENCIES AND MASS ADOPTION

PROBLEM	DESCRIPTION
KYC and AML screening	Know Your Customer (KYC) and Anti-Money Laundering (AML) screenings often involve sending your government-issued identification along with a picture of yourself holding the matching identification in order to verify your identity, but this involves trusting a third party with your data. This process repeats at every new 3rd party you do business with as a consumer.
Volatility	Bitcoin and other digital assets have been subject to massive swings in terms of market valuations and the speculative nature of these cryptocurrencies has seen a large "boom and bust" reporting in the mainstream media which can scare new users.
Worries about scams and hacking	Scams and hacks frequently make the news and users become suspicious of new projects.

Many blockchain products are not operating on a blockchain	All trades on exchanges are not on-chain blockchain events but rather internal executions within a 3rd party's own software.
Custodial wallets	3rd parties holding user funds have to be trusted to protect the best interests of the users.
Non-custodial wallets; hardware-wallets etc.	Users concerned with their own privacy and security take control of their assets and store them in non-custodial wallet solutions themselves. Paper wallets, and hardware wallets are examples, but require more expertise from users.
2FA	Two factor authentication creates security but adds further user complexity.
Slow support	Long waiting times and subpar responses to support requests results in a frustrating experience for users.
Merchants accepting digital assets are few and far between	The ability to spend cryptocurrencies is limited as merchants are scared of the learning curve and unaware of the legal implications so tend to be risk averse.

Holders of digital assets tend to be technically competent and sophisticated consumers. The aforementioned barriers to entry aside, problems for spending cryptocurrencies are exacerbated by the limited number of merchants which are open to accepting them as a medium of exchange.



The above table of issues shows an example of the experience many first time customers go through when using blockchain and its associated devices and methodologies. Often their experiences are stories of frustration, confusion, and above all complexity. It is precisely that complexity which precludes holders of crypto assets from being able to spend on goods or services. Indeed, it is the last step in a long chain which can take weeks, if not months to complete. We want to change all that. The Charry Network will make the entire user experience seamless and satisfying.

2.2 TECHNICAL CHALLENGES AND USER EXPERIENCE

As the non-exhaustive table above explains, users have a steep learning curve, as they first need to learn about cryptocurrency wallets, how to set them up, how to properly use them, how to secure them so that they will not lose access. Many more factors combine to make the experience difficult and dissatisfying. In extreme cases, such as the owner passing away, no close relative will be able to access the deceased's wallet to recover the digital assets, rendering them lost forever. Due to frequent exploits and quality issues, a security flaw in, for example, wallet software forces users to adopt a much more advanced and cautious behaviour when dealing with any financial transaction involving cryptocurrencies.

"Charry chooses not to participate in this struggle."

This is often at a level everyday users will find hard to maintain over the long term.

Currently, it is simply too hard for the general public to use present day solutions to pay with cryptocurrencies and the risks involved are just too high and widely-perceived as unreliable and in some cases even untrustworthy. A paucity of regulatory clarity in most jurisdictions burdens local businesses attempting to accept cryptocurrencies as tax implications and accounting idiosyncrasies carry the potential to change rapidly from one day to the next, with Bitpay being the latest example (see notes at end of paper).

