

Build Network

Whitepaper

February 2018

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1. Abstract

This whitepaper highlights the main objectives and benefits of combining construction and the financial industry partners with blockchain and smart contracts. It will briefly discuss some current statistics and analysis supporting our aims and how our investors can appreciate their investments over time. At Build Network we have over a decade of experience in the construction industry, supported by a well-established financial sector, and we believe the time is right to venture into the cryptocurrency market. Over the decade, we have been privileged to provide reliable and robust services to our clients all around the world. Our services range from major contracts to small independent projects – from construction of roads and main corporate building to private houses.

Our reputation in the construction industry, based on our commitment and dedication, has secured our relationship with several business partners in the financial market, and we believe combining both sectors will secure the longevity of successful relations with our investors.

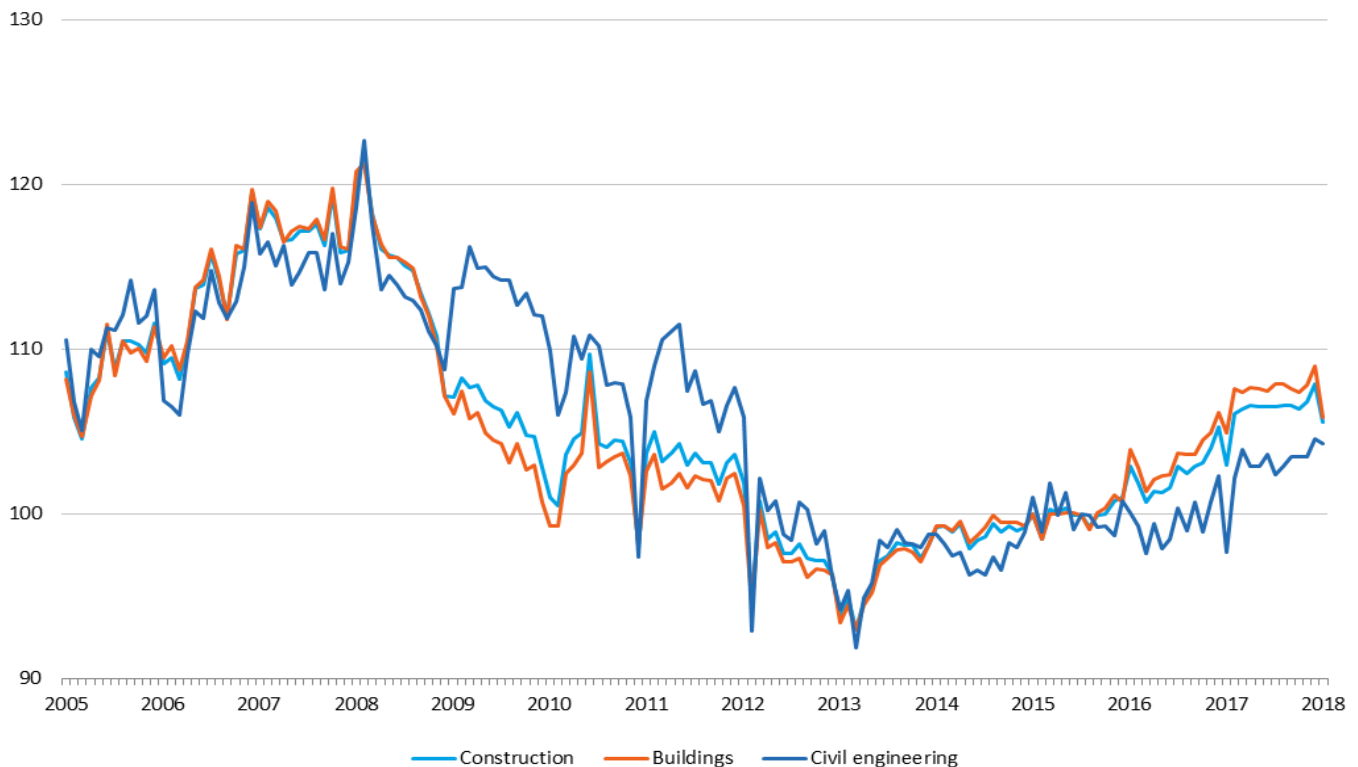
2. Introduction

Build Network has several facets. We have had more than a decade of experience in the construction market and in the financial industry, and we believe combining our experience in these fields with the decentralised blockchain economy will create an unstoppable force to achieve success in today's cryptocurrency market. We believe bringing together lucrative business areas such as construction and finance will guarantee our clients' returns on their investments.

