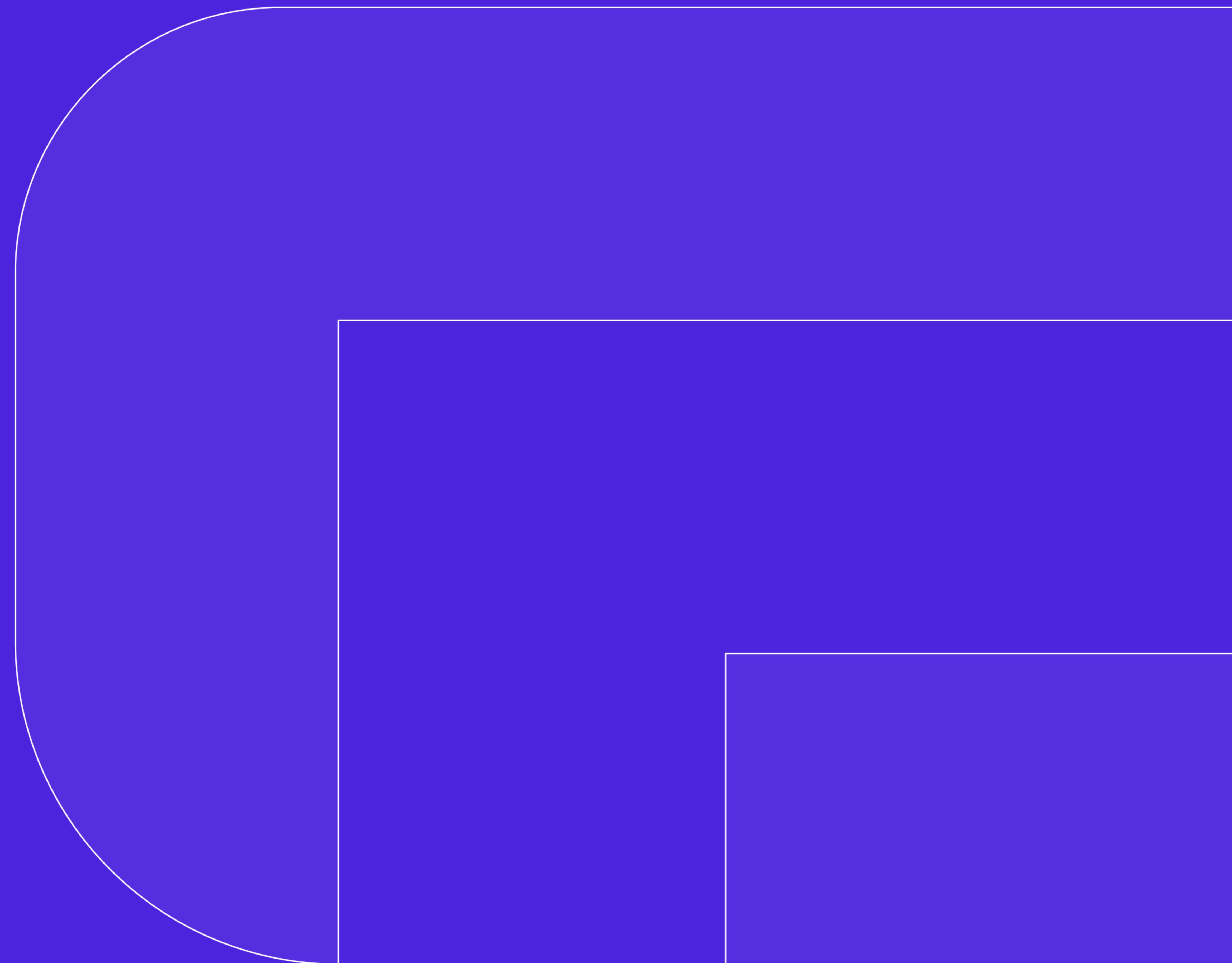
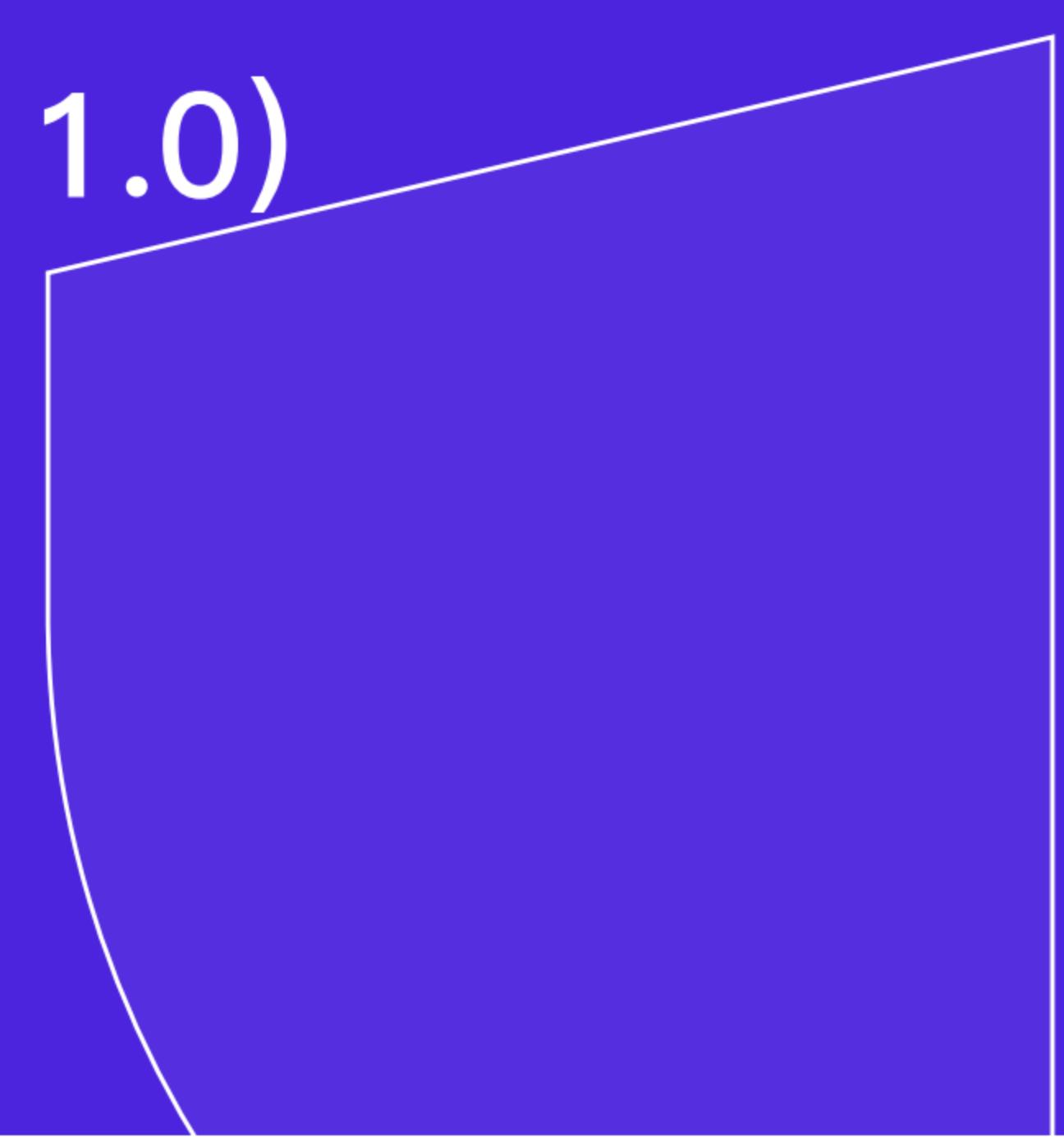


