

DDM WHITE PAPER



Entertainment Planet Pan-Entertainment Block Chain (DMM.Empire) Project White Paper

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Introduction

A real content interactive system should be one that can realize the point to point structure between the content developer and the user, and allow players and users to enjoy the fun brought by digital entertainment and make payment to the content developer directly, not through a “Center”. Although most of the platforms as the “Center” operate satisfactorily, all these are achieved with the high percentage profit shares of the platform, high business communication cost and high marketing costs. The “Centers” usually provide the content assessment, resource rating and other services involving content quality definition and distribution, and due to the lack of the open and transparent evaluation standards, they would, based on the own KPI requirements, require the in-content rebates and excessive publishing from the content developers, and the quick profits of the contents for reducing the life cycle of the content products, particularly the game products. Such conventional centralized review and distribution mechanism has made the fairness and equality impossible, and failed to provide the most important benefits of “Convenience, high efficiency and low cost” brought by internet to human beings.

To solve such problems, we have designed “DDM” (DDMCoin), a digital currency based on cryptography, by utilizing block chain and smart contract technologies. DDM and the distributed and decentralized digital content interactive entertainment program with DDM as the economic basis may theoretically reduce the costs for publishing and copyright transaction of digital entertainment assets to the minimum. The subunits feature the self governance, and can realize the Nash equilibrium based balance of the entire ecosystem. In such an open, fair and democratic ecosystem available for everyone and without a center, every developer will obtain the maximum benefits for his/her digital assets.

The network shall allow the content developers to self define the billing standard for viewing and transmitting contents, and produce the non-collaborative game equilibrium with the weighted algorithms for the tokens consumed by each user per unit time, the tokens obtained from transmission and sharing, and the tokens consumed by high amount reward providers, to dynamically define the quality of digital entertainment contents, and obtain the optimal matching between the high quality contents and consumers, based on collaborative content filtering and other recommended algorithms. All subunits have the high level autonomy, with the nonlinear causal relationship between themselves.

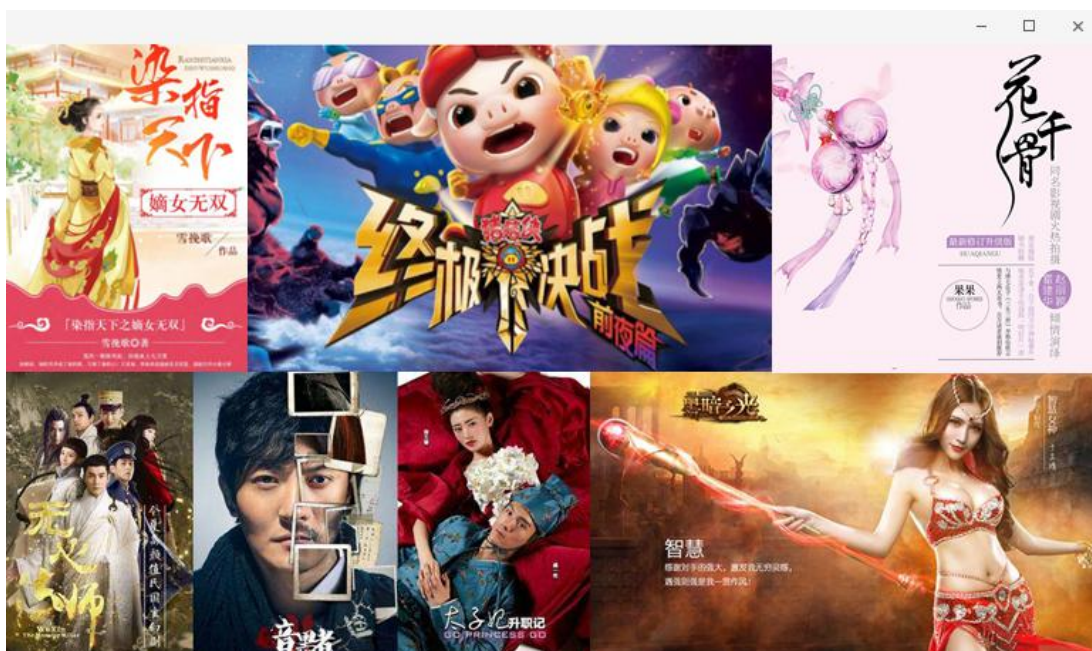
1. What is DMM.Empire?

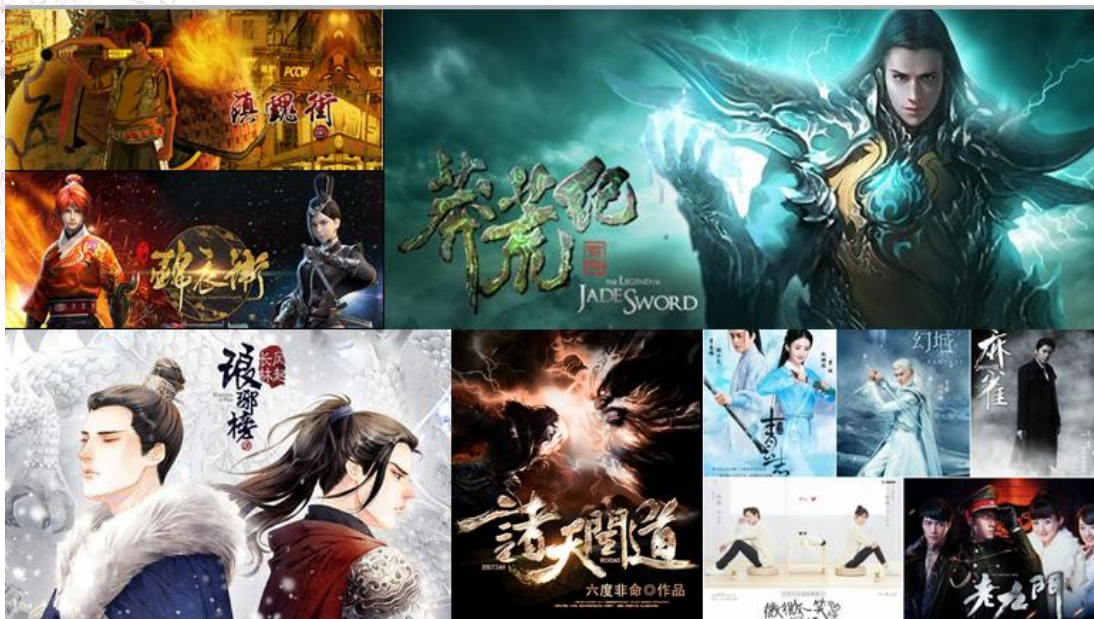
“Entertainment Planet Pan-entertainment Block Chain (DMM.Empire)” shall change the conventional mode for content development, operation, publishing, profit sharing and settlement between the content developers and the end users, and enable the transaction of contents favored by users and players continuously developed by the “subunits”. Such digital content distribution system is more flexible, convenient, efficient and low cost than the existing centralized distribution system, and enables more high quality digital

contents to realize the value. It is an ambitious goal and is being realized step by step.