3. Statistical data and facts about the construction industry

According to Eurostat (2017), due to the economic crisis between 2008 and early 2013, the construction business experienced a constant decline in the EU-28. But since the second quarter of 2013, the industry has been experiencing a steady increase, which shows no signs of slowing down, as the graph below illustrates.

Construction production per type of construction 2005 - 2017, calendar and seasonally adjusted data (2015 = 100)



Source: Eurostat (online data code: sts_copr_m)

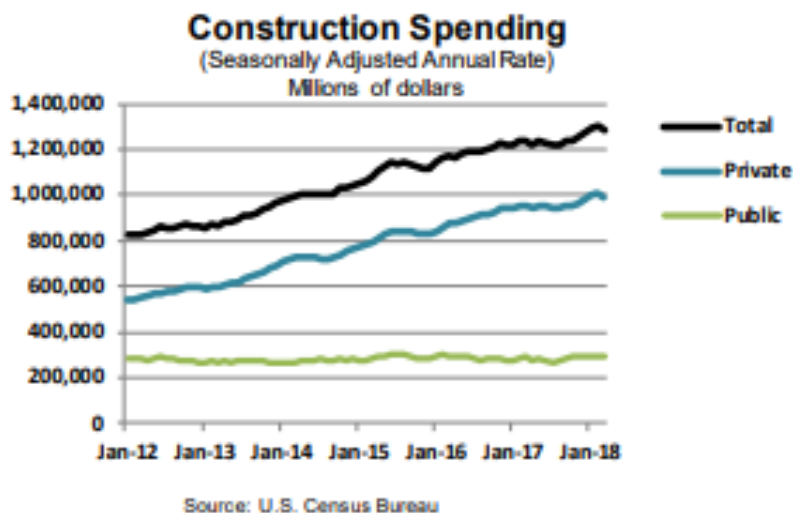
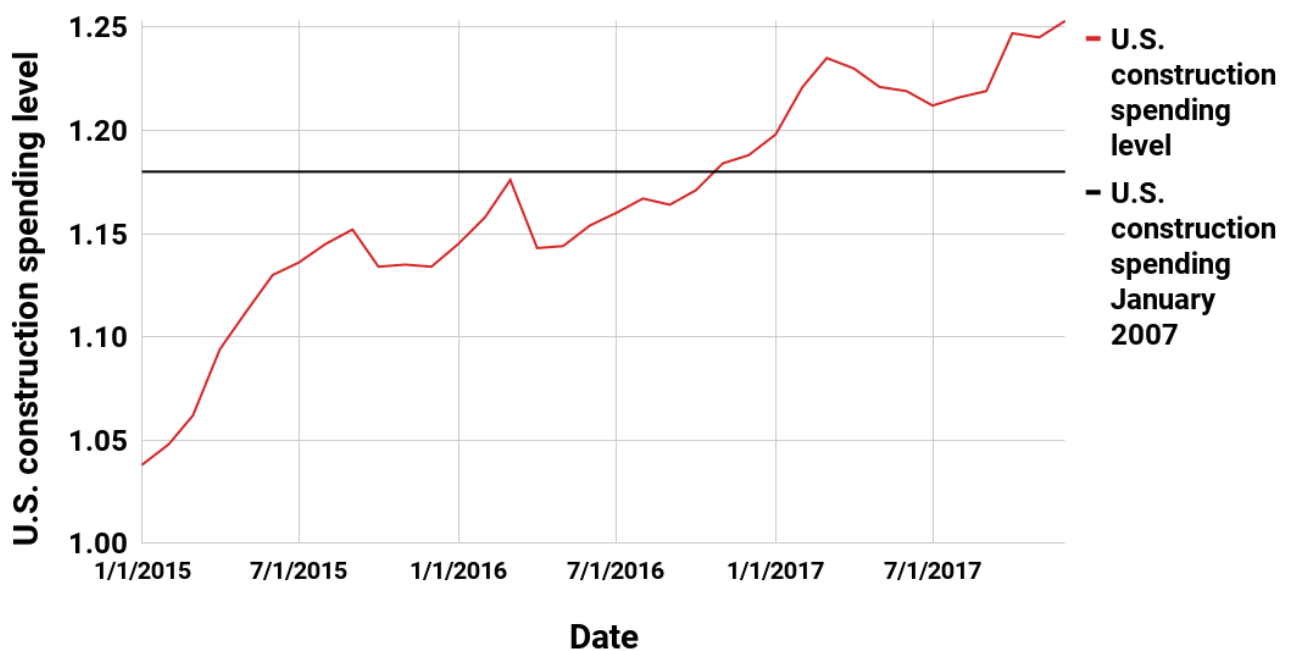
eurostat 