ISE:

CUSTOMIZED RWA INFRASTRUCTURE



(Vision 1.0)





Contents.

Overview	01
RWA Development Trends	02
ISE's RWA Framework	03
Business Framework and Technical Features	04
Use Case	05
RealCredit	06
Economic Model	07
The value of ISE tokens	08
Product Planning	09



Overview.

ISE is a digital issuance, investment, and peer-to-peer trading framework focused on the management of Real-World Assets (RWA). Leveraging ISE's proprietary distributed network, real assets such as real estate, bonds, and gold can be tokenized for issuance, management, and interoperability on-chain. The ISE framework utilizes both permissioned and permissionless architectures to meet strict securities regulations and offers institutional-grade access to investment products in a unique decentralized manner.

By offering a customized RWA framework, ISE provides a gateway for real-world assets to enter the world of blockchain. We are committed to identifying investment opportunities across various asset classes and will introduce a product called RealCredit, a real estate mortgage product built on the ISE RWA framework, as our first customized mature product.

ISE's network architecture is modular, scalable, and supports built-in liquidity, while distributing previously highly centralized activities, such as issuance and regulatory compliance, on private and secure networks of independent participants.

Our mission is to merge RWAs with blockchain technology and offer a broader range of institutional-grade investment products globally, creating long-term value and wealth accumulation.

