

XIlgems

TOKENOMICS

Introduction

This paper presents an innovative model for investing in the hospitality industry, with a focus on luxury (i) real estate; (ii) hotel operations; and, (iii) collectibles, leveraging on cryptocurrencies and blockchain technology to guarantee privacy, decentralization, scalability and self-custody.

By integrating blockchain-based ownership with the resilience of high-end hospitality, this model ensures both long-term capital appreciation and passive income opportunities. Operating under clear regulatory oversight, it offers transparent governance, audited financials, and structured investor protections. With increasing demand for fractional ownership in high-value assets, this project unlocks new opportunities for investors seeking exposure to the hospitality industry without traditional barriers to entry.

Project Overview

Our goal is to develop a curated collection of 12 ultra-exclusive properties, each a masterpiece in its own right, much like a carefully selected 'Greatest Hits' of luxury destinations.

While hospitality serves as the front-facing experience—elevating brand prestige and engagement—the real estate arm generates the majority of profits through high-value property sales. Simultaneously, the collectibles business, enhancing the aesthetic appeal of each property while boasting margins exceeding 100%, adds an additional high-yield revenue stream.

This ecosystem operates within a tokenized investment framework designed for liquidity, security, and long-term capital appreciation.

Regulation & Security

Compliance with applicable laws is a priority, and all financial and operational structures will adhere to regulatory standards. This project will operate under the clear regulatory oversight of **El Salvador's National Commission for Digital Assets (CNAD)** to ensure transparency, investor protection, and long-term stability. Regular audits and fraud prevention mechanisms will be implemented to uphold the highest governance standards.

However, participation in this investment is subject to the legal frameworks of each investor's jurisdiction. It is the sole responsibility of investors to understand and comply with their local regulations, including any restrictions on tokenized assets, cryptocurrency investments, or foreign real estate holdings. We strongly encourage all participants to seek professional legal and financial advice before engaging in this offering.

Tokenization

To minimize risks and hedge against negative volatility, we will use a hybrid system:

- ❖ Bitcoin (BTC): Primary investment vehicle and treasury holding, maintaining exposure to its appreciation potential.
- ❖ Stablecoins (USDT): Used to ensure financial stability during development periods and cover operating costs.
- ❖ Ownership Tokens (TPX): Security tokens representing fractional ownership in the entire project. Each TPX token launches at 1 BTC.*

*TPX holders are entitled to profit distributions, governance participation, and—given the nature of the business—exclusive benefits within the ecosystem.

Token Allocation

Total tokens: 5,600

- ❖ Tokens for sale: 4,480 (80%)
 - 4,032 for the development of the first hotel (72%)
 - 448 for the reserve fund (8%)
- ❖ Incentive tokens: 1,120 (20%)
 - 840 for founder and team vesting (15%)
 - 280 for the early investor pool (5%)

Notably, tokens for sale may be burned if real estate sales outpace token-based funding needs.

First Hotel Development Phases

The first destination will be funded with the proceeds of 4,032 TPX tokens, structured into five phases to ensure transparency and scalability:

- | | | |
|--------------|-------------------------------|---------------|
| ❖ Phase I: | Land Purchase | → 457.3 TPX |
| ❖ Phase II: | Soft Costs | → 623.4 TPX |
| ❖ Phase III: | Building & Site Improvements | → 2,618.8 TPX |
| ❖ Phase IV: | FF&E | → 207.9 TPX |
| ❖ Phase V: | Pre-Opening & Working Capital | → 124.6 TPX |

This phased approach ensures efficient capital deployment and project execution.

Reserve Fund

Bitcoin's volatility presents both macroeconomic risks and opportunities for the project. Similarly, microeconomic factors such as schedule delays and construction cost overruns can also have an impact. The Reserve Fund is designed to mitigate these risks, including operational challenges post-launch, and to fund corrective measures.

When used, future profits will replenish the fund to 10% of the balance sheet's equity or the initial 448 BTC—whichever is greater. This mechanism provides a financial buffer to ensure project continuity.

Vesting Phases for Founder & Team




The founder will receive tokens in a staggered vesting schedule, tied to the opening and performance of each new property. This ensures alignment with project growth and prevents excessive dilution for investors.

- ❖ Hotel I: 280 TPX tokens upon Grand Opening
- ❖ Hotel II: 280 TPX tokens upon Grand Opening
- ❖ Hotel III: 280 TPX tokens upon Grand Opening

Additionally, the founder will receive newly minted TPX tokens issued after the Grand Openings of hotels IV through XII—gradually increasing their stake from 15% to 60% at a rate of 5% per hotel. This structured approach ensures that token issuance is directly linked to project expansion and overall ecosystem growth, maintaining alignment between the founder and investors.

