CHINTAI

Decentralized Resource Exchange

CHEX Tokenomic Model

chintai.io | December, 2019

Token Model Design: Chintai Team

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ABSTRACT

Chintai launched on the EOS blockchain in October 2018, becoming the first decentralized utility token leasing protocol and high-performance exchange. Token leasing enables otherwise unused token utility to be leased for income.

Since launch, Chintai grew to be the largest token leasing platform on the EOS mainnet between late 2018 and early 2019. At its peak, the Chintai market size grew to a combined all-time high of 20m+ EOS, with more than 65,000 EOS interest generated in the second week of December alone. To date more than $250 million in trade volume have been generated, and 220,000 EOS in interest has been paid to users, with 33,000 unique users globally.

All design elements outlined in the original Chintai whitepaper published in February 2018 were achieved. It has been established that token leasing markets can form through traditional supply and demand principles. Demand is expected to increase as usage of decentralized protocols and their associated tokens become integrated into the fabric of everyday public usage.

The Chintai team began developing infrastructure to handle leasing of potentially any digital asset in 2019. New token leasing markets will be deployed in late 2019 and early 2020 (e.g. DAPP, BOID, IQ, WAX and WBI). This lays the foundation for additional token leasing markets to be added easily and rapidly. Chintai has also partnered with the teams behind the NFT standards dGoods and Simple Assets to implement leasing functionality in NFT's. dGoods has partnered with Microsoft Azure, which makes any NFT created by Microsoft compatible with Chintai.

Furthermore, Chintai has identified additional use cases that can be addressed by using the high-powered Chintai matching engine. The scope of the Chintai product suite has been broadened to offer several decentralized financial instruments and markets. Chintai is positioning to become an interconnected ecosystem of decentralized finance products that are bound together by the CHEX token. These new products and markets include a regulated decentralized exchange for tokenized securities, decentralized Bond market, Futures market, Derivatives market, automated resource management and [Mynt (My Native Token)](#), a service for launching custom token contracts for STO's. A regulatory FinTech sandbox is being established with the Monetary Authority of Singapore for the regulated decentralized exchange.

The CHEX utility token was introduced in March 2019, with utility features including fee-reduction for all products and markets where applicable, customizable token locking for security and "CHEX Smart Matching". Smart Matching enables CHEX holders to access interest generated from token leasing markets in exchange for pledging CHEX in Chintai, which will contribute to CHEX price stability. CHEX will act as the base token for the Chintai ecosystem and become a reliable source of collateral and settlement for future Chintai financial instruments, making price stability one of the core objectives of CHEX tokenomic design.

This updated version illustrates in clearer detail the utility features of CHEX outlined in the first tokenomic white paper published in March 2019, and introduces additional utility

features that will be integrated into products set for launch in 2020 and 2021.

INTRODUCTION

Chintai was originally conceptualized to be:

> "...a community owned dApp for efficient EOSIO based token leasing that provides a liquid, high capacity, transparent token leasing market to ensure optimal market efficiency in token economies..." (Chintai Whitepaper, 2018)

The Chintai exchange launched in October 2018 with functionality surpassing the original roadmap, and has fully delivered on the [original whitepaper](#) concept of a commercial-grade token leasing exchange capable of servicing the needs of EOS (CPU/NET Leasing). Chintai is now being developed to provide a wide range of Decentralized Finance (DeFi) services.

Our vision entails expanding the Chintai platform into a comprehensive DeFi exchange for digital assets/resources. Chintai and the CHEX token combine to allow the platform to expand and service nearly any blockchain or digital asset, including:

1. Token leasing for any EOSIO blockchain (e.g. EOS, WAX, WBI)
2. Leasing of potentially any token - e.g. DAPP, IQ, BOID
3. Security Token Offerings (STO's) via Chintai Mynt - primary issuance
4. Decentralized Exchange (DEX) - regulated markets, secondary trading for security tokens, fiat gateway
5. Digital Asset NFT Leasing/Trading
6. CHEX Smart Matching for automated leasing (yields the highest returns from any leasing market)
7. dApp Bonds - Issuance and Secondary Trading Markets
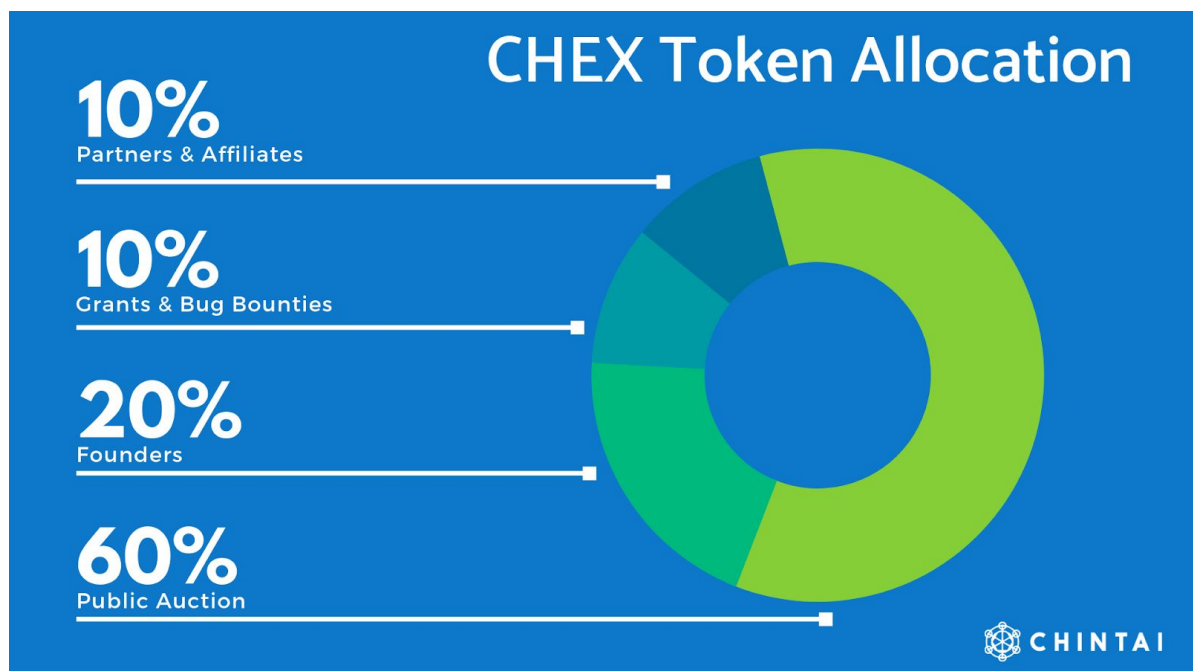8. Futures, Options, Derivatives

CHEX TOKEN FUNDAMENTALS

The Chintai exchange token uses the symbol **CHEX**. It is hosted on the EOS blockchain. IBC will be used to deploy CHEX onto additional blockchains where Chintai services are relevant, including Ethereum, Worbli and WAX. The maximum supply of CHEX is **1bn tokens**, which can never be exceeded. The token model is based on a dynamic deflationary mechanism.

CHEX was distributed over 320 rounds in a Dutch auction (Apr 8 - Dec 4 2019). Each round dispersed **1,875,000** tokens pro-rata, meaning the tokens in each round were split proportionately with the participants of the round. This approach ensured that the CHEX distribution has been allocated to as wide a range of active community members as possible, enhancing the decentralization of the token supply.

SUPPLY ALLOCATION

- 60% was distributed in a 240-day KYC auction (certain geographic regions including the U.S and China, and countries with international sanctions were excluded)

- 20% distributed to founders, vesting over a 2 year period 2019-21

- 10% reserved for bug bounties and project advisors. Project advisors will be subject to the same 2 year vesting schedule as founders.

- 10% reserved for strategic affiliate partners and to encourage investment into Chintai ecosystem development, particularly the Merchant Network.

CHEX Token Allocation

10% Partners & Affiliates

10% Grants & Bug Bounties

20% Founders

60% Public Auction

MAXIMUM SUPPLY AND SCARCITY

An important aspect of tokenomic value is a known, finite supply with proveable scarcity. CHEX achieves this by being hosted and secured on the EOS public blockchain, which has a multi-billion dollar market capitalization.

Platform generated fees are paid with CHEX (native), or other tokens (non-native). If fees are paid with non-native tokens, said fees are immediately converted to CHEX on an internal secondary market. Fees are subsequently held in an account and enter a dynamic deflationary protocol. A proportion of CHEX being held may be burned, and a proportion may be returned into supply as part of the CHEX incentive pool, which is used to incentivize market liquidity and enhance Chintai services.

CHINTAI REVENUE & CHEX INCENTIVE POOL

The core Chintai code is principally designed to flexibly and rapidly incorporate new types of markets as they emerge, including leasing, trading, lending, bond issuance / trading, security token issuance / trading, futures and derivatives.

Chintai is a commercial platform, with 20% of fees allocated for ongoing platform development and running costs. Platform fees accrued capitalize the CHEX incentive pool for potential reinjection back into supply, which will be used to incentivize liquidity in leasing markets and other network positive actions.

