OPEN PACKAGING NETWORK

TOKEN PAPER

THE TOKEN:

OPK Token:
OPK is the fundamental unit of account on the OPN blockchain. OPK is a liquid currency, and therefore can be bought or sold on exchanges, as well as transferred to other users as a form of payment.

Incentive Structure:
Every positive behavior is rewarded while the negative ones are penalized. Negative behavior reduces the rating of the actor as well as makes him lose his staked tokens (made possible by KYC).

OPK TOKEN –

Earned by:

- Honest bidding
- Successful order delivery
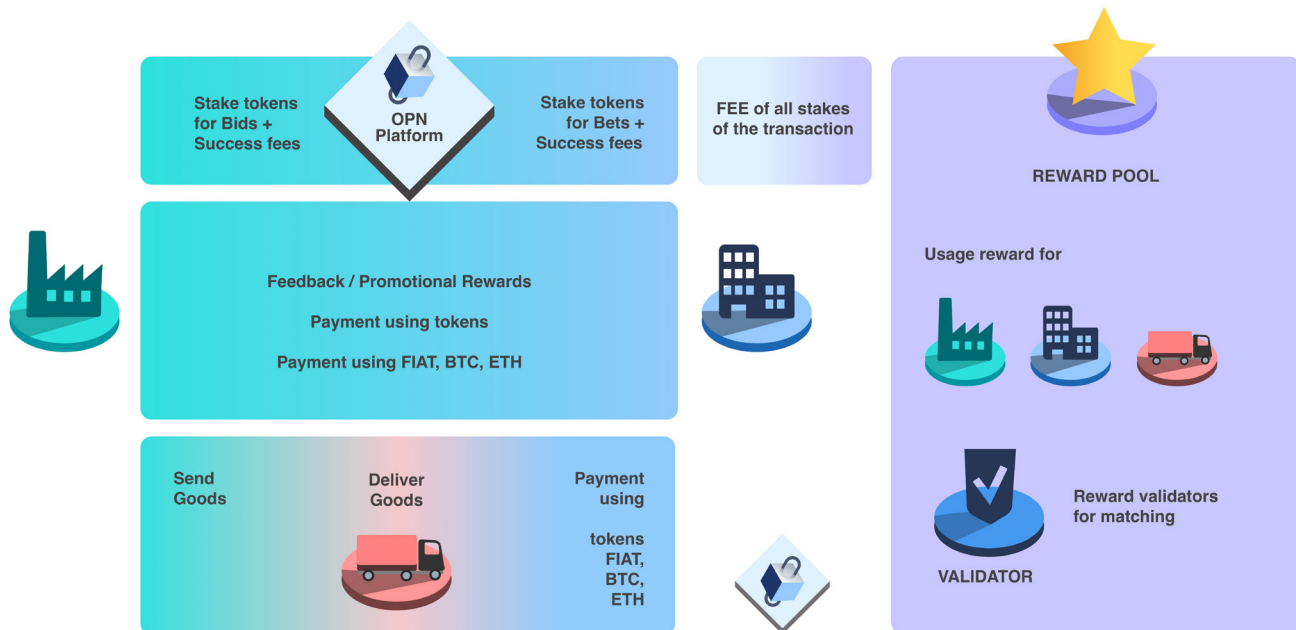- Matching profiles
- Validating transactions

Used for:

- Bidding – To go up the line in 'Bid'
- Betting – To go up the line in 'Bet'
- Earning interests through long-term vesting.
- Securing loans by using OPK as collateral
- Earning validator status

Penalties for:

- Sabotaging payment process
- Using malicious software versions
- Sending the wrong list intentionally:
  How to identify actors (Miners and Validators)
  who are sending the wrong list by mistake.
- Late delivery of products/services

HOW IT WORKS:

For Platform Stakeholders

OPN Platform

Stake tokens for Bids + Success fees

Stake tokens for Bets + Success fees

Feedback / Promotional Rewards

Payment using tokens

Payment using FIAT, BTC, ETH

Send Goods

Deliver Goods

Payment using tokens FIAT, BTC, ETH

FEE of all stakes of the transaction

REWARD POOL

Usage reward for

Reward validators for matching

VALIDATOR

For Investors

REWARD POOL	LEASE POOL
Send Rewards To — DELIVERY AGENTS, INVESTOR	Buy Tokens From — SELLERS, BUYERS
OPK Platform	DELIVERY AGENTS, INVESTOR — Lease Tokens

TOKEN USE CASES

Our solution is based on a new model that has been devised to provide more control to the sellers and buyers who happen to be the major parties to the transaction. Let us understand some of the terms that will be used:

a. Primary Market:
The first market where the orders are posted and finalized.

b. Secondary Market:
The market where already taken orders are republished or new orders are displayed after a certain amount of time has elapsed.

c. Bid:
A bid is placed by a seller for all order calls made by a buyer/client.

d. Last Bid:
The ability to place a bid after looking at all the other bids in place.

e. Bet:
A bet is a bid call made by the buyer/client in circumstances where a seller posts any product to be available.

f. Last Bet:
The ability to place a bet after all other bets are in place.