DDD Foundation is the developer and operator of DDM products, and one of the typical organizations operating for the DDMCoin ecosystem. “DDZ” itself will incubate quality digital contents, e.g. games, novels, short videos, animations, contents, etc., similar to the digital content operator developing the quality contents, and establish the first DDM based operator company for demonstration to the future participants in the ecosystem. As other organization, “DDZ” has the corresponding rights and responsibilities in the ecosystem. “DDZ” shall cooperate with world leading game companies and digital content companies, e.g. Arena of Valo from Tencent, Civilization Online from 2K, Sword Soul, Miracle Rebirth and Miracle MU from NCSOFT, The World of Legend from Shanda, and Dragon Lord Contract, Cold Knife Legend, Bad Guy, Hold on Your Cup, Overmind, Sea Pastoral Records in Kyushu Island, Devine Spirit and other different types of games, novels, video content, etc., with more than 10,000,000 users, providing them with contents and services by DDZ based point to point operation.

Some IPs cooperating with DDZ:





Partners of DDZ game:



Products operated by DDZ:





1.1 Background

In 2017, the revenue of the global digital entertainment content industry exceeded USD 2020 billion, and it is estimated the figure shall be more than USD2120 billion in 2018. In the revenue of USD 2020 billion of 2017, Apple's Appstore covered over USD35 billion, Steam, also very successful, accounted for around UDS18 billion, and Tencent, focusing on digital entertainment contents, was USD200 billion (estimated). The 3 centralized platforms cover more than 13% of the market shares of the global digital entertainment industry. All the digital contents as game contents, video contents, novels, etc., in the process from the developer to the users in the whole world, are distributed through such centralized platforms, and such platforms shall collect 30-80% from the profits. In the business mode with the "Centralized" platforms, the developer shall concern about the content development, pay for the expensive advertising, and even manage "spam ranking", "self recharging", "fabricating data", etc. to exchange for the satisfactory marketing condition, and finally approach the target users.

(1)"Centralized" operation platform

In a centralized operation platform, content "purchase" is operated by hand, content "review" by hand, traffic allocation by hand, and financial accounting and settlement also by hand. The developer shall use a lot of time and efforts in the process for uploading the contents to the center. Due to the uncertainty of "manual" operation after uploading and KPIs allotted by the center, the development practices featuring "consuming users" and "fast product" as "quick profiting", "visual attraction", "vulgar inducing", "piracy and plagiarizing", etc. may occur, causing damage to the content ecosystem of the platform, and other high quality innovative products and teams unable for incubation in the central platform. If such condition continues all the time, the fairness and equality of the platform shall be impaired, leading to loss of users.

To obtain better marketing position, whether for games, novels or video contents, you must obtain more clicks, comments and ad revenues, and have to conduct "fake clicking", "self recharging", "fabricating data", "attacking servers", "recruiting users" and other irregular operation activities, so the content developers have to use a lot of costs and efforts in the abnormal ecosystem. All the operators of the industry have to do such things in face of similar conditions, and it is the open secret, with numerous reports on such practices.

(2) Value of digital entertainment contents unable to be evaluated dynamically and appropriately

The Center usually provides the ranking and calculation of the ranking list of games, novels, Webisodes and other entertainment contents, and other services related to definition of content quality and distribution; while the digital contents are dynamic "valued products", with the life cycle and the gradually growing fan users, and the value

will change at any time during the interaction with users, possibly increasing several folds overnight for the IP of any digital content. However, the traditional “Center” cannot be open and transparent in ranking the dynamically valued products, nor adjust the traffic allotment dynamically according to the fluctuation of the value, so the review and distribution mechanism has made the fairness and equality impossible, and failed to provide the most important benefits of “Convenience, high efficiency and low cost” brought by internet to human beings. With the emergence of the super IPs, there exists the uncertainty in evaluating the IP values, making it difficult to evaluate the IP values invested in developing the series derivatives. With the value not timely reflected through evaluation, many IPs have the advantages and advantageous values significantly undervalued, and in contrast, some low quality IPs merely relying on “hype”, “packaging” or “marketing” have become the popular assets of developers, paying a lot of money for such trashes.

(3) Unfair distinction of “value” and interest

With the high profit shares of the “central platforms”, and shares to the publishers, channel providers, advertising companies and other intermediate links, the content developers cannot obtain the actual benefits, and the truly high quality contents are expelled from the dead loop of autonomy. The content developers use all the efforts on business communication with the central platform, not on development of the contents. In Apple Store, Myapp and other centralized channels, there emerge the abnormal business modes as spam ranking, self recharging, fabricating data, etc.

1.2 Solutions

DDM is committed to creating an open, fair and democratic digital entertainment ecosystem, with the decentralized design, allowing for users in the ecosystem to “vote” for and consume the contents with the tokens based on block chain and smart contract.

1.2.1 Economic system

When using the contents, the users in the DMM eco-chain will receive the servicers for the contents, and also vote for the quality of the contents. Such voting can be used to accurately and dynamically evaluate the true value of the digital content products. The common users shall consume as per the basic consumption amount defined by the content developer. The developer may also define the reward provided with tokens when consuming the contents. Such valid consumption provides the rewards to the distributor and the developer, and also the voting to the contents via the “sharing index”. The developer may also define the reward provided with tokens when distributing the contents, not conflicting with the above. The competitive relationship shall be formed between contents and between developers, to realize the goal of decentralization and high level autonomy of subunits. The high quality comments, praise and other behaviors requiring consumption of tokens also form part of the weights for the quality evaluation system.