It is important to note that a proportion of this pool will be burned (permanently retired from circulation) to assist with CHEX token price stability, which is crucial for the development of CHEX becoming a reliable source of collateral for the decentralized bond market, settlement and other platform functionality. This dynamic model will only result in potential deflation - new CHEX tokens will never be created and the total supply will never exceed 1 billion.
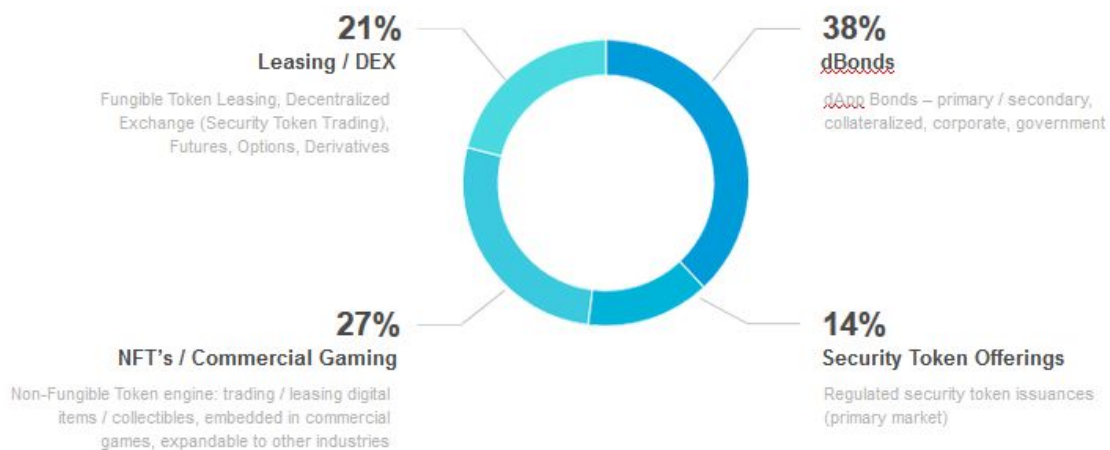
Chintai revenue streams include transaction fees from:

- Chintai leasing markets - cross chain
- NFT leasing/trading - cross chain
- Mynt STO's
- dApp Bond issuance
- dApp Bond secondary markets
- Chintai Regulated Exchange (DEX)
- Chintai Automated Resourcing
- Voter Exchange
- Chintai DSP (DAPP Network)

CHINTAI MARKETS

Chintai is building a diverse decentralized finance network with multiple revenue generating streams. Different aspects of CHEX Token Utility are integral across all the following Chintai Markets.

By 2023, dBonds and NFT's are forecast to be the primary revenue streams, as investment and commercial partners fuel mass adoption. In the near term, revenues will be robustly supported by the proven demand of token leasing, exchange trading and security token issuances.

21%
Leasing / DEX
Fungible Token Leasing, Decentralized Exchange (Security Token Trading), Futures, Options, Derivatives

38%
dBonds
dApp Bonds – primary / secondary, collateralized, corporate, government

27%
NFT's / Commercial Gaming
Non-Fungible Token engine: trading / leasing digital items / collectibles, embedded in commercial games, expandable to other industries

14%
Security Token Offerings
Regulated security token issuances (primary market)

2023 Revenue split forecast

a. NFT LEASING / TRADING

Digital assets and collectibles can be easily forged and falsified due to lack of effective standards and security practices, These limitations can be overcome with tokenization of these virtual items as a non-fungible token (NFT) using a blockchain.

Chintai is already supporting the two primary industry standards for NFT's (dGoods[1] and Simple Assets). Both are adopted on the WAX blockchain, which specialises in NFT's and commercial gaming.

Chintai will release a sophisticated NFT leasing and trading engine that commercial games and other services like Steam will be able to call, use and embed into their games/platform. This will enable existing and emerging gaming platforms to rapidly add the power of NFT leasing and passive income generation for gamers directly into their products..

As a part of the emerging *earning economy,* the Chintai engine can service industries far beyond gaming, including tokenized real estate, artwork and

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[1] dGoods has partnered with Microsoft Azure, which makes any NFT created by Microsoft compatible with Chintai

certificates. Chintai is providing a means for everyone to participate as a lender to generate passive income, or as a borrower who pays a fee for token utility.

b. FUNGIBLE LEASING

Chintai 2.0 has been redesigned as a modular system to rapidly plug in new leasing markets. Any fungible token that has valid utility can potentially adapt and enable utility to be delegated to others. The ability to delegate utility while maintaining custody is powerful, since it decouples the token price from the utility of the application or network. Furthermore it enables token holders to generate passive income on otherwise unused token utility.

CHEX holders are uniquely able to pledge CHEX in fungible leasing markets to lend utility tokens that are available in the CHEX/TOKEN liquidity pool.

c. SECURITY TOKEN OFFERINGS (STO's)

Any sale of a security must be registered with an appropriate regulator, or meet security issuance exemptions. This applies to all types of securities, including security tokens, which share characteristics such as paying dividends to holders and assigning voting rights.

Chintai has a created a turnkey solution called Mynt to enable security token sales that include KYC/AML, and can be configured with controls as mandated by regulators. These controls can then be encoded within security tokens, to provide all necessary checks, controls (e.g. market participants), and reporting required (e.g. standards, tolerances, limitations on market participants).