In the United Kingdom alone, the construction industry was worth more than £144 billion UK in 2015 and it has increased exponentially since, with almost 21% of revenue increase from independent ownership (The Statista Portal, 2017). Statista, 2016 also state that the construction industry in the US reached an expenditure of \$1,162 billion US, and the US construction industry is one of the largest in the world (Statista, 2016). The data below confirm the findings of Statista (2016) in graphical form. According to Construction Dive (2018) and the US Census Bureau (2017), US construction spending increased by 0.7% in December 2017, from \$1.245 trillion in November to \$1.253 trillion in December 2017. It was also reported in MarketWatch

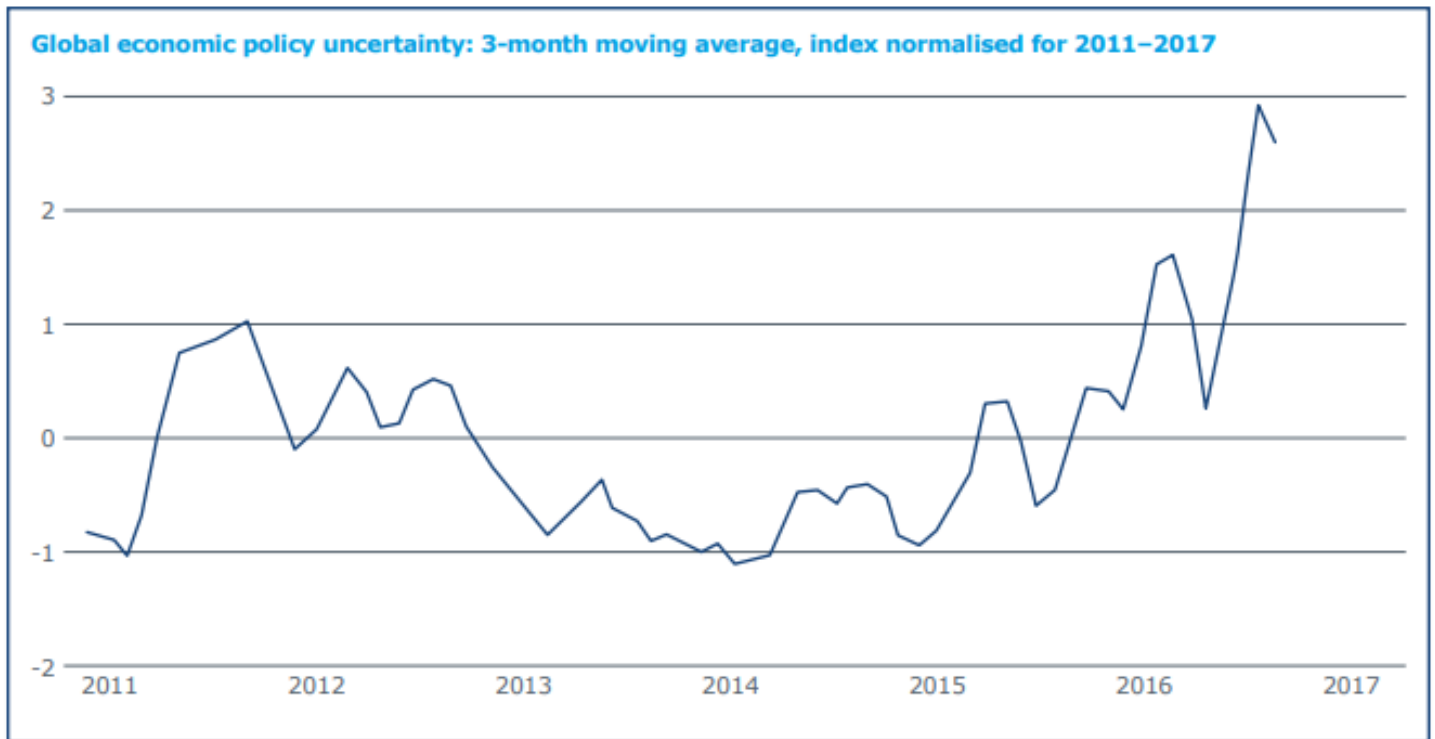
(2018) as the fifth month in a row that the US construction industry has increased its spending.