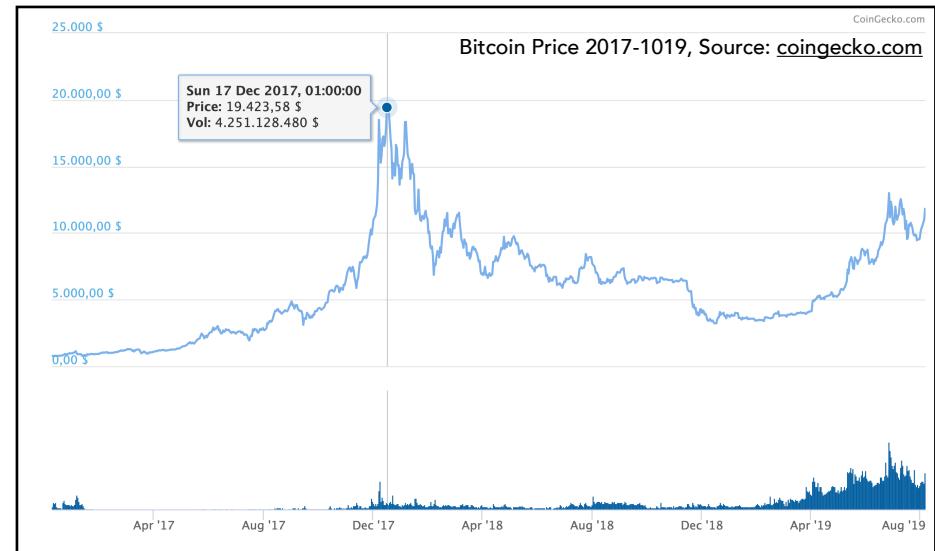
Potential payment solution networks – and by extension the Charry Network – need to fill the gap between the underlying technology and the user experience. They need to communicate and establish user trust, establish clear and secure safety protocols and maintain high service-level standards. Those protocols need to be smooth, simple and catering to user needs. The deep complexity inherent within blockchain technology need not be required customer knowledge in order for them to use. Simplicity, either in user interface or access to customer support, should hide the technical complexity and prompt high utilisation by every user. They should also abide by local regulations and work together with the regulators on tools and clear rules for adequate financial reporting and use cases by those using digital currencies to further build trust in the network and its purpose.



2.3 EXPOSURE TO VOLATILITY

The crypto industry as a whole is still in its infancy. That is the industry lacks financial instruments and suffers from rather low liquidity when compared to traditional forex and stock markets. These factors are often regarded as part of the reason for the high volatility experienced by digital assets over the past decade. Big price swings scare market participants eschewing adopting digital asset transactions on a daily basis. That is one aspect of volatility. Another is the plethora of exchanges which offer conversions to fiat, each with considerably differing rates and fees. Both factors impact on transparency to the user, fearing a bad deal.

A universally accepted medium of exchange needs to be relatively stable in order to allow for proper financial planning and a proper incentivisation for spending. Fiat currencies tend to be inflationary and are managed by not only market forces but also central bank planning via circulation and supply measures, interest rate adjustments, and quantitative easing. The most popular mediums of exchange today are fiat currencies which are controlled by central banks, these are managed-inflationary currencies with the aim to incentivize spending in the economy and increase the velocity of money. Experts regard an absence of increasing supply and central bank management as exclusionary criteria as a means of exchange. Therefore, Bitcoin is considered to be a store of value rather than a medium of exchange, because it is deflationary in nature when compared to fiat currencies, as the total supply is finite. Bitcoin and other digital assets are therefore in effect deflationary and this



disincentivises consumers from spending today what they could hold on to and receive more goods in exchange for tomorrow.

One way to reduce the impact of volatility risk is to speed up the total transaction time with an instant fiat off-ramp. If a transaction is confirmed within milliseconds and the Bitcoin is directly sold at that instant, then the volatility risk is minimal for users as the price they see is what they can expect to pay. Instant settlement removes the volatility uncertainty for users and increases the payment.

This is why we believe that the combination of our key partner infrastructure at Salamantex along with our Charry token and Charry wallet offers a superior value proposition to cryptocurrency users keen on embracing mass-adoption. They can trust the true and



fair value of the Charry, and Charry builds even more trust with its charity function for the user when being spent.

2.4 EXCHANGE TRANSPARENCY AS A PATH TOWARDS BROADER ACCEPTANCE OF CRYPTOCURRENCIES

Users of cryptocurrencies also need to verify the Bitcoin exchange spot-price at source to be satisfied with the conversion exchange rate. Naturally, these price points can vary considerably between different exchanges with various levels of liquidity and in different regional jurisdictions, therefore exposing consumers and local businesses to previously un-encountered financial risks. As a result, owners and store managers tend to remain risk averse and stay away from the hassle and uncertainty of accepting digital currencies.

The Charry Network ensures a fair conversion rate by working with leading exchange partners only. Strong transparency and clear communication of rates ensures that users would regard any reference exchange rate which Charry presents, as a trusted source. We want to build and maintain this trust. Enterprise level customer service addressing local merchants' pain points, offering transparent, customised solutions throughout the entire chain of a financial exchange for goods and services serves that purpose.