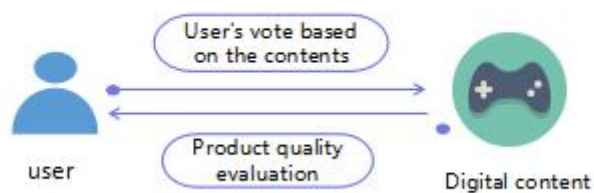


Figure 1 Voting and evaluation for digital entertainment contents

The system shall collect 1‰ of the tokens from the above consumptions as the handling fee, to increase the equivalent “recharging cost”. To fully eliminate the possibility of the black box operation (the operator returns the fees to the user, leading to zero recharging), the tokens corresponding to the handling fee shall be automatically locked in an inoperable account for “destruction” (e.g. to the purse address of 0x000000000000). Similar to the real society, the developer and consumer shall define the user level in the social network with the amount of tokens held publicly, and the historical amount of tokens consumed shall serve as another system of the level and be shown to other users.

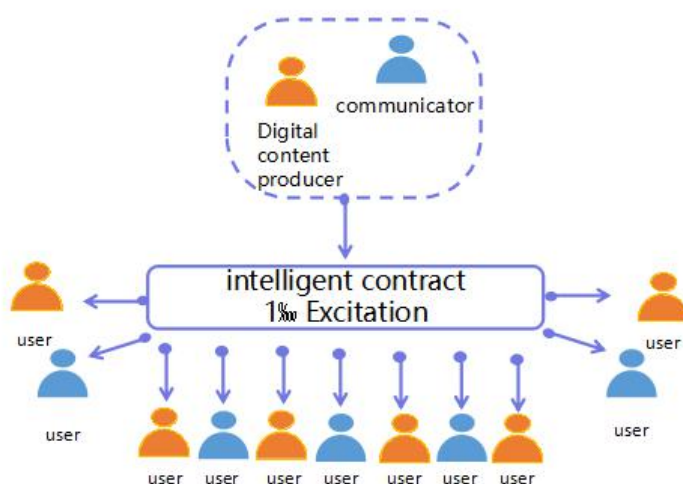


Figure 2 Communication flow of digital entertainment contents

The above records are stored in the distributed account, available for view by anyone.

All the above transaction records can be disclosed to all participants via the block chain distributed account, to ensure its openness and fairness.

The system shall provide the human friendly interface to facilitate query by the public.

1.2.2 Intelligent contractual dealing market

The digital content products for incubation and transaction shall be placed in the transaction market for free bidding. To facilitate token allocation and automatic execution of incentives, DDM shall also open the port, allowing everyone in the ecosystem to participate in transaction and publishing of the digital content products, self define the

price or conditions for incentives, and similar to the founding team, obtain the token incentives based on the usage rate of users, i.e. no benefit shall be given to the smart contract model with no one using it, even the founding team. DDM features the distributed automatic settlement, so the content developer will encounter the issues of account age for the values generated in the Platform, which may be caused from the reconciliation and settlement in case of the Center. In addition, any “trash” digital contents without transaction will also be eliminated.

1.2.3 Incentive mechanism

(1) The incentive mechanism of the team is designed for giving the token rewards for the members of the Foundation providing services to DDM, based on the open, fair and democratic voting system, and the equal incentive conditions for the services of the entire ecosystem. The 1‰ handling fee is used for the basic operation, and preventing trash transaction, and shall be totally destructed, not used for the incentive of the team. The ultimate goal of the team is to totally deliver the DDM system to the public some day, as BitCoin, reducing the influence of the of the Foundation members to zero, and eliminating such centers available for control with influence. In the early stage, the Foundation shall hold certain percentage of DDMs to obtain the respective voting rights and influential power, and with the maturity of the system, the amount of DDMs held shall be the sole basis for voting and decision making. To avoid the unforeseeable risks, the Foundation shall design the uniform action protocol and the necessary protection measures through legal procedures, to ensure the smooth operation of the system before it becomes sufficiently strong.

(2) The decision-making committee is the highest decision-making body of DDM and its ecosystem, and it shall be represented by the core members of the Foundation at the early stage, and with the improvement of the system and distribution of the tokens, the power shall be gradually handed over to the actual holders of DDMs with the locked period. The Foundation shall also deliver the tokens held by it gradually to the market according to the plan, promise to obtain the necessary percentage of voting rights through the re-bidding by the exchange house and other institution, allowing all participants to obtain the equal opportunities.

(3) For the incentives for the ecosystem service providers, an open and transparent DDM incentive mechanism shall be jointly developed by the Technical Committee, Culture Committee, Ethics Committee, Product Committee, etc. established through voting by the decision-making committee, to provide the DDM ecosystem with organization of the respective services and sufficient token incentives, and the committee members shall provide DDMs according to the holding ratio.

For instance: the annual income of the members of the development group for updating the core codes, annual income of members of the organization for content review.

(4) For the incentives for the content developers, consumers and distributors, the content developers shall determine the amount of tokens for payment of the consumption for the contents, based on the development cost and the expected income, and the system shall also provide the default price for reference, but the final right for the price is in the hand of the users. The content developer may also provide certain amount of tokens to those relaying and sharing the contents as the incentive.

The user shall consume the digital content products with DDMs held, and the payee of the DDMs is the content developer. The system shall provide the sound sharing link tracking mechanism, so as to provide the sufficient incentives for those relaying and sharing the contents. The system shall realize the maximum sharing tracking with all efforts based on the cost of technical realization and the local laws and regulations, to promote the atomic fission of the ecosystem expansion. The content providers with own traffic are also encouraged to share and distribute the quality contents, e.g. 10% of the tokens (self defined by the developer) shall be automatically used as the incentives to the professional distributors, and for the secondary sharing, part of the DDMS shall also be given as incentives to the primary distributors.

2. Who we are?

We aim to make communication of digital entertainment contents easier in the world, and change the sales and operation mode of digital entertainment contents. We shall provide the content developers and consumers with the decentralized internet infrastructures and ecosystem, to allow them to interact with users with the power of internet; and establish the decentralized and smart benefit distribution system based on block chain and smart contract technologies, encouraging content developers for the positive circulation.

We shall establish a future oriented and totally decentralized ecosystem for digitalized entertainment, to allow the content developers and consumers meet and know each other and develop freely in the internet world, and eliminate the trashy and abnormal ecosystem atmosphere. With the decentralized design, we shall finally return the rights to the public, ensure the self growing and proliferation of the entire system, and realize a decentralized, self growing and ultimate virtual social pattern, existing constantly.