Our goal is to leverage the advantages of blockchain technology and unlock previously untapped global real capital markets, enabling 24/7 instant transactions with little to no cost and without borders.

RWA Development Trends.

The importance of Real-World Assets (RWA) in the financial system cannot be underestimated. They play a crucial role not only in facilitating the growth of the real economy but also in providing investors with stable and sustainable return opportunities. By effectively utilizing and managing RWAs, we can better promote investment flows, enhance market participation, increase economic wealth, and create job opportunities.



In terms of protocols, tokenization of real assets is the simplest form of RWA. The most successful form of RWA undoubtedly is stablecoins, such as BUSD supported by Binance, which is a tokenized representation of on-chain dollars backed by a 1:1 collateralization with fiat dollars. Additionally, bulk commodities can also be tokenized, as seen with PAXG issued by Paxos Trust, where token value is pegged to the price of gold and has real gold as collateral.

Besides these examples, we are witnessing an increasing number of projects exploring RWA. Centrifuge, for instance, tokenizes various types of loans including those specifically for fintech startups, commercial real estate, commercial bills, and accounts receivable. Credix is also making similar attempts, with a current Total Value Locked (TVL) of \$23M, providing debt financing for fintech companies through a similar tokenization model to Centrifuge. Goldfinch focuses on financing RWA and currently mainly collaborates directly with investment institutions, providing lending to some targeted investment firms. In the real estate sector, RealT addresses liquidity and transaction cost issues of real estate assets by tokenizing them.

However, despite the immense potential of RWA, the market size remains comparatively small and fragmented, with limited liquidity, making it challenging for investment. Additionally, compliance with regulatory requirements for RWAs is crucial and involves aspects such as regulatory compliance, audit reports, risk management, disclosure transparency, and regulatory compliance. Furthermore, traditional methods of investing in RWAs also pose challenges and risks in practice. Therefore, we need to introduce an innovative technological approach to enhance the investability and liquidity of RWAs.



ISE's RWA Framework.

We have developed a framework called ISE RWA that integrates the tokenization of real assets with DeFi functionalities, enabling users to quickly, securely, and cost-effectively build liquid RWAs. ISE accommodates all types of issuers and investors, from retail to institutional, in a low-cost, efficient, transparent, liquid, and accessible manner, and can scale to adapt to any real asset market conditions.



The ISE RWA framework consists of the on-chain DeFi layer, interface services layer, business framework, and asset side. We do not plan to build a separate blockchain as it would consume our business capabilities and development time. Instead, we will initially develop the framework based on the Binance Smart Chain (BSC). This will include RWA DeFi infrastructure functionalities such as wallets, token issuance, DID, SWAP, NFTFI, etc. These functionalities reside in the on-chain layer and primarily serve the purpose of issuing, managing, and trading on-chain assets, providing transparency to issuers and investors.