2.5 THE FIGHT FOR THE TOP MEDIUM OF EXCHANGE – THE CHARRY NETWORK IS AN OPEN NETWORK

The next phase of financial innovation is digital currencies. Cryptocurrencies such as Bitcoin, Bitcoin Cash, Dash, Litecoin, one of the many so-called stablecoins, even privacy coins and many more cryptocurrencies are designed with the ultimate goal of being used as an alternative medium of exchange.

Stablecoins, due to their stability in terms of price movement (by pegging the exchange rate to various fiat currencies), definitely have enjoyed a head start in the contest for consumer adoption and gaining initial trust of the masses. It is very unlikely that multiple volatile cryptocurrencies will emerge as the winners of a fight for adoption as a medium of exchange. Volatility acts as a natural barrier to any currency being used as a medium of exchange, and in the case of economies with high inflation even fiat currencies are quickly sidelined by parallel, ‘harder’ and therefore more stable foreign fiat currencies. More realistically, mass adopted medium of exchange digital currencies will probably be limited to one or two blockchains, potentially three in certain niches, be it a privacy coin or based on geographical or geo political preferences. Instead, the Charry Network, with our scalability solution will remain flexible and support all of the highly capitalized digital assets. In practice, this means that the Charry Network will support all popular stablecoins and other cryptocurrencies that people are actively using for digital payments, providing they are liquid enough to facilitate economic transactions on a global scale.

As a result, the Charry token will be designed as a facilitator for various mediums of exchange via the token design while also acting as a ‘store of value’ with a reducing supply through the Proof of Burn consensus algorithm.

In conclusion, we can state the following: The Charry Network is an open network which in the light of the above complexity issues will greatly simplify how users can exchange goods and services with digital currencies. A strategic partnership with Salamantex offering an instant fiat off-ramping will reduce volatility. Likewise greater transparency of exchange rates utilised will build trust among users. Designed as an open network with Proxy Token token and Proof of Burn mechanisms, the Charry Network follows an inclusionary approach for greater interoperability, and potentially, increasing wider acceptance and possibly mass adoption. Thus with those basic principles in place, in the following chapter we will explain the user friendly features in greater detail.



3. Charry Functions and Features

3.1 MAIN USER FEATURES OF CHARRY INTEGRATED INTO A CHARRY WALLET

One of the core components of the Charry ecosystem will be our specially created Charry Wallet. The integration of the Charry Wallet into our existing ecosystem will allow us to truly leverage specific features to their fullest extent. Hereafter follows a selection of supported wallet-features for better user-friendliness, and a description of how these features seek to resolve or mitigate some of the key pain points listed in our table from chapter 2.

Recovery and safekeeping

The Charry project aims to offer improved solutions for recovery and safe storage.

Restore wallets by trusted wallets / accounts

- Previously assigned accounts can recover a lost wallet in case the majority of voters have consented to allow recovery. For example, users select a set of family member's wallets for recovery purposes and a predefined amount of these trusted wallets need to confirm the recovery of the lost wallet. This utilizes a self-defined social network that allows a user to restore an account with the help of their most trusted family members or friends. The process can be compared to work similarly to the account recovery option offered by social media sites.

Security

The security of a payment network is the apex of a trusted digital finance solution in the new economy. Charry treats security as paramount.

Limits for wallet transactions

- Users can set spending limits on their wallets, which can then only be changed after a predefined amount of time has passed. In order to not limit yourself in everyday life however, some exceptions can be set. For instance, a maximum of €100 per hour can be transferred to unknown addresses, while a maximum of €1000 per hour can be transferred to known and verified addresses. These example limits are for illustration purposes and can be predetermined by the user.

Analysis of irregular transactions

- Transactions can be examined by the network before being executed and marked in case of deviations. An irregularity can then be communicated to the user, who needs to check and confirm the transaction. This could be an example of a new IP address or device being used to access an account and is a simple measure to ensure the safety and security of user funds.

Validation and identification of destination addresses



- The validity of target addresses should be clearly communicated to the client as "trustworthy" and "real", comparable to the current system for web pages and their SSL certificates.

Trusted environment

Encrypted settlement while remaining free to act pseudonymously as well as transparently brings a new, exciting, and innovative aspect to digital finance in the 21st century.

Proof of identity

- Users in the Charry network can voluntarily get their wallets/accounts/identities confirmed. For this purpose, the network could support specific "trusted identities" that have permissions to confirm other identities. For instance, KYC providers or public administration bodies could confirm company wallets or identities (including properties like address and company names). Biometric data can be added as extra security to sign transactions for instance.