3. Infrastructures

The DDM system design is a distributed distribution network for digitalized interactive entertainment based on block chain technology. The design concepts of all the infrastructures comply with the 4 features of the “Hive mind”:

- ◇ No forced central control;
- ◇ Autonomous subunits;
- ◇ Highly interconnected subunits;
- ◇ Point to point influences forming nonlinear causal relation with internet.

The digitalized entertainment program of DDM consists of the following 2 parts:

- a. Infrastructures based on block chain technology;
- b. Distributed point to point economic system based on infrastructures

3.1 Basic services

DDM is a kind of token issued based on smart contract, and recorded in the distributed account of block chain, available for the open and transparent transaction, tamper-resistant and traceable. DDM will automatically open and close respective

resources and services with other smart contract based partners, and be automatically settled as the resources consumed by the content developer in providing services.

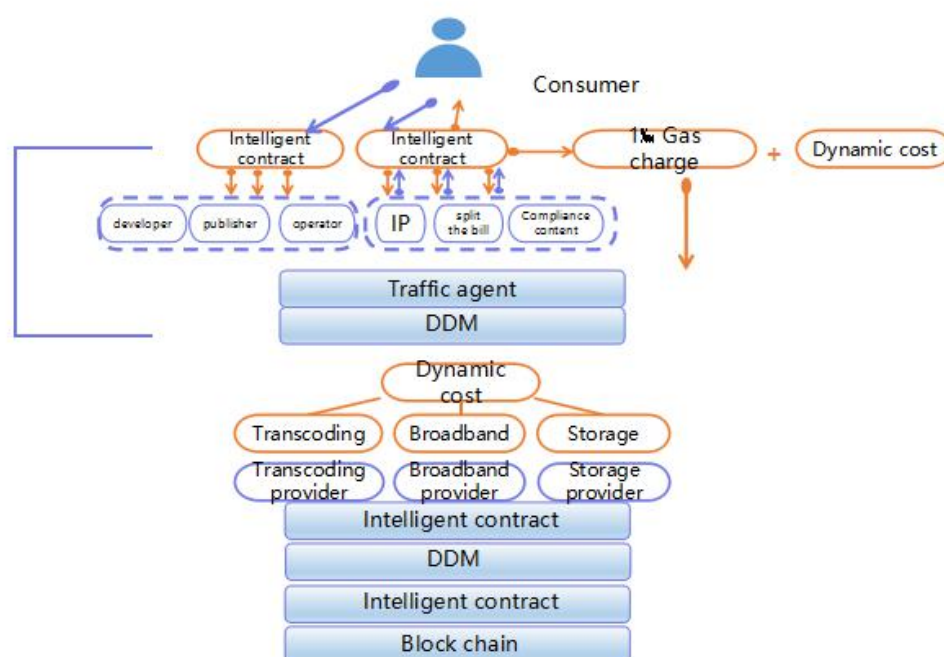


Figure 3 Architecture of distributed platform

Such design is intended for the independent settlement of each game product and each digital content, the automatic settlement of the player consuming the digital content with digital the content developer through the smart contract, and the distributed real time settlement mechanism, to make the value settlement easier, more convenient and transparent, and all the partners share the benefits from the “valued contents” at real time. The players and users actively sharing the content can also obtain DDM based incentives from the content developer automatically.

3.2 Economic system

The digital content developers shall self define the price of the digital contents and share the appropriate portions of the incentives, and form the competitive relationship between themselves. The user is the consumer of the contents, and also the sharer and distributor of the contents, and shall be benefited in the process. The system shall establish the root traffic center and the content review center based on the settings in different countries and regions, to ensure the digital contents for the local users comply with the local laws and regulations. The new consumers may further distribute the contents according to the content quality and the incentives for sharing provided by the digital the content developer, to bring more consumers and obtain the incentives. The system shall collect 1‰ from all the transactions as the “recharging fee”, and shall destruct the portion, and not allow to enter the cycle again, to avoid trashy transactions and ensure the sound operation of the system. The system shall collect the minimum system maintenance fee as per the minimum unit and the

end to end basis, from individual users, and shall disclose the accounts publicly, and not obtain any profit.

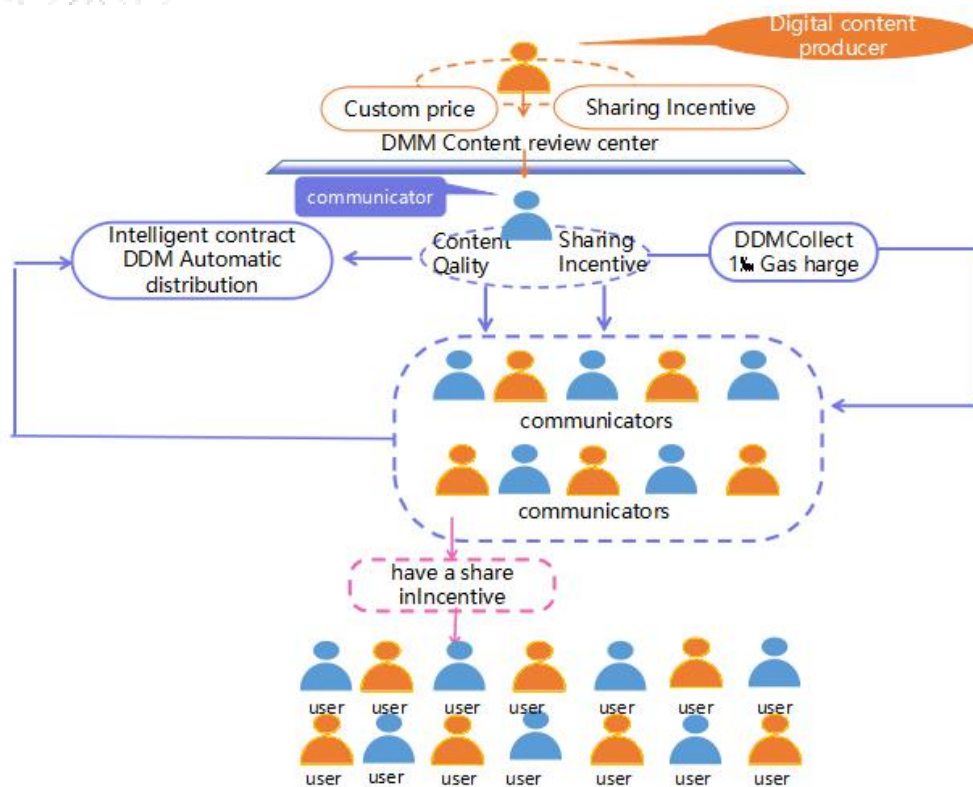


Figure 4 Economic system of DDM

3.3 Basic architecture

The digital currencies obtained through exchange (presale of tokens) are chiefly used for building the basic service system and the initial organization structure required for the ecosystem. The basic architecture logics required for the early stage are shown in the following figure, which shall be further explained in the document.