The 0.7% increase was reported by Customer News and Business Channel (CNBC) as an outstanding performance and that the result was more than double the 0.3% predicted, with both the public and private sectors of the construction industry performing well during the last months in 2017. A robust market, low interest rates and an absence of natural disasters in the building industry were partly responsible for the strong spending in late 2017.

US construction spending hits record high in December



In 2017, the total output of China's construction industry was predicted to reach 25.34 trillion yuan, almost \$4 trillion US and £3 trillion UK. According to the forecast of Timetric's Construction intelligence Centre (CIC), a group of 50 of the largest and most influential players in the construction industry worldwide, the industry will reach \$10.3 trillion US (Cision PR Newswire, 2016). The industry is currently gaining momentum and shows no signs of declining any time soon, as shown below.



As mentioned above, Build Network has the backing of experienced professionals in the construction business as well as in the financial sector. Therefore, at Build Network we are able to provide our investors with good returns on their investments by sharing the net profits of our construction business with our community.

4. Aims and Objectives

At Build Network we have two main objectives for our project: giving our investors the opportunity to partner with us; and fostering a sense of social empowerment within our community platform. This will allow each investor to benefit from our vast experience in the construction and financial industries by sharing 60% of our net profit with community investors. Socially, our community members and other investors work together collectively to reduce, or even eliminate, factors that generate unemployment and poverty in our local areas. These objectives will be elaborated further in this white paper.

In order to build a sustainable community and encourage other investors to use the Build Network token, we will bring sub-contractors such as electricians, plumbers, gardeners, cleaners, event and venue planners, handymen, painters and many other construction companies, in your local areas and worldwide, on to the community platform. This will allow our investors to use their services and pay for these services with the Build Network tokens. On the other hand, our community token holders, who also have these skills and qualifications, will have the opportunity to offer their services to our investors and community members. We believe this will dramatically increase the use of our token, hence appreciating the value of the token over time, as well as help to decrease the rate of unemployment both in our local areas and globally. This will also allow our community members to have easy access to their local building contractors.

All token holders will have the opportunity to trade their holdings on our internal and external exchanges.

5. Problem and solution

There have been many cryptocurrency passive-income schemes that have ended in disaster, whether pyramid schemes or government cautions; hence many investors have lost a substantial amount of their savings or bank loans. Many of these companies came into the market not having a long-term business plan and without other businesses to support their vision and pledges to their investors. But with Build Network, we have implemented several steps to ensure our business model guarantees the sustainability and longevity of our enterprise.

Our platform will also offer the opportunity to businesses in the construction field around the world to upload their services onto our platform to our community members and investors at reasonable cost. As a result, building contractors around the world will have the opportunity to enhance their portfolios and increase their

horizons in terms of new job opportunities within their local communities. This will eventually reduce unemployment within the construction community and create more jobs for our community members and investors who are unable to secure contracts or jobs as easily as large corporate construction companies.