Proof of specific non-public data

- Certain data could be published to the network in an encrypted form and then later be confirmed by the public. For example, in the context of a company, this could be the company name or other public records (i.e. website, email and address)

Proof of affiliation of wallet addresses

- Confirmation of wallet addresses. Addresses can be checked to see if they belong to a specific identity. At the same time however, it should not be possible to use the identity to find out about all addresses associated with it.

Charity

Charity – installing instant charity donation functions as a foundation of this network to build trust for its users.

The Charry network aims to build trust not just by offering a smooth and consistent user experience, but also by providing users with the ability to make donations to selected charity partners. This should also incentivise users to understand Charry as a means of exchange and encourage spending.

Similar to a crowdfunding project, Charry will integrate into its wallet voting features for selecting charities for donations each time a payment transaction is initiated on the network. A list of charity organisations is under preparation for this purpose. The selection and donation process is as much as possible automated and based on democratic voting principles among users of the network.



4. Our Ecosystem

4.1 SALAMANTEX AND ECOSYSTEM INTEGRATION

For everyday consumers, using cryptocurrencies as an alternative payment method is difficult when the points of acceptance are still relatively far spread out. That is especially a problem in local stores due to a lack of integrated point of sale solutions. Building a network, and then doing very little for its distribution, as so many projects have done, is setting up for failure. A successful network strategy requires integration into hardware and software solutions and benefits from traction these solutions enjoy in the market. Active market building and showing use cases for any company concerning payments of digital financial services is an important foundation towards mass adoption. Charry partner Salamantex is focusing exactly on filling that gap by providing a secure, easily integrable point of sale terminal effectively solving the issues mentioned under section 2.1. For Charry investors, it is important to understand that the close co-operation between Salamantex and Charry lies at the heart of this project's success.

Salamantex aims to run its payment network on the Charry Chain to process transactions. Charry is also a preferred payment method in the Salamantex cryptocurrency payment app. Any progress in increasing market share and infrastructure distribution by Salamantex, is automatically a win for Charry to gain traction and vice-versa.

The Charry Network will leverage the Salamantex Point of Sale infrastructure

4.2 SALAMANTEX PAYMENT INFRASTRUCTURE BUILD-UP – PRESENT AND FUTURE OUTLOOK

In the following section we will look into the progress being made in setting up meaningful cryptocurrency payment infrastructure by Salamantex and outline the implications for services provided by a true crypto network like Charry.

Working closely with Salamantex as a key corporate partner, the Charry Network will be able to leverage the Point of Sale (POS) infrastructure which is being rolled out across key jurisdictions and markets around the world by Salamantex's sales teams. Charry will effectively reach new audiences in record time, as Salamantex signs up sales partners and close strategic partnerships with established payment providers. Salamantex operates in a legally sound and by-the-book fashion complying with the financial regulatory environments of key jurisdictions. Together these elements will form a powerful payment ecosystem where Salamantex complements the vision of the Charry Network, namely to build a broad acceptance of digital assets use cases for consumers. On the one hand, the Charry Network provides a clear value-proposition to the ecosystem: a seamless user experience for consumers, while allowing for fast and low-fee transactions. At the same time, the Charry ecosystem will directly gain traction through



the integration into every point-of-sale terminal at local stores and incentivized consumers to benefit from the ecosystem and make the Charry Network their preferred payment solution.

As a key corporate partner, Salamantex has been building infrastructure for the past year and secured some strategic partnerships which form the underlying basis for Charry.

Following now are some reference materials showing the work being done on the infrastructure distribution in Europe, but also worldwide. Not all partnerships are listed here. The examples serve to demonstrate the likelihood of rapid expansion and utilisation of the Charry network, and its potential to provide professional services also in B2B cases.

Ingenico and A1: Strategic alliance with payment hardware manufacturer and payment networks

Together with Salamantex, an Austrian digital currency specialist and its partner for payment terminals, Ingenico, and Austrian Telecom A1 is expanding its payment service: Companies will be able to accept digital currencies such as Alipay, WeChat Pay and



cryptocurrencies in addition to their existing payment methods. Ingenico will integrate the Salamantex payment app unto their payment terminals, such as the Tetra Move 5000 (pictured bottom left).