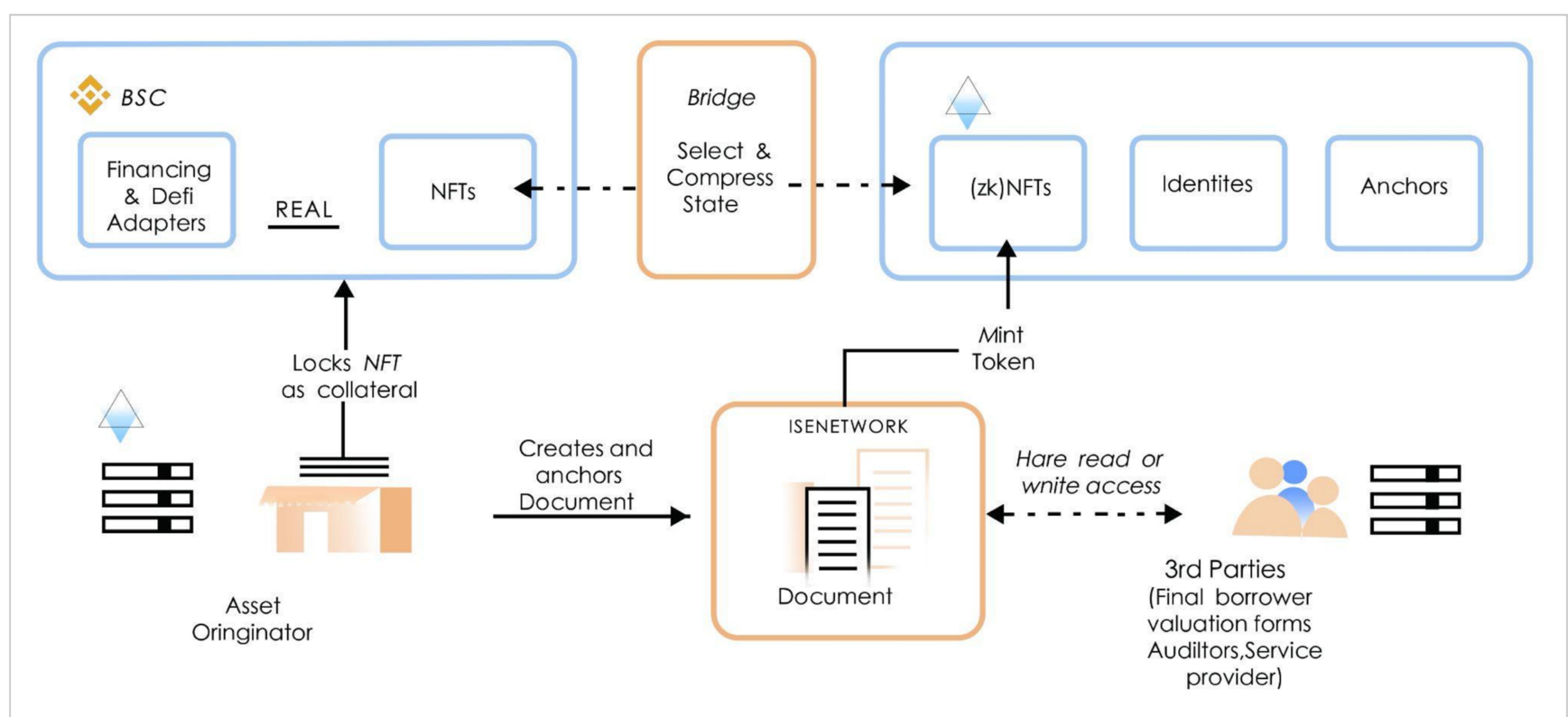
BSC is the first blockchain supported by ISE, and we plan to expand to other popular public chains such as Ethereum, Solana, AVAX, etc., in the future. This will be achieved through the interface layer, which handles the interconnections between different chains. In addition to facilitating cross-chain operations, the interface layer provides standardized

services based on assets, enabling the standardization of heterogeneous assets. It connects real-world assets by mapping them through NFTs and real-world assets.

The business framework layer handles off-chain functionalities, including business custody, compliance management, settlement, fund custody, and on-chain services. ISE collaborates with qualified institutions that are responsible for off-chain compliance guarantees, risk management, and contract authorization.

ISE's asset side supports various asset classes, including bonds, gold, real estate, loans, art collections, and equity assets.

Business Framework and Technical Features.



Below, we will explain ISE's core business framework and technical features in the application of RWA. For more detailed information, please refer to the official website.

Off-chain collaborative custody institutions: ISE will collaborate with more than 10 credit custody institutions worldwide. These custodian institutions are similar to Prime Trust. Once investors pass KYC, they will obtain fiat

currency accounts on the ISE platform (through custodian institutions), enabling seamless fiat currency entry through ACH (Automated Clearing House), wire transfers, and credit cards. Assets such as Bitcoin and Ethereum may also be custodied by these institutions. Additionally, off-chain custody institutions serve as data sources for on-chain data, providing support for oracle data nodes.

Issuer module: The issuer module is used for investment documents/agreements and other required disclosure documents. Sellers may allow potential buyers in P2P and OTC transactions to view them. The hash value of these documents can be obtained on the public mainnet, guaranteeing the authenticity of the documents and timestamps to the public.

Decentralized wallet: ISE's cryptocurrency wallet system is designed as non-custodial. This allows users on the ISE application to have control over their wallets while providing an automated and secure multi-currency key management system. Private keys are encrypted, salt is used to increase security, and users have optional security levels in terms of decryption methods, such as choosing to securely store them in cold storage through custodian institutions.

ISE Network: The ISE Network is built on top of the Binance Smart Chain and can be seen as a second-layer custom module focused on RWA within the Binance Smart Chain ecosystem. The ISE Network aims to achieve a coexistence of regulation and decentralization by providing "Layer 2" issuer control through modular and chain-agnostic protocols. With standardized asset creation, issuance, and compliance functions within a single protocol, the ISE Network primarily involves the on-chain DeFi layer, interface service layer, and business layer for processing.

Use Case and Assets: We define the following asset module.