Early Investor Pool

Early investors who purchase multiple tokens in a single transaction qualify for the following volume-based incentives:




-  Bronze OG Status: Buy 1, get a second at 15% off: 2 tokens for 1.85 BTC
-  Silver OG Status: And, get a third at 25% off: 3 tokens for 2.6 BTC
-  Gold OG Status: Plus, get a fourth at 60% off: 4 tokens for 3 BTC

These incentives are available while the 280-token early investor pool remains—all transactions are recorded on the blockchain for full transparency—or until the offer period ends.

Incentives for Investors

All guests receive premium hospitality—but token HOLDERS enjoy additional privileges, specifically designed to honor their trust in the project.

Additionally, early investors retain their tiered discounts:

-  Gold OGs: 60% off stays and dining
-  Silver OGs: 25% off stays and dining
-  Bronze OGs: 15% off stays and dining

Discounts exclude alcoholic beverages and tobacco products.

Incentives Terms & Conditions

These rules govern the offered incentives:

1. **Discounted Token Restriction:** TPX tokens purchased at a discount (2nd, 3rd, or 4th—not the 1st, which is paid in full) cannot be sold or transferred on open markets until the inaugural hotel's Grand Opening.
2. **OG Status and Discount:** OG status and discounts remain valid as long as the TPX tokens are held in the original purchase wallet and are permanently forfeited upon transfer.
3. **HODLer Status:** HODLer status to enjoy additional privileges, for TPX tokens purchased on the secondary market, begin only after the first anniversary of holding them in the same wallet.

Marketplace

A dedicated marketplace will be launched for secondary TPX token trading, operating with no royalties or fees.

Traders will have access to historical settlement data, real-time bid/ask prices, and Level II quotes—ensuring blockchain-based transparency and verifiable market data for informed trading decisions.

Market-driven data enables accurate pricing, allowing participants to account for:

- Macro factors: Including Bitcoin's price
- Micro factors: Including brand ROIC and growth prospects
- Market sentiment: Including public risk appetite

To support liquidity and price stability, a dedicated liquidity pool will be established to ensure market depth for TPX tokens. This pool will be funded by a portion of the reserve fund and governed by treasury management policies, promoting orderly market conditions.

Profit distributions, including dividends and buybacks, are subject to governance approval based on financial performance. The marketplace will reflect these distributions while promoting liquidity and transparent price discovery for investors.

Governance

Attendance at Annual General Meetings (AGMs)—in person or via live stream—is mandatory for HODLers to participate in project decisions.

To ensure effective governance:

- **Proposals require a two-thirds majority of outstanding tokens to pass, preventing any single party—including the founder—from exercising unilateral control.**
- Timely voting is essential to maintaining an effective governance process.
 - HODLers who fail to vote in an AGM receive a formal warning.
 - HODLers who fail to vote in two consecutive AGMs temporarily lose governance rights, including voting and proposal privileges in quarterly meetings.
 - HODLers who fail to vote in three consecutive AGMs will forfeit their tokens. These forfeited tokens will be auctioned, with proceeds allocated to the Expansion Fund.

Quarterly meetings, while optional, provide HODLers with insight and influence, allowing them to submit proposals for inclusion in the AGM agenda.

A 7-member Board of Directors—four independent experts, two C-Suite executives, and one HODLER representative—guides policies and ensures mission alignment.

The General Assembly serves as the highest governing body, electing the Board from multiple slates. Once in place, the Board appoints, oversees, and replaces the CEO, ensuring accountability to HODLers through a structured chain of command.

Authorizations

A clear hierarchy governs all budgetary decisions involving BTC or its equivalent in USDT:

- ❖ Budget changes exceeding 100 BTC require General Assembly approval.
- ❖ Budget changes between 10 BTC and 100 BTC require Board of Directors' approval.
- ❖ Budget changes between 1 BTC and 10 BTC require CEO approval.
 - Decisions from 0.1 BTC to 1 BTC fall to CXOs.
 - Decisions from 0.01 BTC to 0.1 BTC fall to Area Coordinators.
 - Decisions from 0.001 BTC to 0.01 BTC fall to Managers.
- Fixes below 0.001 BTC are handled by on-site employees.

Governance bodies may adjust these thresholds periodically to account for BTC volatility.

Expansion Plan Financing

XIIgems operates on three key revenue streams, where all transactions are priced and settled in BTC, creating a sustainable financial engine for long-term growth.