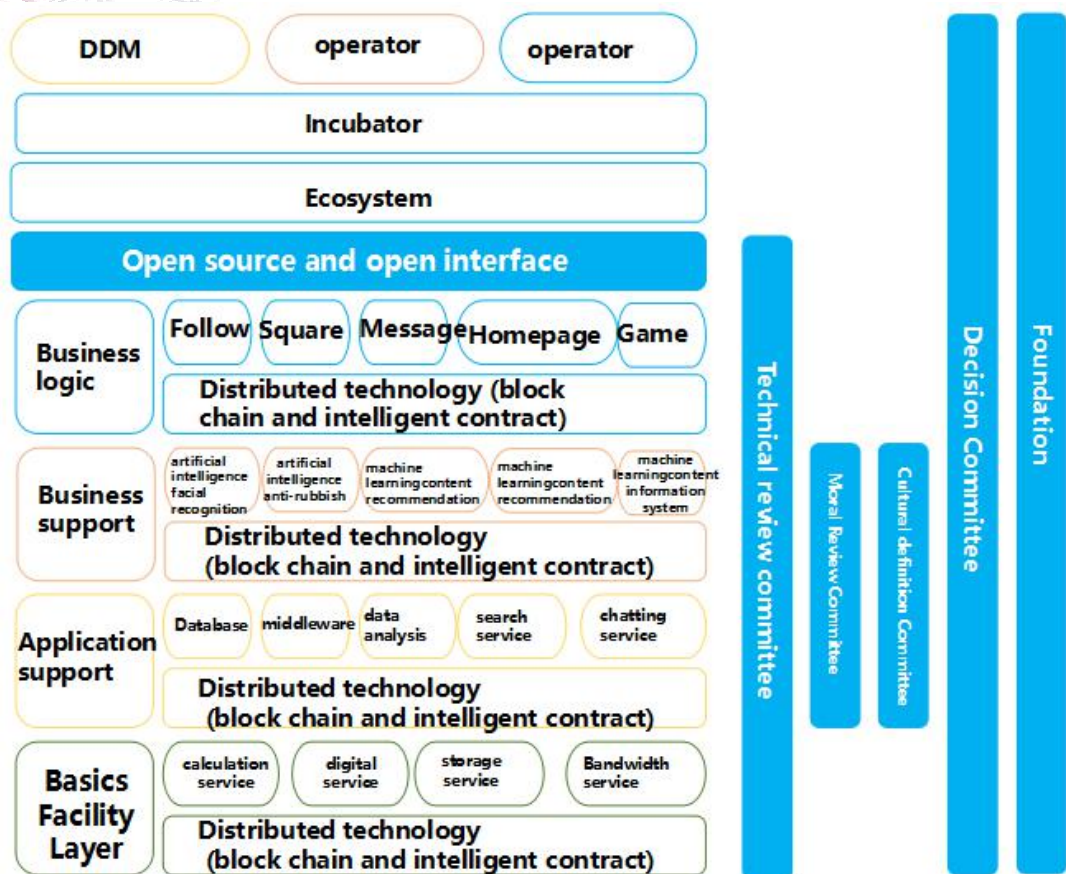


Figure 5 Basic architecture of protocol

For many technologies, cooperation with third party technology providers is required, to speed of business realization and reduce the R&D cost.

4. Features

DDM is an independent encrypted digital currency system, and the owners can use it to buy the relevant services in the virtual entertainment society built based on it, and conduct the open exchange through the third party platforms. DDM is built based on block chain and smart contract of Ethereum, and all the accounts and transaction records are open, to ensure the fairness and equality.

5. Incentives

DDM is the sole and irreplaceable encrypted virtual currency, circulating in the infrastructures built based on it. The users shall use it as the sole tool for value exchange whether in development, consumption and distribution, for maintenance of the infrastructures and technologies of the system, as well as for the exchange and incentives. The total amount of DDM is 10 billion coins, and the system shall collect 1‰ from all the transactions as the handling fee, and shall destruct the portion, and not allow to enter the cycle again, to avoid trashy transactions, and will not obtain any profit for any team. The total amount of DDM issued based on block chain and smart contract of

Ethereum will be disclosed to the public and never increase. Except the initial public offer, the founding team of the system will not have any other methods or channels to obtain DDM incentives, but can obtain the same incentives with the joint efforts of all participants in the ecosystem. Participating in the organizations for management and decision-making of the ecosystem and long-term locking of DDM amount are the basis for obtaining the discourse right by voting. The decision-making committee is encourage to hold DDMs for a long time, to maximize the long-term values of DDM.

6. Roadmap

The development of DDM shall include the short-term construction and the long-term improvement, and with the maturity and popularity of block chain and smart contract technologies, the following strategies steps shall gradually implemented. The strategic plan just described the critical nodes, not a detailed development plan, and the details shall be disclosed on our official website according to the actual conditions (<http://17ddm.io>).