The money raised from token sales will be invested in new construction projects around the globe, and 60% of our net profits will be shared among the community depending on the number of tokens held by our investors every month. We therefore believe our investors will be able to enjoy long-term passive income from our business models.

Also, as cryptocurrency is not recognised by the mainstream financial market, many cryptocurrency holders are unable to leverage their assets for loans. With Build Network we will be offering our investors the opportunity to leverage their cryptocurrency portfolio for instant cryptocurrency loans, and there are more details below.

6. Borrowing

With Build Network, our investors will have the opportunity to borrow from our platform, depending on individual portfolio size, without having to sell their cryptocurrencies. Borrowers will be able to borrow up to 50% of the portfolio size. The duration of the loan will vary from one (1) month to nine (9) months, with one-off fees between 7.8% and 16.8%. We believe this a great way of supporting our community compared to other platforms and mainstream financial institutions. This will allow our investors to gain more on their loans, as we waive compound interest and platform fees. We will accept Ethereum, ripple bitcoin, monero, Litecoin, dash, z-cash and neo as collateral.

Loans will be paid in whichever cryptocurrency the investor uses as collateral as soon as the loan is approved.

6.1 Requirements for Borrowers (Know Your Customer)

Standard documents, such as a recent bank statement, driving licence, passport or utility bill will be required to verify the borrower's identity. Once verification is complete, borrowers can utilise their available funds.

6.2 Fees (one-off)

All fees must also be paid before their loan application can be approved.

Duration	Fees (%)
1-2 months	7.8%
2-4 months	12%
4-6months	16.8%
6-9months	variable

Examples:

- One ETH loan for 1 month @ 7.8% one-off fees will attract 0.078 ETH fees.
- One ETH loan for 3 months @ 12% one-off fees will attract 0.12 ETH fees.
- One ETH loan for 6 months @ 16.8% one-off fees will attract 0.168 ETH fees.

6.3 Liquidation

Part or all of the cryptocurrency collateral will be sold off if the value drops below a margin that is safe for our platform. This will ensure that the risk is maintained at a safe level for our investors.

On the other hand, borrowers will have the opportunity to request a loan for 60% of their cryptocurrency; however, this is considered as high-risk, as their collateral can easily be liquidated. Therefore, if the value of their cryptocurrency collateral drops between 23.2% and 32.2%, the collateral will be liquidated. These percentages will depend on the amount and duration of the loan.

The loan must be repaid in full before the collateral can be returned. Borrowers can also settle their accounts at any time before the repayment due date.

6.4 Extensions for repayments

The borrowers can also request an extension depending on the availability of their funds.

6.5 Limits

Our investors can borrow between 0.5 ETH and 15 ETH

7. Build Network Token Economy

At Build Network, our priority is to maintain the value of our token, and therefore several strategies have been put into place to ensure the token value is sustained. The pages below elaborate on these policies and strategies.

The Build Network token sale prices will slightly increase with each round to allow early investors to appreciate their token value. The volume and duration of the pricing structure will follow shortly.

7.1 Build Network Token Specifications

Smart Contract	Ethereum (ETH)
Contract type	ERC20
Token Name	Build Network Token
Token Symbols	XBN
Token address	0xae14aee06f8fd12adc5b191d2382110f27851c80
Sales address	0x7bfa11aa43833f8b980803bea180c54b82cacb2d
Unsold Token	To follow our burning policy after main token sales

7.2 Token Usage Incentives

In order to ensure the longevity of our services and stimulate greater output for our community, several protocols and policies have been implemented. We believe creating a system whereby token stores are scarce should be one of the strategies adopted to boost the value of our token, thereby allowing loyal investors to gain more yield on their investment. The buyback and burn policies will also encourage token holders to utilise their tokens when the liquidity of the token is low, thereby balancing the fluidity of the token.