In the DACH region (Germany, Austria and Switzerland), Ingenico has a wide network of retailers using their card payment hardware which – thanks to Salamantex, all at the click of a button (and regulatory approvals providing) are able to accept cryptocurrencies for payment. This provides a huge expected boost for the Charry network traction commencing in 2020, after our initial R&D phase is completed. As explained briefly earlier our final goal is to power the Salamantex payment software as the backend network, country by country, terminal by terminal.

A1 is already accepting cryptocurrencies in their seven flagship stores in Austria, and is planning to roll out into other markets in the European Union in the future, using Salamantex payment hardware (pictured p. 17).



Salamantex POS Terminal SX1801



Transactions on the Charry network could move initially from a few hundred per month, as recorded in the initial build-up, to literally thousands of per day as Salamantex adds more strategic partnerships.

While Salamantex will increase its merchant partners in 2019 only very slowly to a few hundred, the company predicts that in 2020, utilisation by strategic partnerships such as Ingenico and Concardis Nets Group in the German speaking DACH countries should help to build rapid growth among merchants accepting cryptocurrencies. These payments are processed in the background by the Charry. The growing numbers are a conservative estimate, based on risk factors such as the regulatory environment and licensing requirements of each jurisdiction Salamantex – and by default also Charry – will operate in.

Salamantex plans to sign more similar deals with other networks and expand its global presence at the same time. Within a few years, thanks to the Salamantex infrastructure roll-out and integration with Charry, the network will become the best enterprise grade crypto network servicing millions of users at tens of thousands of merchants globally, especially in the Middle East, Asia-Pacific and Europe.

The enormous potential of such a build up for achieving critical mass in the adoption of a crypto network and its digital services cannot be overstated. Below some details about Concardis are provided with 116,000 merchants to indicate how fast the utilisation of Charry can spread across EU and of course across the world.



Concardis Nets Group

Norway, Denmark, Sweden, Benelux, Germany, Austria, Switzerland, Poland, Croatia

Payment Volume

US\$ 65 billion

Customers

Lufthansa, Sixt, TUI, Hilton, Aldi, Douglas, Kaufland, Avia, Tchibo



5. Roadmap

Currently we are working hard to deliver our MVP of the core network.

Targeted regions for roll-out are EU, Middle East and some countries in Asia-Pacific. We will evaluate this geographical roll-out from time to time and update if necessary.

Timelines we estimate that while the MVP can be rolled out quickly (within a few months) other aspects might take longer. However we plan to update our Roadmap on a continuous basis for the duration of the project development phase.

5.1 PHASE A

- Beta testing period basic network
- Launch of MVP with focus on specific payment ecosystem
- Charry payment and Salamantex integration
- Core Charry Wallet Version ONLY for ETH and BTC
- First Stablecoin integration

5.2 PHASE B

- Integration with all major networks (Bitcoin, Litecoin, Ethereum, Dash, and others)
- Full roll-out of wallet features and functions
- Charity partnership expansion
- Cashback and Loyalty programme integrations
- Charry token/coin exchange listing on other exchanges

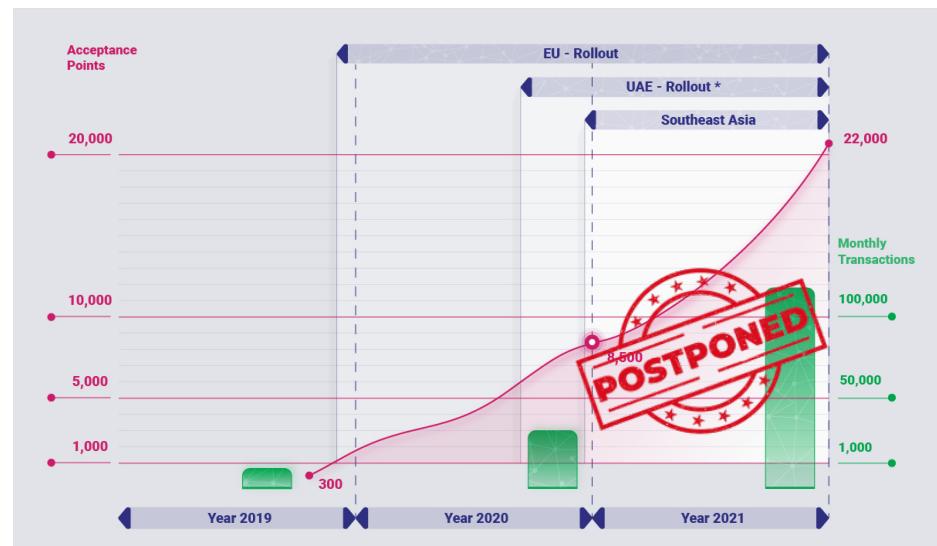
- Side chain project implementations
- Ongoing development

Other information such as Token distribution and payment currency can be taken from the private placement agreement.