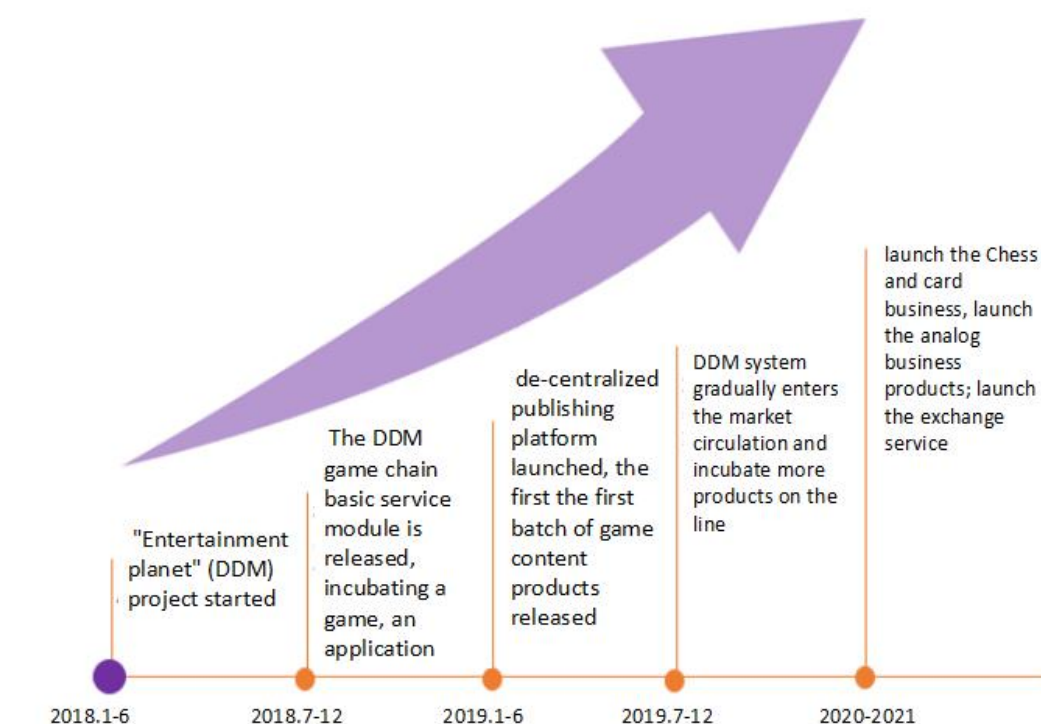


Figure 6 Development roadmap

◇ January 2018 –June 2018

The infrastructures for block chain and smart contract have not been well developed now in China, and there is not any matured company for block chain and smart contract based storage, software encryption, split account transaction, calculation and traffic providing. The MVP (Minimum Viable Product) model of DMM shall be first upgraded to a new brand and begin the test run on the existing matured platform; the current team has had the product experience and matured products, and shall amend and re-design the product models, and gradually transfer the centralized architecture to the decentralized one. Amazon has launched the smart cloud calculation service “Iamaba”, with the matured

and reliable technology, so the test version may be first issued under the network environment in US. We are optimistic to the improvement of the infrastructures in China. The progress of the codes in the period shall published on Github and our official website (<http://17ddm.io>), for supervision by the public.

At the same time, China's first DMM based traffic operation company shall be incubated, and it is a team under DDZ Company, focusing on development and operation of game contents and maintenance of the entertainment traffic. The team shall operate and maintain the contents and customer relationship according to the existing market condition, and gradually transfer the users to the ecosystem of DDM when all conditions are available. After completing the test of the models in Japan and North America, we shall gradually transfer and improve the infrastructures in the world based on the market condition, and if the market condition is not available, establish some necessary centralized nodes first, and gradually eliminate them later.

◇July 2018 – December 2018

On the improved infrastructures, DDD Foundation shall transfer the focus to traffic operation, to increase the liquidity and scenarios of DDM, and improve the product experience. DDZ is the first professional traffic operator established by the founding team of DDM, responsible for the cold start of the early stage users, providing the demonstration to the market. With the current condition of the domestic market and the understanding of the team for the market for years, the content operation shall start with the first batches of quality games, internet literature, animations, to attract the participation of high quality developers of the existing platforms.

◇January 2019 – June 2019

After obtaining the initial traffic, we shall continue incubation with the infrastructures and attract participation of contents from other digital domains, and conduct pilot projects in several countries and regions, to gradually drive the atomic explosion of the entire DDM system; and cooperate with other professional operation teams of other fields, to achieve the high speed development. At the same time, DDD Foundation shall adopt the community cooperation for building the infrastructures in the world, and incubate the traffic partners, to speed up liquidity of DDM to the world market. After achieving the first successful cases, DDM Foundation shall accelerate the incubation and cooperation of more traffic centers, to cover all the cultures and countries and become the standard currency in digital entertainment services in the world.

◇July 2019 – December 2019

With the improvement of the DDM liquidity, the founding team shall gradually reduce the influence over the entire ecosystem, and totally transfer the right for decision to the participants of the ecosystem, and all the DDMs held shall also gradually enter the market for circulation by bidding, to disperse the ownership and truly deliver the right to the users. Improvements shall also be made to the structure and organizations of the Foundation.

◇2020-2021

After completing the total marketing and dispersion of DDM, the founding team DDZ shall re-enter the entire DDM ecosystem by bidding, obtain certain percentage of DDMs, and become a part of the ecosystem, providing services to the ecosystem.

7. Laws and regulations

7.1 Operation body

The DDZ team believes that “The vitality of the decentralized organization is stronger than the centralized organization, and it is the ultimate condition of the human society”, so from its birth, DDM belongs to the entire society, and it is not the profiting tool for any centralized organization.

Therefore, DDZ established DDD Foundation in Singapore, with the main tasks for operating the DDM network in an open, fair, transparent and not profit oriented manner, and providing support for the development team of DDM. DDD Foundation shall be approved by Accounting & Corporate Regulatory Authority (ACRA), and under the administration of the Company Law of Singapore, and independently managed and operated by the Board of Directors or Management Committee consisting of persons qualified as trustees, independent of the government. Singapore is famed for its steady and sound law and financial environment, and DDD Foundation, as a non-profit entity established in Singapore, shall be a legally established organization to support and participate in public or private activities, and not seek any business interest, according to the laws of Singapore. The “profit” obtained by the Foundation shall be called surplus, and shall be kept as the cost for other activities, but not distributed among its members. DDD shall establish the root services and the content review committee regarding the laws in each country, to ensure the contents comply with the local laws and regulations and culture. With compliance to the laws and regulations, the cultural styles shall be defined by the traffic center according to the respective culture, and reviewed by the ethics and culture review committee.