Private Residence Sales #BitcoinRealEstate

A collection of exclusively crafted residences with three layers: **private**, **reserved**, and **social** settings—each offering an extraordinary living experience:

- **Residence:** 4,356 sq. ft. of private living space on a secluded 1-acre estate—providing unparalleled tranquility.
- **Club House:** 52,272 sq. ft. of reserved amenities, set within 12 acres of manicured gardens—an enclave of refined repose.
- **7-Star Hotel:** 176,000 sq. ft. of social spaces, surrounded by 81 acres of pristine landscapes—delivering ultimate luxury and sophistication.

Full Experience

- **Land:** 94 acres of curated amenities within a 125-acre oasis.
- **Space:** 232,628 sq. ft. of private, reserved, and social scenarios—unmatched in variety and exclusivity.

Investment

- ❖ **Starting price:** 467 BTC per private residence (12 available).

Hospitality Offerings #BitcoinLifestyle

An ecosystem designed for ultra-high-net-worth families—crafted to fulfill their desire for extraordinary experiences and unparalleled luxury:

- Private charters featuring BBJs and Sunseekers.
- Exquisite hotel suites—ranging from 2,250 sq. ft. to 24,000 sq. ft.
- Five distinct restaurant concepts—curated for culinary excellence.
- Spa rituals so exceptional, you'll want them year-round—by subscription ;-)
- Concierge services that fulfill every request—effortlessly and impeccably.

XIIgems is where exclusivity meets seamless indulgence.

Evolving Exhibitions #BitcoinAssets

Across our initial 125-acre oasis—and later, eleven other global locations—each space is designed as a living gallery of fine art, iconic collectibles, and one-of-a-kind treasures.

Each piece is handpicked, cataloged, and refreshed as they are sold to guests—continuously transforming the ambiance. A significant portion of the FF&E budget is dedicated to these assets, with opportunities to expand the portfolio through strategic partnerships, ensuring returning guests encounter a distinctly new experience in every social setting. Exclusively available at **XIIgems**.

For acquisition inquiries, our curators are available to guide you through the collection.

Revenue from the initial gem's three pillars—residences, hospitality, and exhibitions—flows into the **XIIgems Expansion Fund**, supporting the development of the remaining 11 gems.

XIIgems Expansion Fund

The **XIIgems Expansion Fund** is a structured financial vehicle designed to (i) harness tax advantages, (ii) streamline cash flows, and (iii) maximize value creation. Headquartered in El Salvador, it centralizes and reallocates revenue from all gems to drive international expansion.

This fund not only fuels our three pillars—residences, hospitality, and exhibitions—but also accelerates their growth, driving reinvestment and sustained development. For **XIIgems**, it serves as the engine for expansion, competitiveness, and long-term value appreciation in a Bitcoin-driven ecosystem.

Expansion Fund Threshold

Once the Reserve Fund holds steady at 10% and the Expansion Fund reaches 4,032 BTC, the combined Bitcoin liquidity triggers the development of the next gem:

Phase I:	Land Purchase	→ 457.3 BTC
Phase II:	Soft Costs	→ 623.4 BTC
Phase III:	Building & Site Improvements	→ 2,618.8 BTC
Phase IV:	FF&E	→ 207.9 BTC
Phase V:	Pre-Opening & Working Capital	→ 124.6 BTC

This process repeats for each new gem. Governance ensures that this threshold adapts to BTC's volatility, assesses its impact on expansion plans before committing capital, and determines future locations—supporting sustainable expansion.

Why Invest?

You value privacy, decentralization, scalability and self-custody.

Now, anchor your Bitcoin in real assets:

Returns:	Backed by a Bitcoin treasury, real estate profits, hospitality cash flow, and collectible trades— XIIgems multiplies your HODL.
Prestige:	Not just a hotel—built to stand among the world's enduring luxury brands. Inspired by the legacy of Louis Vuitton, Hermès, and Chanel.
Influence:	Own one of 5,600 XIIgems TPX tokens—joining an exclusive network shaping a scarce, high-value legacy.

Key dates:

Q1 2025:	Token acquisition opens—early investor pool opens.
Q2 2025:	DAO governance activates—your stake, your vote.
Q3 2025:	Trading platform launches—unlock liquidity on your terms.

This is no mere investment. Scarcity. Status. Real estate. Collectibles. All in Bitcoin.

One BTC is your key. The future belongs to those who seize it.

We only post on X — other channels
including Telegram and Discord
are all scams.

[Link to Token Purchases in X's Bio.](#)