During Mynt STO's, all token issuers will be required to hold and use CHEX to fuel the Chintai Automated Resource Management throughout the distribution events.

d. REGULATED DECENTRALIZED EXCHANGE (DEX)

The entire trade matching, execution and settlement process will be managed with blockchain, providing an immutable, decentralized source of truth for all trade activity and associated information, therefore making said information publicly accessible by anyone, including regulators.

The base-pairing of tokens on the platform will be the CHEX token, which allows for easy conversion of tokens across blockchains due to the CHEX token being chain-agnostic.

The underlying securitized assets are tokenized and will use the WORBLI token protocol, to enable sophisticated, flexible controls to be implemented that can assure full jurisdictional compliance in every region of the world.

1

Regulatory Sandbox

Singapore regulator (MAS) engaged for Chintai DEX regulatory sandbox

2

Security Token

Chintai Mynt and DEX for regulated, compliant security token primary issuance and secondary trading

3

Global Expansion

With model proved, expand to provide DEX services to global markets including US

4

Futures, Derivatives

Add regulated Futures, Options and Derivative markets to compliment Security Tokens and Bonds

e. REGULATED dBOND MARKETS

Tokenization of bonds represent the next phase of evolution in a global $100+ trillion market.

dBonds have many similarities with conventional bonds, in that they will be fixed income, regulated instruments, and each represent a form of structured loan made by companies to investors. They will enable the provision of investment and working capital for business and entrepreneurs, along with a new additional income stream for lenders.

dApp Bonds are a solution for established companies to access capital to invest in their businesses to grow , without needing to sell equity in any form. This can now be done in a fully regulated, compliant blockchain environment for the first time. Tokenization of bonds enables rapid, dynamic bond issuances, low cost trading and payments, automatic collateral allocation and default handling.

Additionally, this innovation has the potential to widen the ability of companies to access investment and development capital, as well as the ability for a wider pool of investors to participate in new markets.

Bond issuances do not require an independent body to oversight the process with tokenized bonds. Appropriate controls are being agreed upon with the Singapore regulator, then will be encoded within the bond tokens to

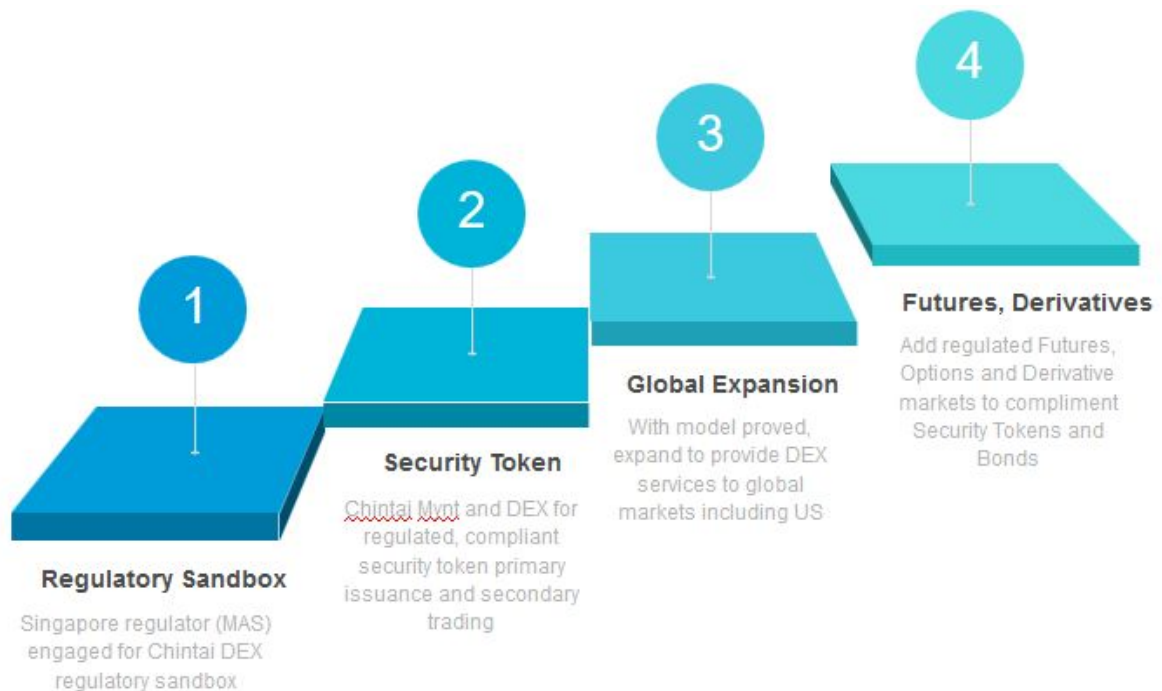provide the necessary checks, controls and reporting required (e.g. standards, tolerances, limitations on market participants). This includes whether sets of controls in addition to the built-in KYC/AML on the WORBLI blockchain are deemed acceptable. We anticipate a bond prospectus needing to be produced by all issuers that meets various standard criteria including debt purpose, underlying company/project, financial statements, and details on underlying collateral deposits.