Building contractors around the world will be able to upload their services on our platform; our platform users will have the opportunity to use their services and pay them using build network token. This is one of our value strategy to enhance the token usage and appreciate the value of the token over time.

To reward our investors, after the main token sales token holders will be rewarded with Ethereum before their first dividend.

7.3 Referral bonus

5% bonus for every referral during token sales.

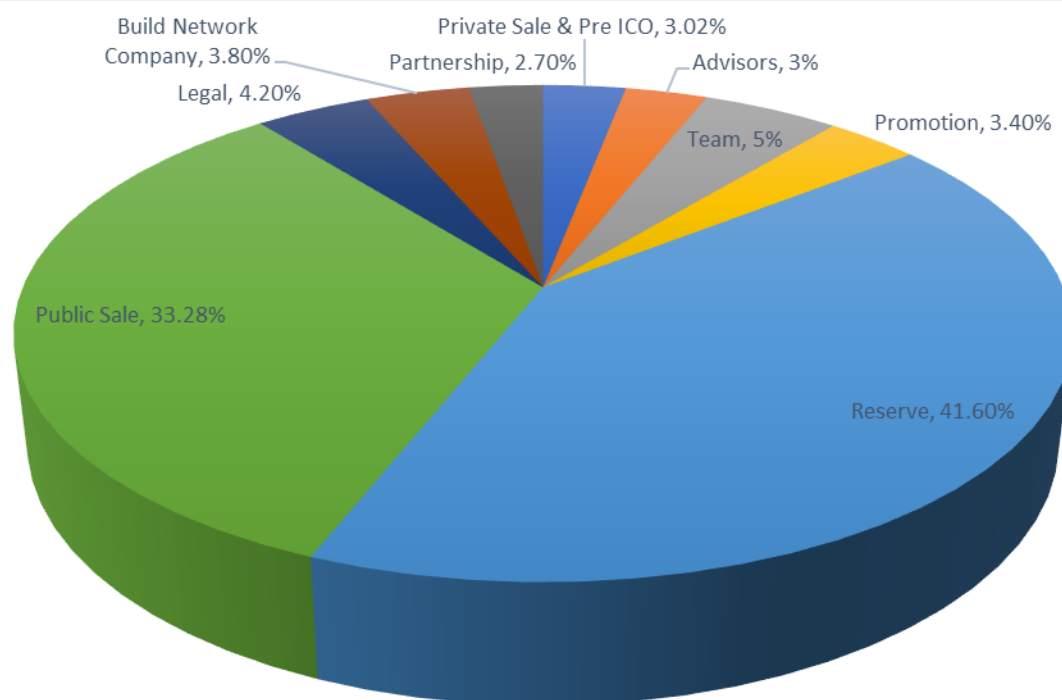
7.4 Buyback policy

Build Network will purchase tokens back after the main token sale through our internal and external exchanges. This will create scarcity of our token and thereby increase the value.

7.5 Burn Policy

In order to decrease the total supply and circulation volume, following Build Network token sales, left over coins will be burned. We believe this will sustain the value of our token and appreciation over time.

7.6 Token allocations



■ Private Sale & Pre ICO ■ Advisors ■ Team ■ Promotion ■ Reserve ■ Public Sale ■ Legal ■ Build Network Company ■ Partnership

8. Plans

With the backing of two established and lucrative industries, the construction and financial industries, we will offer our investors exclusive holidays deals from our partners and contractors around the globe.

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10. Glossary

Eurostat is the EU open-data portal, providing statistical information to European institutions with the aim of promoting harmony between statistical methods across member states.

Social empowerment is the process of developing one's sense of independence and self-confidence, either individually or as a group of people, to change social relations so as to enhance or improve the way of living, either through education or socio-economically.

Collateral is something pledged to guarantee the repayment of a loan, for example bitcoin or Ethereum that can be sold off to repay the loan if the borrower is unable to repay or if the market declines.

Borrower – the individual investor on our platform who is seeking to leverage his or her cryptocurrencies, for example bitcoin or Ethereum, for a loan.

Know Your Customer is the process of verifying the identity of an individual before loan approval.