6. Conclusion

The Charry Network brings together the missing pieces in the quest for blockchain mass-adoption through a convergence of cutting edge digital technologies. The Charry Network combines a seamless user experience with a fast, secure and intuitive interface via a scalable DAG-based network connected to a backbone of extensive international merchant acceptance thanks to our exclusive infrastructure partners at Salamantex. We believe this will dramatically shift the way consumers behave with cryptocurrencies and digital assets as the Charry Network's core focus is on the ease of spending of cryptocurrencies and creating an enjoyable experience for end-users. With three key unique components in the form of our DAG-based tech, Proof of Burn, and Proxy Token Tokens; we are creating a value proposition which combined with our Charry Wallet become the central parts of the legacy of the Charry Network. With its charity element, the Charry Network is empowering consumers to support good causes through the adoption of consumer focused features and being mindful of the impact we can make on society to benefit the global community. Charry's alignment with blockchain mass-adoption as a whole positions us as a network which will be at the forefront of the industry for years to come.



Expected Transactions and Distribution of acceptance points infrastructure, which would run over the Charry network, and do not as of yet include other transactions from side chains of other projects. UPDATE, due to the Corona Pandemic, these projections are no longer valid.



7. Charry Case Study: SoccerCoin

SoccerCoin aims at being no less than the digital Fan DNA of any sports club at any level. As a global solution it connects fans with each other and the clubs they support and love. SoccerCoin also offers benefits to its users by virtue of being a cryptocurrency. CharryNetwork forms the technological basis for SoccerCoin (which is integrated as a side chain), provide the infrastructure and functionality, adding a further element of traction to the overall network. CharryNetwork via its partnership with Salamantex can rely on a vast payment network inside AND outside of the stadium. This means that Fans could pay with SoccerCoin tokens during the game and after the game when they've left the stadium. So with this reach

among merchants of the football club's Homebase SoccerCoin will enjoy unparalleled traction, unlike some similar competition. What problem does SoccerCoin solve? As the current Covid 19 pandemic demonstrates, football clubs rely too much on a single source of income: ticketing, sponsorships and broadcasting revenues. No matter if big or small, clubs have to adapt to changing circumstances how clubs and their fans should interact and support each other, besides what is customary today. Under massive mountains of debt and under pressure to perform, football clubs urgently require new ways to create revenue streams and a new style for managing their supporter base; one based on a crypto network (for more details see the SoccerCoin white paper, 2020), and its token, the SoccerCoin. SoccerCoin offers new financing opportunities for clubs and innovative ways to connect clubs and fans. Let's take a closer look at those in more detail with a quick study of the SoccerCoin Whitepaper:

- Smart Phone Wallet
- Purchase Tickets to game
- Transfer personalised tickets to another Wallet, and the other wallet holder can go and watch the game, or even just the second half.
- Seamless entrance to different fan sections
- Personalised offers from clubs or sponsors
- Pay club invoices using SoccerCoin
- Scan QR codes to watch special fan episodes on-demand
- Peer-to-Peer transactions



7.2 PAYMENTS

At the club, inside the stadium or even globally pay simply with your SoccerCoin, all made possible by Salamantex integrating with global payment providers.



SoccerCoin together with the government of Dubai si planning to hold. Football Legends Tournament. Legendary players from world famous teams such as Barcelona, Madrid und Juventus Turin will compete against each other. Originally planned for November 2020 Corona has pushed this event into 2021.



7. References and Further Reading

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Restoring private keys after death of the owner

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8. Glossary of Terms

2FA - Two-factor authentication (also known as 2FA) is a method of confirming users' claimed identities by using a combination of two different factors: 1) something they know, 2) something they have, or 3) something they are.