- **Real Estate RWA Module**

Tokenization: Digitization of real estate information for adoption by both on-chain and off-chain custodian institutions.

Smart Contracts: Rules governing ownership, usage rights, and profit distribution of the assets, including tokenization and NFTs for real estate assets.

Asset Management: Management of rental income distribution, property maintenance, financial reporting, etc. (off-chain).

Regulatory Compliance: Built-in compliance-related features to ensure that Real Estate RWA adheres to regulatory



requirements. It can automatically enforce compliance rules to ensure transactions meet regulatory agency specifications.

Transparency: Built into the Binance Smart Chain (BSC) explorer.

- **LoanRWA Module**

Loan Asset Creation: Supports the creation and registration of loan assets, converting loan contracts and relevant information into traceable digital assets on the blockchain.

Smart Contract-based Loan Agreements: Automated execution of loan agreements facilitated by smart contracts, including support for loan collateral in the form of NFTs.

Risk Assessment and Loan Scoring: Features for risk assessment and loan scoring, aiding borrowers and lenders in accurately evaluating the credit risk and repayment capacity of borrowers. Risk weights for loans are set through modeling calculations and data analysis, generating corresponding risk-weighted assets.

Loan Portfolio Management: Supports the management and tracking of loan portfolios. Enables efficient organization, monitoring, and adjustment of loan assets to optimize the risk-return characteristics of the portfolio.

Regulatory Compliance: Incorporation of compliance-related features to ensure LoanRWA meets regulatory requirements. It automates the calculation and reporting of the risk weights of assets.

- **Bond RWA Module**

Bond Asset Creation: Supports the creation and registration of bond assets, converting bond contracts and relevant information into traceable digital assets on the blockchain.

Smart Contract-based Bond Agreements: Automated execution of bond agreements facilitated by smart contracts, ensuring that bond contracts are executed according to predefined conditions. Supports NFT and token issuance and trading.

Risk Assessment and Rating: Features for risk assessment and bond rating, helping investors and issuers accurately evaluate the credit risk and expected returns of bonds.

Bond Portfolio Management: Supports the management and tracking of bond portfolios. With the capabilities of the ISE programming language, it enables efficient organization, monitoring, and adjustment of bond assets to achieve risk diversification and optimize returns in the portfolio.

Regulatory Compliance: The Bond RWA module incorporates compliance-related features to ensure compliance with regulatory requirements. It automates the calculation and reporting of the risk weights of bond assets, ensuring compliance with regulatory requirements.



Market Data Integration: Seamlessly integrates with market data sources to provide real-time pricing, yield curves, and other market-related information for bond valuation and risk analysis.

Transparency and Auditability: Integration with blockchain technology provides transparency and immutability of bond transactions, enhancing auditability and reducing the risk of fraud or manipulation.

Risk Reporting: Generates risk reports and regulatory disclosures related to bond assets, providing stakeholders with comprehensive and accurate information for risk monitoring and compliance purposes.

Use Case.

We are dedicated to building a modular RWA framework using the ISE customization module to enable the integration of various RWA assets, including:

- **Bond-based RWA**

We have designed a decentralized lending protocol based on the ISE framework, specifically targeting short-term government bond products. This protocol offers various tokens for lending, including USDC, DAI, USDT, and ISE.

Through this lending protocol, users can utilize these tokens for borrowing and investing in short-term government bonds. Users have the flexibility to choose the tokens they want to lend or borrow, earning related risk-weighted assets (RWA) during the lending process. Leveraging our modular framework and ISE customization module, we provide a flexible and scalable solution for bond-based RWA businesses. Users can utilize different tokens for lending and investing based on their needs and circumstances, aiming for asset appreciation and risk control goals. Additionally, with the decentralized nature of our lending protocol, we offer a secure, transparent, and trustworthy trading environment, ensuring the rights and data security of all participants.

- **Use Case**

Using the RWA framework of ISE, we have implemented an unsecured credit protocol driven by on-chain credit scoring. The design of this protocol mainly involves the following aspects:

On-chain Credit Scoring: We utilize an on-chain credit scoring system to assess the creditworthiness of borrowers. By analyzing borrowers' on-chain activities, historical data, and other relevant factors, we calculate a credit score. This score serves as the basis for determining whether to grant a loan.



Unsecured Credit Protocol: In this protocol, we provide a mechanism for lending without the need for collateral.

Once a borrower's credit score meets the criteria set by the protocol, we will grant them the loan. The borrower can repay the loan according to the repayment method and schedule specified in the protocol.