f. REGULATED FUTURES, OPTIONS, DERIVATIVES MARKETS

Due to the flexibility and versatility of security tokens, core functionality can be encoded that can enable a range of existing and new financial instruments to be created. Chintai anticipates the development of the following asset classes for deployment in the future:

- Futures
- Commodities
- Derivatives
- Structured Products

CHEX TOKEN UTILITY

CHEX tokens have multiple utility features designed to give holders security controls, reduce fees, and provide opportunities for income, which is awarded in exchange for pledging CHEX into the Chintai ecosystem. Pledging CHEX is one of the primary ways CHEX holders are incentivised or required to lock capital into the Chintai ecosystem. This will contribute to price stability, which is necessary to reduce slippage for internal settlement and provide a reliable source of collateral for dBonds and other Chinti products.

a. LOCK / UNLOCK

CHEX holders can lock their CHEX, with a customizable period from 1 to 100 days[2].

Locking is intended to be a security feature for CHEX holders that do not need to access additional platform utility and only wish to secure their CHEX in their account.

b. REDUCED FEES

Paying platform fees with CHEX results in reduced fees when compared to paying platform fees in other tokens or currency.

c. SMART MATCHING

Every fungible leasing market can reward native tokens lessors (i.e participants willing to lend their tokens on Chintai markets such as EOS, BOID, DAPP etc.) for providing two key services:

1. Leasing token utility on the market and getting paid at the market rate.
2. Providing token liquidity in exchange for recycled platform fees. This liquidity can then be used by the CHEX Smart Matching protcol.

The liquidity that is provided by native token lessors in exchange for platform fees can be leased by CHEX holders for income, only after they pledge their CHEX. Pledged CHEX will be held in the Chintai Smart Matching Contract for varying, autonomously chosen periods of time.

Fees generated by Chintai token leasing markets and other Chintai services will be added to the CHEX/TOKEN pool (where TOKEN could be any leasing market for any TOKEN). Those fees will be distributed by a predetermined mathematical formula to pay liquidity providers - this liquidity will be made available to CHEX holders for leasing.

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[2] Note that simply locking CHEX does not in itself give access to Smart Matching utility

TOKEN liquidity available in the CHEX/TOKEN liquidity pool is accessible for any CHEX holder(s) to be used for leasing in exchange for pledging CHEX. The amount of TOKEN's that are leasable for a given CHEX holder is based on several factors:

1) The amount of CHEX being pledged by the sum of all CHEX holders at a given moment and the order in which they were pledged (FIFO).

2) The conversion rate between CHEX and a given TOKEN at the time a lease order is filled by a CHEX holder.

3) The available amount of TOKENs in the CHEX/TOKEN liquidity pool.

CHEX tokens that have been pledged can not be used for anything else by the CHEX holder for the duration of the lease.

Once the order is finished, the TOKENs are added back to the CHEX/TOKEN liquidity pool and the CHEX that was pledged is returned to the CHEX holder. This guarantees that the CHEX holder suffers no risks with conversion due to price volatility of the TOKEN market to which they are leasing.

The CHEX/TOKEN liquidity pool will find a natural equilibrium with the TOKEN lenders, and it is possible for extra liquidity to be "injected" into a market (for example, to help kickstart a new marketplace) with the fees from other markets that are already successful and generating high fees.
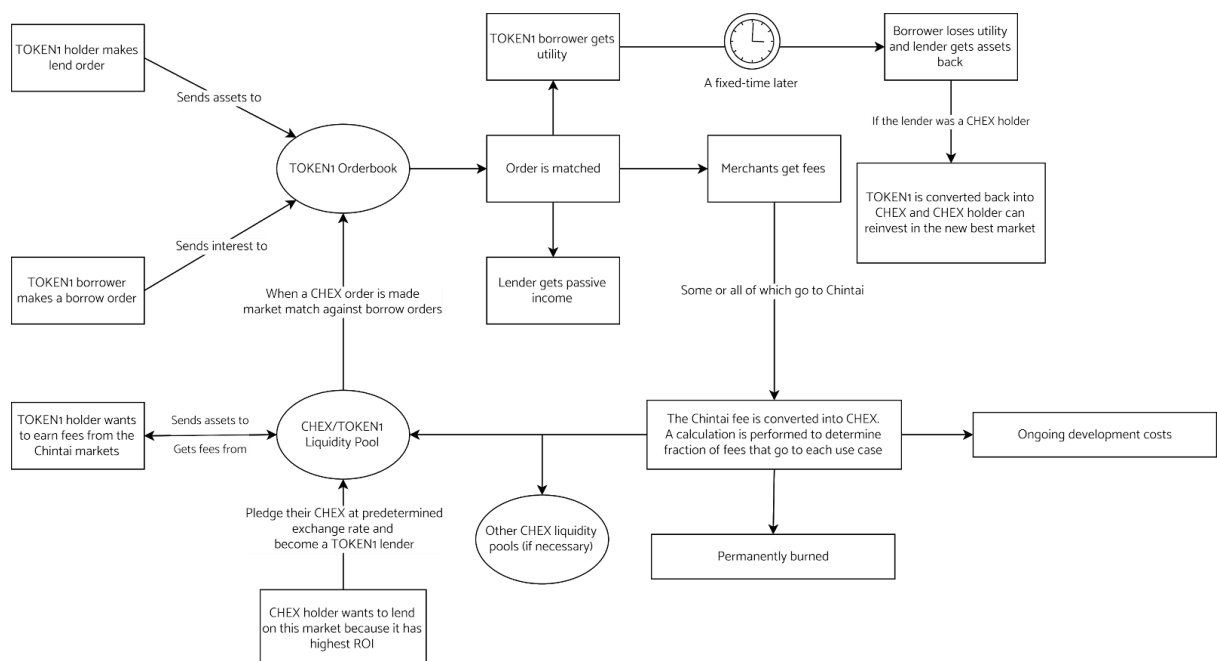