7.2 Governance structure and voting

The DDD Foundation has built the following 3 architecture layers, to facilitate the DDD Foundation reasonably use the funds and resources in an open, fair and transparent manner, continuously promote the rapid development of DDM, expand the DDM application scenarios, and attract more institutions, companies and organization to the DDM ecosystem:

Decision-making committee

The decision-making committee is responsible for management and decision of important matters, including appointment and removal of the executive principals and principals of the centers, and making the important decisions. The tenure of any member of the decision-making committee is 3 years, and can be re-elected consecutively. The Committee shall have a chairman, with the actual matters to be determined. The members of the first decision-making committee shall be elected by the founding team DDM and investors through negotiation. The Committee shall establish the Ecosystem Center and the Technology R&D Center.

Ecosystem Operation Center

The Center is responsible for improving the close connection of DDM and the game

industry, community operation, building the ecosystem, and further realizing the business operation, to realize the artificial intelligence, cross-border transaction, interconnection and intercommunication and value sharing.

Technology R&D Center

The Center is responsible for development, testing, launching, review, etc. of underlying technologies, provide SDKs in the support the general language on the market. and provide the technical support for all platforms and appropriate open source codes.

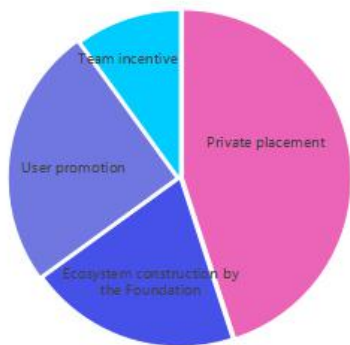
CEO

CEO is elected with voting by the decision-making committee, and responsible to the decision-making committee. CEO shall comprehensively organize and implement the decisions and requirements of the decision-making committee, control the daily operation of DDD, achieve the targets required by the Committee and report the implementation results to the Committee regularly. CEO has the right to establish the necessary functional departments, recruit managing staff, and coordinate the technical R&D, product design and production, ecosystem operation, market promotion, and finance, to form an organization and management system with CEO as the center.

8. Rules for exchange

(1) The total amount of DDM (“Total amount”) is 10 billion tokens, distributed with the following methods:

1. 40% for targeted invitation to private placement, totally 4 billion tokens, for not more than 100 institutions in areas other than Chinese mainland, US and Korea. The Foundation shall use the funds obtained for ecosystem incubation, market promotion, business development, regulatory affairs, etc., to achieve the rapid formation of the community and the entire eco environment, and the subsequent sound and consistent development.
2. 25% for ecosystem construction by the Foundation, totally 2.5 billion tokens, used for construction of the global ecosystem infrastructures, to promote the entry of other digital contents.
3. 20% of user promotion, totally 2.5 billion tokens, used for DDM Foundation to adopt the community cooperation for building the infrastructures in the world, and incubate traffic partners, to speed up liquidity of DDM in the world market.
4. 15% for incentives of the founding and development teams, totally 1 billion tokens, used as the incentives to the founding team for the substantial work in project design, resource allotment, incubation of early stage business environment, etc., and investment in labors, intelligence and materials in formation of the ecosystem environment. Therefore, in its token distribution plan, the Foundation reserves 10% as the incentives for the teams. Such DDMs shall be unlocked by year, i.e. 2.5% for Year 1, 2, 3 and 4 respectively.



Total: 10,000,000,000 DDMs

Private placement: 40%

Ecosystem construction by the Foundation: 25%

User promotion: 20%

Team incentive: 15%

(2) Important

The system shall collect 1‰ from any transaction in the DDM system as the “recharge fee”, to avoid trashy transaction,

which shall be destructed in the fixed account, and not allowed for transaction. When the transaction frequency is higher than expected, the “recharge” ratio shall be adjusted, to ensure the normal operation of the system, but such portion shall be permanently destructed, to avoid the second time circulation and black box operation.

(3) Selling method: 2 tokens are acceptable for the DDM exchange, i.e. ETH/Qtum.

Price for targeted invitation: 1ETH=100000DDM. 1Qtum=3000DDM

(4) Release mechanism: 30% to be unlocked for the first batch, and the remaining 70% to be unlocked by month after 3 months, i.e. 20%, 20% and 30%.

(5) Transfer of distribution

DDM shall be released in 1 month after distribution (maximum), or after completing the exchange for the soonest. Before distribution, DDM may provide one time of opportunity to exit from the project, with the actual time schedule shown in the detailed rules.

9. Risk alert

9.1 Team members

- Chairman of the Foundation



James Full

Graduated from Monash University, the Key contact person for Global Social Impact Investment Steering Group (Successor to and incorporating the work of the G8 Social Impact Investment Taskforce), UNDP (United Nation Development Programme) - UNISIF (United Nation Social Impact Fund), National Advisory Board - China, CASVI (China Alliance of Social Value Investment), Calvert Foundation, Ashoka Africa, Kering Foundation.

- Technical architect



Victor Cai

Co-founder of US listed Rambus, graduated from Electronic Engineering, University of South California, an expert in high performance chip storage technology

- Advisor team

1. Strategic advisor:



Yang Ning

Renowned angel investor, founder of LeBox Capital, Kongzhong.com, Chinaren and Uppicture



Feng Wenjie

General manager of Yiqiao Ltd., the first listed block chain company, and founder of Digital Red Game platform and Halcyongame



Li Yan

Famous media group marketing expert

Founder of China's No. 1 we media platform Wemedia



Cui Xiaobo

the Founder and The CEO of TalkingData.

Graduated from Nankai University Once served as the BEA Asia Pacific Telecommunications Technology Center Director and A&C technical director of Oracle China.



Zhang Yan

Honorary Adviser of Xi'an film studio

A certificate given by the Phoenix fund founder and general manager, Taiyue Indus game industry fund

Tai Yue Indus education industry fund founder



Shidazhan

Thirteen years of Internet veterans , Senior expert in digital publishing, Former VP of Gamewave Group, Business Manager of 360game, the Founder of DazhanGame.



Li Guolong

Former VP of Changyou, the Founder Zhichan Technology. Senior expert in digital copyright trading, copyright operation, copyright rights protection, game industry Policy expert, intellectual property legal expert in the field of digital publishing.



Lin Zheng Hao

Founder and CEO of Tianyue Oriental , producer.