- **Real Estate Platform based on ISE Network**

We can design a real estate platform based on the ISE network using the RWA framework. This platform would enable the buying and selling of houses using cryptocurrencies and the trading of houses in the form of NFTs. By integrating a cryptocurrency payment system, buyers can use Bitcoin, Ethereum, or other cryptocurrencies to purchase houses. Sellers can receive cryptocurrency as payment and choose to either hold it or convert it into fiat currency.

- **NFT Investment Platform for Physical Assets based on ISE Network**

On this platform, users can purchase physical goods such as gold and watches from global suppliers using the stablecoin USDT. Once the payment is successful, an INFT will be minted as proof of purchase for the physical item. The physical items will be sent to one of ISE's secure and insured storage facilities, while the INFT will be sent to the buyer's wallet.

Furthermore, users can also create and sell NFTs backed by physical assets on this platform. These NFTs will represent the ownership of physical assets and can be purchased by other users. All transaction records will be recorded on the blockchain, ensuring transparency and immutability of the transaction history. Through the RWA framework of ISE, this platform will provide a secure trading environment. The framework will offer secure identity verification, transaction auditing, and data protection to safeguard users' personal and financial information.

RealCredit.

RealCredit is a real estate mortgage product based on the ISE RWA framework. RealCredit is ISE's first customized and mature product, which is scheduled to be developed in the third quarter of 2023.

Issuance

The Trusted Group is a credible organization with real estate management and financing credit resources, and can be a



real estate credit company, real estate financing company. ISE will cooperate with local Trusted Group institutions in Singapore. The issuance adopts a standardized structure to achieve on-chain NFT and DEFI applications. The issuer must provide a clear company history and group structure, sponsor, organization and equity, funding situation and on-chain funding structure.

- **Asset Details**

Asset Type: The allowed categories of assets that can be used as collateral, such as real estate, bonds, etc.

RealCredit is for real estate type.

Asset Quality: The credit rating, default rates and loss risks of the assets.

Asset Size: Both the value of individual assets and the overall asset pool need to meet minimum requirements.

Legal Ownership: The legal ownership of the assets, to ensure there are no legal disputes.

Regulatory Requirements: Regulatory requirements in different countries or regions.

Asset Administration: Professional service institutions to administer the asset pool, including collections, maintenance, cash flow distribution, etc.

- **Issuance Details**

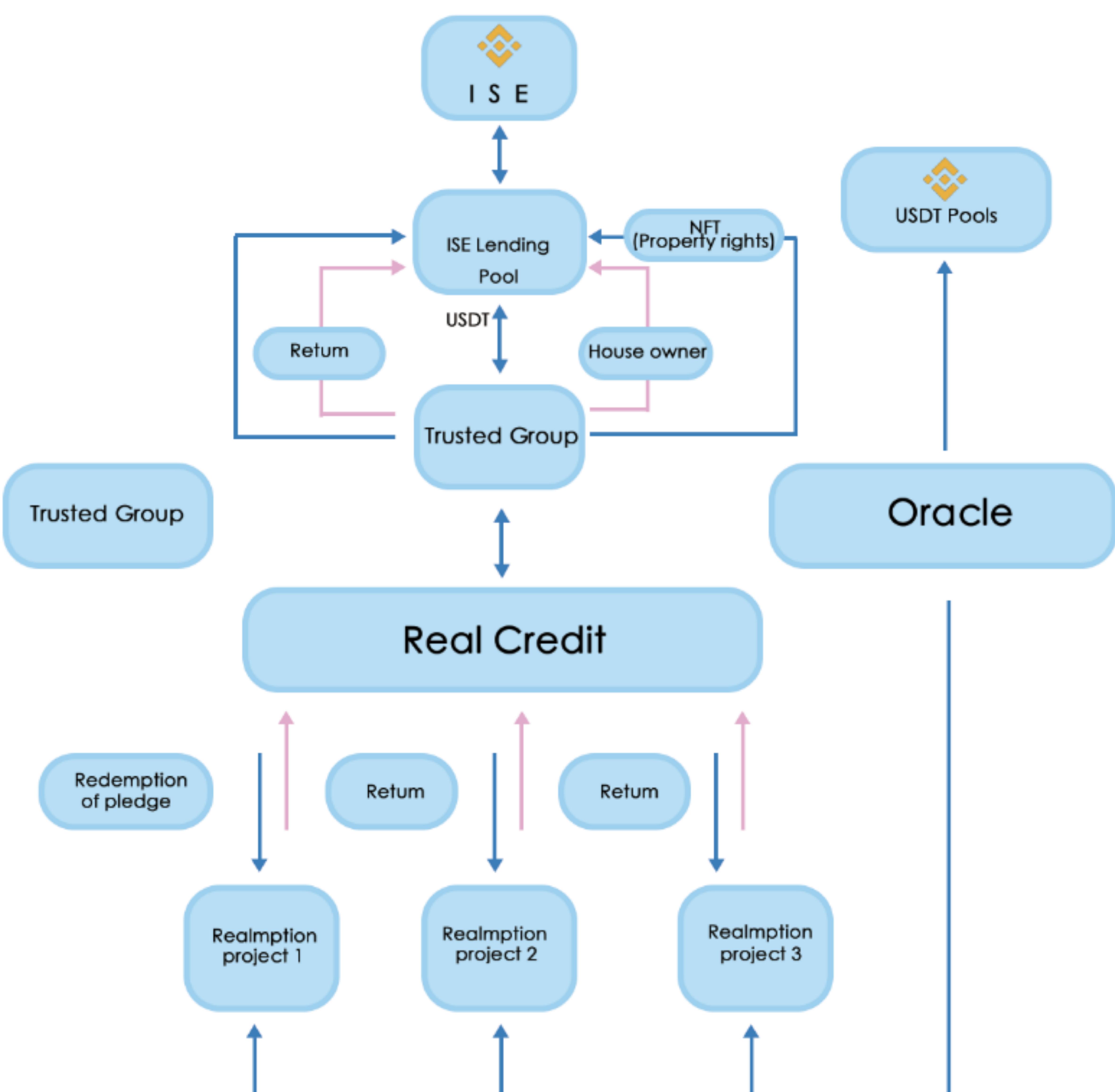
Supports multi-cycle pools, with standardized definitions of the following parameters (denominated in stablecoins):