Figure 1: The mechanism by which CHEX holders can access a given market

The CHEX smart matching mechanism checks for which market has the highest (or expected highest) return on investment, and also checks how much liquidity is available in the CHEX/TOKEN pool for that market. A CHEX holder will then perform a "market order" that will automatically put the appropriate amount of CHEX into each of the markets with liquidity, starting with the highest interest and going to the lowest interest rate markets.

Figure 2: How the CHEX token optimizing return on investment across markets

d. NETWORK REWARDS

Up to 80% of the total fees charged across Chintai markets are removed from circulating supply into an account, the remainder is used to pay for system maintenance. This continuous, ongoing *deflationary effect* on CHEX has been live since the launch of the Automated Resource Management module of Chintai in June 2019.

A proportion of CHEX will be permanently burned[3] annually from this pool of CHEX that is already out of circulating supply. However this also enables a

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[3] Permanently burned means that the tokens will be destroyed and the maximum supply reduced - new tokens can not be minted to replace these ones.

powerful [reward pool](#) to incentivize certain network services, such as market liquidity provision.

e. ASSET RATING PREDICTION MARKET

In a regulatory submission paper to the Monetary Authority of Singapore, Chintai formally outlined plans to introduce a decentralized replacement for rating of bonds in the dApp Bond market. The proposed rating system will be based on a stake weighted rating mechanism using a combination of CHEX and a regulated stablecoin. Both CHEX and the future Chintai platform stable coin will be staked in a prediction market by raters as collateral against their bond rating.

If a rating is correct then the credit rater is rewarded with CHEX. Creditors will issue ratings in an ongoing process linked to each successful coupon payment made by the issuer during the bond term. The principal repayment at bond maturity will represent the highest rating and associated CHEX/stablecoin pay out for successfully assessing. Conversely if a credit rater issues an inaccurate rating, they lose CHEX/stablecoin and their "accuracy reputation" score is negatively impacted.

The credit raters "accuracy reputation" score is a weighted scoring system based on the accuracy of assessing dBonds. Accurate assessments will result in score in which staked CHEX will carry a higher weight when compared to a "newcomer" staking an equivalent amount of CHEX, thereby further increasing the accuracy of Bond ratings.

This protocol results in CHEX providing the base currency within a credit rating prediction market mechanism for decentralising ratings of dApps and companies. Participants can be professional institutions and analysts or informed investors. The risk/reward structure incentivises only those confident in making a rating assessment with proof-of-stake to participate.

f. COLLATERAL

Many bonds will be collateralized to limit exposure and downside potential to bond holders in the event of a default event. Where collateralized, Chintai will use a combination of CHEX and a regulated stablecoin that will be required to be staked by the bond issuer.

During Mynt STO's, all token issuers will be required to hold and stake CHEX as collateral throughout the distribution event.

There will be additional CHEX collateral opportunities, including token lending (particularly NFT's), derivatives and structured products.

CROSS-CHAIN: EOSIO, ETHEREUM & DAPP NETWORK

EOSIO is a blockchain protocol with a number of instances besides the first chain 'EOS'. Recent additions include, WAX, Telos, WORBLI and BOSCore. Chintai will service all EOSIO chains that have sufficient economic activity, and use inter-blockchain communication to integrate the Chintai network of markets and services.

The DAPP Network by LiquidApps provides an opportunity to horizontally scale Chintai across these multiple blockchains with efficient resourcing, as well as utilize LiquidLink to service dApps on Ethereum.

MERCHANT NETWORK

The Merchant Network is a means for market makers and entrepreneurs to develop out Chintai and share in its success. Merchants are autonomous entities that can generate revenue by embedding Chintai products into existing dApps or other mediums of access.

Anyone can be a Chintai merchant. Merchants are able to establish a fee at their own discretion and host leasing markets, exchange markets, NFT trading/leasing and conceivably bond markets, embedded into existing dApps with an iframe (white labelled product that appears fully native). Chintai will be providing an API in order to enable market creation and integration into a merchant's website or application.