Representative work: 《青春期》、《青春荷尔蒙》、《躁動時代》、《我的早更女友》、《在世界中心呼喚愛》、《莽荒紀》、《太古神王》、《奧特曼》、《我的機器人女友》。

2. Advisors on block chain:



Shuai Chu

Founder of Qtum, the largest block chain public chain ecosystem except BitCoin and ETH



Du Jun

Founder of Golden Finance and Huobi.com

● Investors



Shuai Chu

Founder of Qtum, the largest block chain public chain ecosystem except BitCoin and ETH



Du Jun

Founder of Golden Finance and Huobi.com

- Investors



9.2 Risk alert

- Policy risk

Currently, there are no definite policies for regulating the block chain projects and exchange financing in China, so the possible lose may be caused to participants due to the policies. For the market risks, if the overall value of the digital asset market is overvalued, the investment risk will rise, and the participant may have the excessively high expectation of the exchange project, but such high expectation may not be realized.

- Regulatory risk

The transactions for digital assets including DDM are exposed to extremely high uncertainty, and it lacks of the strong regulation in such transactions now, so there are the risks of sharp rise and fall of electronic tokens, manipulation by market makers, etc., and the individual participants, without experience after entry to the market, may not tolerate the impact and stress caused from the unstable market. Some experts, official media, etc. provide the advice on participation with caution, but there are no formal regulatory measures and provisions, so such risks cannot be effectively avoided.

Undeniably, regulatory provisions shall be issued in the foreseeable future to control and regulate the block chain and electronic token market. With such control from the regulatory body on the market, the tokens bought during exchange may be impacted, including but not limited to fluctuation of the price or restriction on salability.

- Team risk

There are numerous teams and projects in the block chain technology market, with very fierce competition, causing the high pressure for market competition and project operation. Whether the DDM project can stand out among so many excellent projects and be widely accepted is dependent on the capability of the team, vision, planning, etc., and also the condition of the competitors and even the oligarchs in the market, and, there is the possibility of vicious competition. With the social networking of the founders in the industry for years, DDM has brought together a team of energetic and competent members, and attracted the senior professionals, experienced technical development staff, etc. in the block chain field. The stability and cohesion of the team are critical to the overall development of DDM. In the future development, there is inevitably the

possibility of severance of any core staff or conflict in the team, causing the negative impact on DDM.

- **Coordination risk**

The founding team of DDM shall use all efforts to achieve the development target set forth in the White Paper, and expand the growth space of the project. Now the DDM team has had the matured business operation, however, considering the unforeseeable elements in the development tendency of the industry, the existing business models and the coordination concepts may not fully fit the market requirements, leading to difficulty in obtaining the satisfactory profit. The White Paper is subject to change with the updating of the details of the project, and the subsequent development of the project may be affected, when the participant fails to timely access to the details after updating, the public is not aware of the latest progress of the project, or the project is not fully understood by the participant or the public due to information asymmetry.

- **Technical risk**

Firstly, the project is established based on encryption algorithms, and the quick development in cryptology will bring potential risks of cracking encryption; secondly, block chain, distributed account, decentralization, tamper-resistant and other technologies support the development of the core services, and the DDM team cannot guarantee the implementation of such technologies; and thirdly, bugs may be discovered during updating and adjustment of the project, and such bugs can be fixed with issuance of patches, however, we cannot guarantee the extent of impact caused from the bugs.

- **Safety risk**

For the safety, a single participant has the low amount, but there are so many participants, posing the higher requirements for the safety of the project. The electronic token is characteristically of anonymity, difficulty in tracing, etc., so it is prone to the use by criminals, hacker attack, or illegal asset transfer and other criminal offences. Other risks currently unknown: some unforeseeable risk facing DDM, with the continuous development of the block chain technologies and the overall industry. The participant shall be fully aware of the background of the team, and the overall framework and concept of the project, before making the decision, reasonably adjust the own vision and rationally participate in the token exchange.

9.3 Disclaimer

The document is only intended for communication of information, and the contents are for reference only, not constituting any recommendation, solicitation or offer of DDM and/or its related companies for investment and/or sales/purchase of stocks or securities. Any such offer must be made with the confidential memorandum, complying with the relevant laws on securities and other laws. Nothing in the document shall be construed as forcing anyone to participate in exchange. Any act related to the White Paper shall not be deemed as participation in the exchange, including but not limited to asking for the copy of the White Paper or sharing it with others. Participating in exchange shall mean the participant has reached the required age, and has the full civil capacity, and the contract signed with DDM is true and valid. All the participants signed the contract voluntarily, and have obtained the clear and necessary understanding of DDM before execution of the contract. The DDM team shall continuously make reasonable attempts, to ensure the

information of the document is true and accurate. The Platform may undergo updating during development, including but not limited to the platform mechanism, the token and its mechanism, distribution of the tokens, etc. Part of the contents may be adjusted in the new version of the White Paper, with the progress of the project, and the team shall publish the updated contents via the notice or new version of the White Paper on the website, etc. The participant should timely obtain the latest version of the White Paper timely, and timely adjust the decision based on the updated contents. DDM hereby clearly declares it shall not be held liable for any loss of the participant caused from his/her: (i) Relying on the content of the document herein; (ii) Any incorrect information herein; and (iii) Any act caused from the document herein. The team will use all efforts to achieve the target set forth in the document, however, due to any force majeure event, the team may not fully meet the commitments.

DDM is the important tool for playing the function of the platform, and it is not an investment product. Holding DDM does not represent granting the owner with the ownership, or right for control or decision making of the DDM platform. As a digital encrypted current, DDM does not fall under any of the following categories: (a) Any kind of currencies; (b) Securities; (c) Equity of legal entity; or (d) Stock, bond, bill, stock warrant, certificate or any document granting any right.

The appreciation of DDM is subject to the market law and the demand after launch of the application, and it may also have no value, so in no means shall the team make any commitment for its appreciation, nor be liable for any consequence caused from its depreciation. To the highest extent permitted by law, the team shall not be held liable for any damage or risk caused from exchange, including but not limited to direct or indirect personal damage, loss of business profit, loss of business information or any other economic loss. DDM Platform shall comply with any regulatory provision, self disciplinary statement of the industry, etc., helpful for the sound development of the exchange industry. The participant participating in the project shall mean he/she fully accepts and complies with such examination. The participant must provide the complete and accurate information for completing such examination. DDM Platform has clearly informed the participants with the possible risks, and his/her participating in the exchange shall mean he/she has acknowledged understanding and accepting the explanations in the detailed rules and the potential risks, and shall be responsible for all the consequences by him/herself.

9.3 Contact information

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