- Maximum Loan Facility
- Maximum Advance Rate
- Target Investor Fundraise
- Total Note Issuance
- Assets Balance:
- Asset Class: Commercial Real Estate Mortgages on blockchain
- Average Asset Deal Size
- Asset Yield Range:
- Asset Term:
- Investment Term



Secured loan

The Trusted Group is a credible organization with real estate management and financing credit resources, such as real estate credit companies and real estate financing companies. ISE will cooperate with local Trusted Group institutions in Singapore. The Trusted Group will map the ownership or usage rights of its real estate assets into NFTs as collateral deposited into RealCredit's collateral pool, while uploading the corresponding asset owner's credit data for credit rating, in order to borrow corresponding assets from RealCredit's lending pool. The Trusted Group will convert the borrowed funds into fiat currency and lend to LendCo. LendCo will allocate the funds to different real estate projects. After the investment cycle ends, the Trusted Group will deposit funds into RealCredit to redeem the collateral.





- **Dual Interest Rates**

RealCredit offers structured investment portfolios with different risk preferences (fixed and floating rates, FiX and FLT). Investors invest through stablecoins and obtain FiX and FLT tokens, which can be redeemed for stablecoins when withdrawn, locking in the FiX and FLT. FiX and FLT are based on BSC for use, with the governance token ISE used for incentives.

Pools are asset pools based on smart contracts. Asset originators can issue and create an asset pool after going through compliance procedures, collateralizing assets into NFTs for financing. Each asset pool has two tokens – FiX and FLT, stablecoins. FLT is a risk token – investors taking FLT tokens need to undertake asset default risks, but can obtain higher returns. FiX are fixed return tokens, allowing investors to avoid default risks and obtain stable returns. Investors can join and exit pools anytime, and asset originators can continuously redeploy provided assets unless redeemed by investors.

For example, an asset originator collateralizes \$1 million in real assets, paying 9% interest (\$90,000). \$800,000 is allocated to Fix tokens with 5% returns. When the asset is fully returned, Fix token investors get 5% of \$800,000 = \$40,000, while the remaining \$50,000 interest goes to FLT investors. For FLT investors this is a 25% interest return on their share.

- **Credit Scoring System**

At the compliance level, RealCredit has established the ISE Credit Scoring System, which quantitatively calculates credit scores based on the Credit–ISE algorithm and Credit–Matching algorithm. This system reflects the credit status of real estate owners, providing Trusted Group with a basis for loan amount allocation, APY formulation, analysis, evaluation, and optimization.

The credit scoring system of RealCredit uses a percentage scale, with scores ranging from 0 to 100. A score of 0 represents the lowest rating, while 100 represents the highest rating. Initially, we have set three levels, namely L0, L1, and L2.