This will enable Merchants to curate their own marketplaces for NFT leasing and trading, and focus on the user experience and other unique value add functions. All of this activity fuels the CHEX ecosystem through the underlying market fee structures outlined in this white paper..

Example

> Fees on leasing markets are described in terms of the percentage of the interest paid/received. For example, if 100 TOKEN is leased for 5% interest rate, then the borrower would pay 5 TOKEN to the lender (without fees). If the total fee for the borrower was 5% and for the lender was 10%, then the borrower would actually pay 5.25 TOKEN, and the lender would only receive 4.5 TOKEN.

> All merchants except the CHEX merchant must:

>   a. Have a parent merchant
>   b. Set the market maker and taker fee
>   c. Set an upper limit on the maker and taker fees of all child-merchants.

> This mechanism allows a free market and competition to develop between merchants who want to profit from the utility of the Chintai leasing engine. Anticipated use cases for merchants include:

> - Creating competing exchanges

- Creating a marketplace/platform for digital asset leasing
- Having a simple widget on your dApp website that lets you lease more tokens for a fixed period of time (behind the scenes, this widget is creating a market order on the exchange)
- Forcing anyone who uses your own platform to pay you a fraction of the fees earned for their own system (for example, a gaming platform forcing game developers to pay a fraction of the fees)
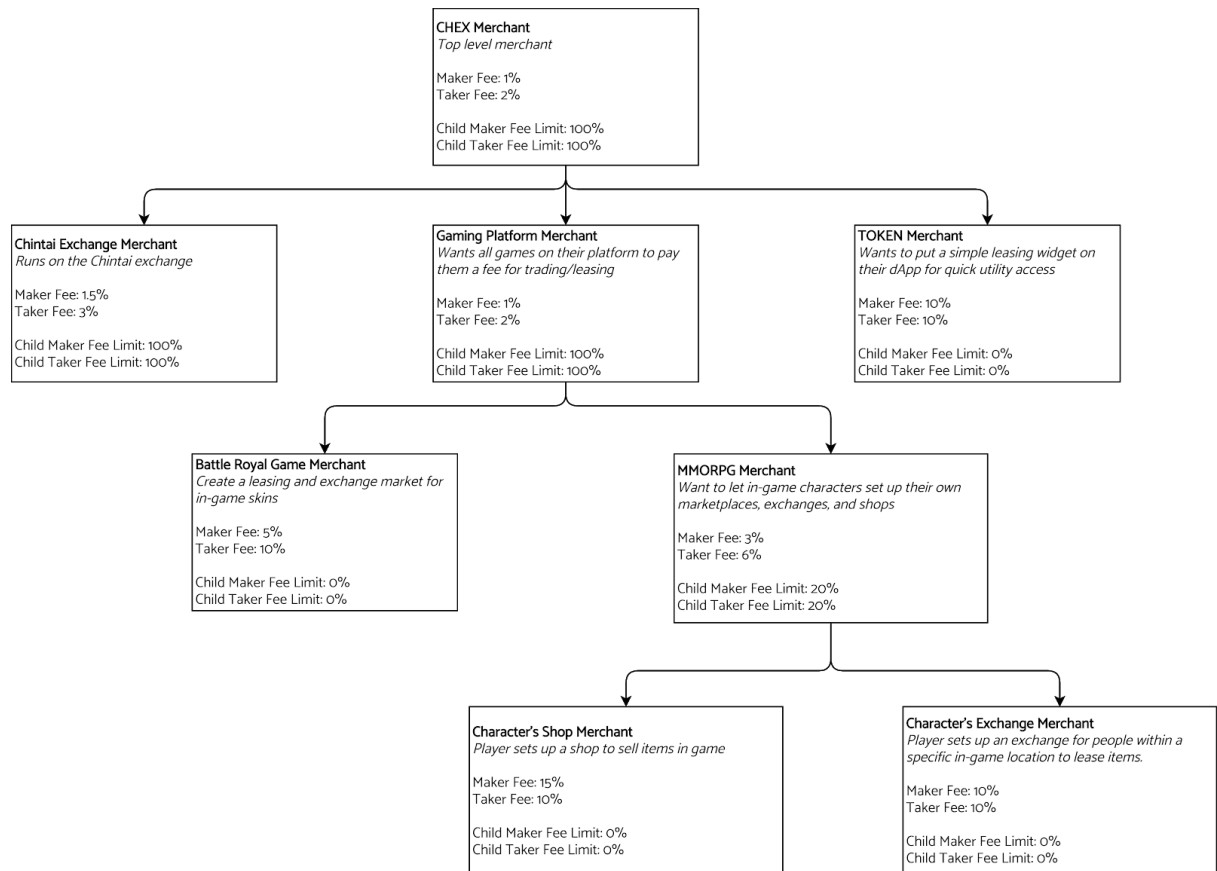