Source: https://en.wikipedia.org/wiki/Multi-factor_authentication

AML - Anti-Money Laundering

Authentication - the process or action of verifying the identity of a user or process.

Blockchain adoption - A shared vision for blockchain enthusiasts, a not-so-distant future where blockchain is being used within the daily lives of the majority of the population. For example, blockchain technology could be used in a popular mobile application as a security measure without the public necessarily being aware of its existence or use case.

Bitcoin - An open-source peer-to-peer electronic cash which is widely recognized as being the first working example of blockchain in history.

Bitcoin Cash - A fork of the original Bitcoin chain to adjust the code to focus on real-world use

Crypto assets - Also known as digital assets. Bitcoin and Bitcoin Cash are two well known examples. Other examples of blockchain technologies include Dash, Ripple, and Litecoin.

Cryptographically secure wallets - encrypted to high security standards,

Charry Network - The Consumer Focused Payment Network

Consensus mechanism - A way for distributed systems to reach consensus. See the Byzantine Generals problem.

Cryptocurrencies - See crypto assets.

DAG-based - Directed Acyclic Graph - DAG-based technology is an alternative to a linear blockchain that allows cryptocurrencies to function without the need for miners but with a focus on speed and scalability.

Dash: See crypto assets

Deflationary - characterized by or tending to cause economic deflation.

Ethereum - A virtual machine which utilizes blockchain technology



Exchanges - A site or app where users can trade digital assets with each other where the exchange acts as a middle man taking a fee from makers and takers

Hardware Wallet - A physical crypto wallet which can be used to store digital currencies.

Inflationary - characterized by or tending to cause monetary inflation.

IP address - a unique string of numbers separated by full stops that identifies each computer using the Internet Protocol to communicate over a network.

Jurisdictions - areas with the official power to make legal decisions and judgements.

KYC - Know Your Customer - alternatively known as know your client or simply KYC, is the process of a business verifying the identity of its clients and assessing their suitability, along with the potential risks of illegal intentions towards the business relationship. Wikipedia

Litecoin (LTC) - see digital assets

MVP - Minimum Viable Product - A first iteration of a shipped product available on the market.

Mnemonic phrase - A 12 or 16 word series of random phrases used as a cryptographic key to unlock various digital assets.

Multi-currency software wallet - A wallet which is non-custodial in nature and accessed on your computer but with the ability to store multiple different digital assets. Examples include Exodus and Atomic wallet.

Medium of exchange - A mutually agreeable tool used between two parties to facilitate trade, usually fiat currency, and increasingly cryptocurrencies.

Networks - an arrangement of intersecting horizontal and vertical lines: "a spider constructs a complex network of several different kinds of threads".

On-ramp - A way to convert fiat currency into cryptocurrency

Off-ramp - A way to convert cryptocurrency into fiat currency

On-chain transaction - A transaction which is carried out on the blockchain network and transmitted to all nodes

Off-chain transaction - A transaction which is not broadcast to nodes on a blockchain network



OTP - One Time Password

Paperwallet - Usually a mnemonic phrase written down and stored on paper for access later.

Proof of Burn - consensus mechanism, where a certain amount of tokens are burned for every transaction on the network, meaning that the more transactions will run over the Network the more tokens will be burned.

Permissionless - Open-sourced and access to all

Permissioned - Some level of qualification is required

POS - Point of Sale

Proxy Token Tokens - Proxy Token tokens are digital representations of anything external to the token. The digital token typically represents something in the physical world (or even digital world, as we will get to). As such, it is valued for the underlying asset or object which it represents, and not for its technological form (that being a "blockchain tradable unit"). These tokens could be thought of as tokenized certificates or claims, which can attest titles to property or other rights, serving as evidence of ownership.

Ripple (XRP) - See digital assets

Stablecoins - Digital assets which are pegged to fiat currencies such as the USD.

Scalable - able to be changed in size or scale, see scalability
Scalability- the capacity to be changed in size or scale."scalability of the service has not been an issue".for blockchain specifically more along the lines of being able to reach millions and billions of people without reducing performance.

Trading - Exchanging one asset for another

Token Burning - Permanently destroying a coin or token on the ledger so it is unable to be used on the network

Unbanked - People without access to traditional financial services

Volatility - Liability to change rapidly and unpredictably

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