



AFRX Token White Paper

1. Executive Summary

Afrail Inc., a U.S.-based Delaware corporation, is building a global network of smart urban mass transit systems across Africa, the Middle East, and North America. To fund this ambitious infrastructure initiative, Afrail is launching the AFRX Security Token. AFRX is a blockchain-based, revenue-generating digital asset issued under Regulation D Rule 506(c) of the U.S. Securities Act.

AFRX enables accredited and international investors to participate in Afrail's expansion while earning quarterly revenue sharing and gaining optional conversion rights into Class A Common Stock. With a fixed supply of 5.77 billion tokens, AFRX is engineered for long-term value creation, regulatory compliance, and digital liquidity.

2. The Problem & Market Opportunity

The global demand for efficient, sustainable urban mass transit is outpacing infrastructure capacity, especially in emerging markets across Africa and underserved areas in the U.S. Traffic congestion, poor connectivity, and carbon emissions continue to strain urban centers.

Moreover, private capital has limited access to invest directly in large-scale infrastructure, which traditionally relies on government funding or closed institutional channels. Investors are also seeking new ways to participate in real assets with clear utility, long-term revenue, and built-in governance features.

Afrail aims to solve both problems by providing advanced mobility infrastructure financed through a tokenized public offering with embedded investor protections and economic rights.

3. Vision & Mission of Afrail Inc.

Afrail's vision is to revolutionize urban mobility by creating an integrated, smart transit ecosystem that bridges digital finance and physical infrastructure.

Mission:

- Build and operate AfrailX (Africa) and ArailX (U.S.) networks
- Reduce congestion and emissions with lightweight electric rail
- Democratize infrastructure ownership using Blockchain-based finance
- Promote inclusive economic development through connected mobility



4. The Afrail Ecosystem

Afrail's core ecosystem includes:

- AfrailX: A smart, elevated rail network designed for Africa's fast-growing urban centers. The system utilizes the proprietary Duo Floc Rail™ technology, supported by solar and grid power, and will be rolled out in 54 African countries starting with Namibia.
- ArailX: A U.S.-based version of AfrailX launching in South Florida along Collins Avenue, integrating urban rail with mixed-use developments and mobility services.
- AfrailX Data Centers: Designed to power digital operations, infrastructure controls, and edge computing across Afrail's networks.
- Afrail Real Estate: Income-generating office tower acquisitions in NYC and Atlanta serve both as headquarters and capital assets.
- Afrail Steel (Oshakati): A steel rolling mill to support rail and infrastructure production in Africa.
- Afrail Small Business Fund: A \$100 million USD hybrid investment fund to finance local SMEs participating in the Afrail supply chain.
- AfrailX Cup: A branded continental football league to drive user engagement, brand visibility, and commercial revenue across Africa.

5. AFRX Token Model

AFRX is a security token issued under Reg D Rule 506(c) in the U.S., representing economic rights and optional equity conversion in Afrail Inc. Each AFRX token is priced at \$0.70 USD during the offering. The token has a fixed supply of 5.77 billion and a minimum investment threshold of \$5,000 USD for U.S. accredited investors.

Token holders receive quarterly revenue distributions proportionate to their holdings and may convert AFRX tokens into Class A Common Stock of Afrail Inc. at a ratio of 100 AFRX = 1 share. Each share carries one vote.

AFRX is subject to a 365-day lock-up from the date of issuance. Transfer restrictions, investor whitelisting, and jurisdiction controls are embedded in the token's smart contract.

6. Technology Architecture

AFRX is deployed as a programmable security token using the ERC-1400 standard, designed for regulatory compliance and investor protection.

Key technical features include:



- Whitelisting & AML/KYC: Only verified investors can hold or transfer AFRX.
- Jurisdiction Enforcement: Transfers are only allowed between permitted jurisdictions.
- Lock-up Management: Tokens are non-transferrable until the expiration of a 365-day lock-up period.
- Auditable Smart Contracts: Every issuance, transfer, and burn is recorded on-chain.
- Modular Upgrades: AFRX contracts support modular updates for future governance or compliance needs.

7. Regulatory Compliance

AFRX is structured to comply with U.S. and international securities laws.

- Regulation D Rule 506(c): AFRX is available to accredited investors in the United States through general solicitation.
- Regulation S: Allows participation by non-U.S. investors under applicable local laws.
- SEC Form D Filed: Afrail Inc. has submitted Form D to the SEC for transparency and exemption documentation.
- Smart Contract Restrictions: AFRX tokens can only be transferred in accordance with securities laws and internal compliance logic.

8. Token Distribution & Allocation

AFRX's total supply of 5.77 billion tokens will be allocated as follows:

- Public Sale (Reg D & Reg S): 4.04 billion AFRX (70%)
- Treasury & Ecosystem Fund: 770 million AFRX (13.3%)
- Team, Advisors, and Founders (vested): 580 million AFRX (10%)
- Employee Incentive Pool: 180 million AFRX (3.1%)
- Liquidity & Exchange Reserves: 200 million AFRX (3.6%)

Vesting schedules and lock-up periods apply to team and advisor allocations.

9. Roadmap & Milestones

- Q1–Q2 2025: Token launch, Form D filed, investor onboarding, EIA studies funded
- Q3 2025: Begin infrastructure and data center technical and engineering work in Namibia & Miami
- Q1 2026: Launch of steel rolling mill in Oshakati; token liquidity event (tZERO listing)
- Q2 2026: AfrailX Cup launch and regional branding push



- 2027 and beyond: Scale rail networks across Africa and expand U.S. deployments (ArailX phase 2)

10. Risks & Disclaimers

Investing in AFRX involves risks including but not limited to:

- Regulatory changes impacting digital securities
- Infrastructure delays or capital expenditure overruns
- Token price volatility and liquidity constraints
- No guarantee of dividends or token buybacks

AFRX is a private security and not registered with the SEC. It is not a publicly traded token at launch and is intended only for qualified investors. Forward-looking statements herein are not guarantees of future performance.

11. Team

The team includes:

- Simon Kapenda – Founder
- Radley Verma – Chief Executive Officer
- Isaac Baptista – Chief Financial Officer

Additional board, advisors, and engineering leadership to be disclosed in public updates and filings.

12. Appendices

- AFRX Smart Contract (ERC-1400): GitHub link TBD
- Private Placement Memorandum (PPM): Distributed to investors
- Form D Filing: Filed with the SEC April 2025
- Project URLs:
 - Afrail Inc.: www.afrail.xyz
 - AFRX Token: www.afrx.io
 - AfrailX: www.afrailx.com
 - ArailX: www.arailx.com