CHEX Merchant
Top level merchant

Maker Fee: 1%
Taker Fee: 2%

Child Maker Fee Limit: 100%
Child Taker Fee Limit: 100%

Chintai Exchange Merchant
Runs on the Chintai exchange

Maker Fee: 1.5%
Taker Fee: 3%

Child Maker Fee Limit: 100%
Child Taker Fee Limit: 100%

Gaming Platform Merchant
Wants all games on their platform to pay them a fee for trading/leasing

Maker Fee: 1%
Taker Fee: 2%

Child Maker Fee Limit: 100%
Child Taker Fee Limit: 100%

TOKEN Merchant
Wants to put a simple leasing widget on their dApp for quick utility access

Maker Fee: 10%
Taker Fee: 10%

Child Maker Fee Limit: 0%
Child Taker Fee Limit: 0%

Battle Royal Game Merchant
Create a leasing and exchange market for in-game skins

Maker Fee: 5%
Taker Fee: 10%

Child Maker Fee Limit: 0%
Child Taker Fee Limit: 0%

MMORPG Merchant
Want to let in-game characters set up their own marketplaces, exchanges, and shops

Maker Fee: 3%
Taker Fee: 6%

Child Maker Fee Limit: 20%
Child Taker Fee Limit: 20%

Character's Shop Merchant
Player sets up a shop to sell items in game

Maker Fee: 15%
Taker Fee: 10%

Child Maker Fee Limit: 0%
Child Taker Fee Limit: 0%

Character's Exchange Merchant
Player sets up an exchange for people within a specific in-game location to lease items.

Maker Fee: 10%
Taker Fee: 10%

Child Maker Fee Limit: 0%
Child Taker Fee Limit: 0%

Figure 3: An example of how the merchant scheme might look

In the above example, all merchants share the same marketplace and order book but the fee charge and distribution depends on where you made your order. If you made your order through the "Character's exchange merchant", and your order had an interest rate of 100 CHEX tokens, then your fee would be distributed as such:

Merchant receiving the fee	Maker Fee	Taker Fee
Character's Exchange Merchant	10 CHEX	10 CHEX
MMORPG Merchant	3 CHEX	6 CHEX
Gaming Platform Merchant	1 CHEX	2 CHEX
CHEX Merchant	1 CHEX	2 CHEX

REGULATORY OVERSIGHT

Given Singapore's standing as a global financial hub and SE Asia as a young, fast growing market that embraces disruption, we see the Singaporean and wider South East Asian market as perfectly placed to launch the Chintai decentralised resource exchange and dApp Bond markets.

The Monetary Authority of Singapore (MAS) have been engaged and position papers submitted for the license and regulatory oversight, as MAS's framework is based on leading common law standards of financial regulation and is demonstrably FinTech-friendly. Specifically, with the passing of the Payment Services Act earlier this year, Singapore will be one of the first jurisdictions to have a comprehensive crypto-currency framework that provides regulatory certainty in a way that facilitates innovation in the financial services market.

Chintai, along with its partner WORBLI, has committed to working with MAS through its FinTech Sandbox to release the decentralised resource exchange in 2020 and ensure alignment with the MAS framework. Our primary goal in engaging with MAS is to eventually be licensed and authorised as a financial services market for digital assets. Chintai welcome the regulation and oversight that comes with being licensed by one of the world's leading financial services regulators.

CHINTAI RESOURCES

Website:
https://chintai.io

Help Portal:
https://help.chintai.io

Original Whitepaper:
https://github.com/eos42/Documentation/tree/master/Chintai/whitepapers

Medium Articles:
https://medium.com/@ChintaiEOS

Telegram:
https://t.me/ChintaiEOS

Twitter:
https://twitter.com/chintaieos

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THE CHEX TOKEN CAN BE CATEGORIZED AS A UTILITY AS IT DOES NOT ENTITLE TOKEN HOLDERS TO RECEIVE PROFITS FROM CHINTAI OPERATIONS. THE TOKEN IS REGARDLESS SUBJECT TO CERTAIN VOLUNTARY RESTRICTIONS TO BE COMPLIANT WITH US SECURITY LAWS AND RULES, AND THEREFORE RESTRICTS ACCESS FOR US-CITIZENS, "GREEN CARD" HOLDERS, AND RESIDENTS OF THE US TO THE CATEGORY OF "ACCREDITED INVESTORS", PURSUANT TO THE US SECURITY ACT

REGULATION D RULE 506 (4). ADDITIONALLY RESIDENTS OF CHINA ARE EXEMPTED FROM ACCESSING THE PURCHASE OF CHEX.

CHINTAI LTD (HEREINAFTER "THE COMPANY") IS BASED IN CAYMAN ISLANDS. COMPANY REGISTRATION NO. GC-351277. COMPANY ADDRESS: P.O. BOX 448, GRAND CAYMAN, KY1-1106, CAYMAN ISLANDS.