- Credit rating system (3 levels)

```
func (*UserSimpleReportService) TotalPointQualification (p float64) string {  
    var status string  
    if p <= 75 {  
        status = "L0"  
    }else if p > 75 && p < 89 {  
        status = "L1"  
    }else {  
        status = "L2"  
    }  
    return status  
}
```

If customer JACK owns a high-quality property at the L2 level, with a corresponding loan-to-value ratio of 70%, and assuming his house is assessed at \$500,000, he can borrow up to \$350,000.

Different ratings imply different loan amounts and APYs. As the encrypted market size on the ISE ecosystem continues to expand, the credit rating system will be expanded from the current three levels to ten levels to accommodate more refined needs.

Economic Model.

The core of RWA is the ownership and tokenization of on-chain assets, and ISE adopts a simple token model.

- Token name of ISE: Industrial Ecology
- Total supply: 7.2 billion tokens
- Issued on the Binance Smart Chain.



Initial Allocation

The initial ISE token generation event was executed by the ISE Foundation and initially allocated to the Foundation and early contributors, including the core team, investors and validators, without an ICO or pre-mining, with a total supply not exceeding 7.2 billion.

Token Distribution Mechanism

ISE will utilize token distribution rewards to incentivize early participation in the network and provide funding for ISE's continued development. These rewards provide additional incentives beyond fees for entities performing critical network functions. The network benefits greatly by incentivizing early participation to quickly create a reliable distributed agency network. In addition, burn mechanisms will enable the chain to maintain a stable token supply over time.

Token Lockup

Token lockups help align token holders' incentives with the long-term growth of the ISE ecosystem.

Most ISE tokens have long lockup periods at issuance. Core team members have a 36 month lockup with a 12 month cliff.

Governance

ISE tokens are used for standard governance functions such as chain security, as well as voting to upgrade runtime chain code, with the ability to participate in technical governance according to their stake in the protocol. ISE holders participate in governance via on-chain voting mechanisms for proposals: runtime upgrade proposals are voted on by token holders. Approved proposals are enacted programmatically on-chain.

-Investment institutions: 6%

-Marketing: 0.5%

-Foundation: 4.17%

-Ecological rewards: 44.44% +43.06%

(Rewards for the ISE project, the target destruction is 3.1 billion, and 2.65 billion has been destroyed so far)

-Technology: 1.39%

-Advisor: 0.44%



The value of ISE tokens

- **Value function:**

Each custom RWA application integration will directly utilize a certain amount of ISE tokens. As RWA application scenarios gradually become richer, the use and consumption of ISE tokens will increase, and the total value of ISE tokens will also grow.

- **Incentive mechanism:**

Through active incentive programs, ISE incentivizes more ecosystem participants to join by utilizing economic means to generate positive feedback, which can promote continuous system development. User staking, earning financing income, etc. will have ISE rewards, with reward amounts decided by ISE community voting.

- **Governance mechanism:**

ISE will play an important role in decision-making regarding project development directions, including adding and optimizing RWA projects, adding new cryptocurrencies or stablecoins, adjusting floating interest rates, setting fixed interest rates, oracle affairs, product rule improvements, and more.

In summary, the ISE token has multiple functions including incentives and governance. Its overall value and utility will strengthen as the ISE ecosystem grows.

Product Planning.

The DeFi innovation is rapidly evolving, and we are witnessing a profound transformation in the global financial system, as well as the rapid rise of open finance represented by DeFi. However, the entire open finance market is still in its infancy and far from mature. Building upon the achievements of predecessors, ISE protocols through its RWA expansion program. We are committed to providing users with innovative, revolutionary, decentralized, and risk-controlled RWA services, thereby facilitating the further promotion and application of open finance.



- **Q3 2023:**

Design the ISE RWA trusted framework, complete the on-chain DEFI layer, interface layer, business, and asset-side architecture. Promote the listing of ISE tokens on mainstream exchanges. Develop the RealCredit product and design an iterative product prototype.

- **Q4 2023:**

Select cooperating institutions for RealCredit.

Establish the ISE credit rating system (3 levels).

Internal testing and public testing of the RealCredit product.

- **First half of 2024:**

Official version of the RealCredit product.

Develop RWA products such as bonds, stablecoins, gold, etc.

Upgrade to RWA 2.0 framework.

Establish cross-chain interoperability, supporting more than 10 public chains.

- **Second half of 2024:**

RealCredit 2.0 launches, establishing 10 or more project clusters.

The on-chain data rating system is established.

DAO governance is initiated, integrating 20 RWA ecological projects.