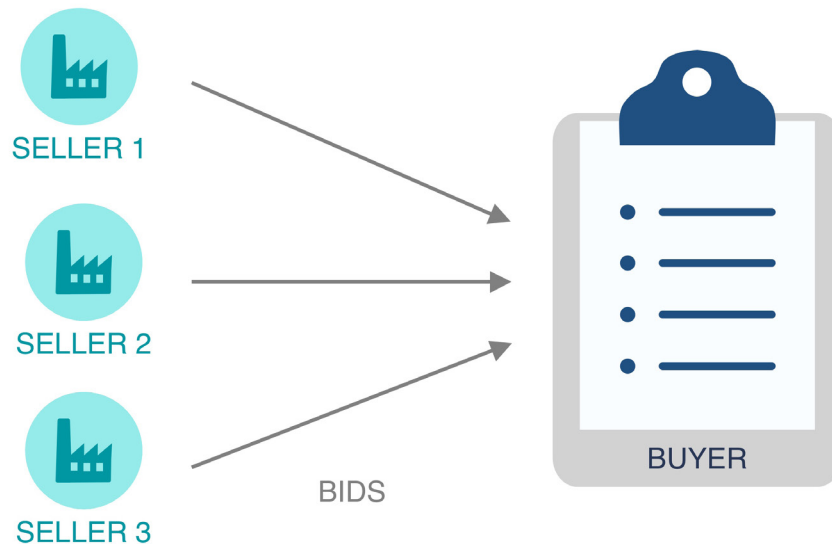### g. Item-order:
A request that could be put from either a buyer or a seller

h. Item-profile:
A counteroffer to the item-order that could be put on the market by a buyer or a seller in case of secondary market

Seller Use Case:
Bidding

SELLER 1

SELLER 2

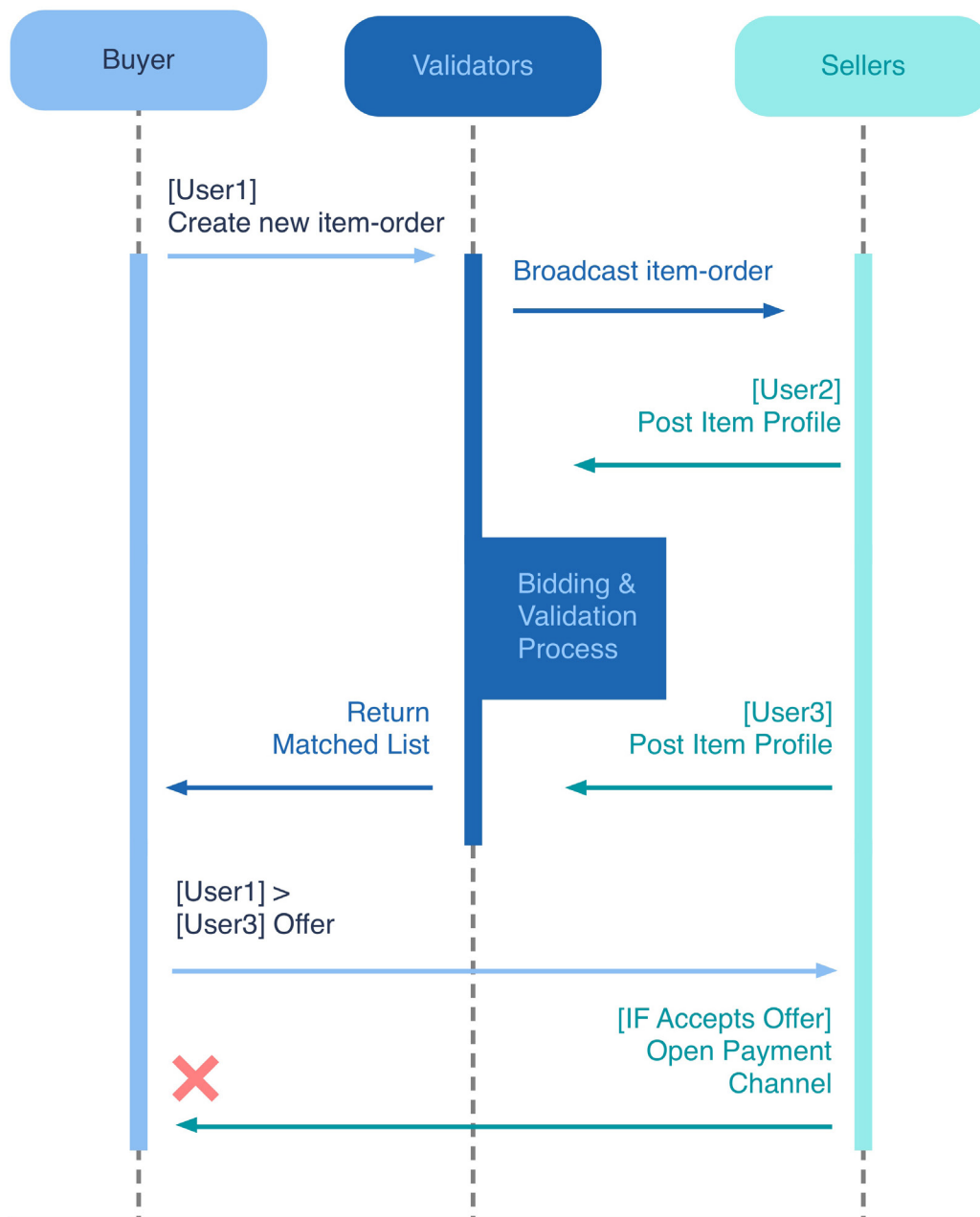SELLER 3

BIDS

BUYER

The Bid Process

Step 1: Buyer posts an order to be fulfilled.

Step 2: Sellers who are notified of the order start bidding for the order by staking their tokens.
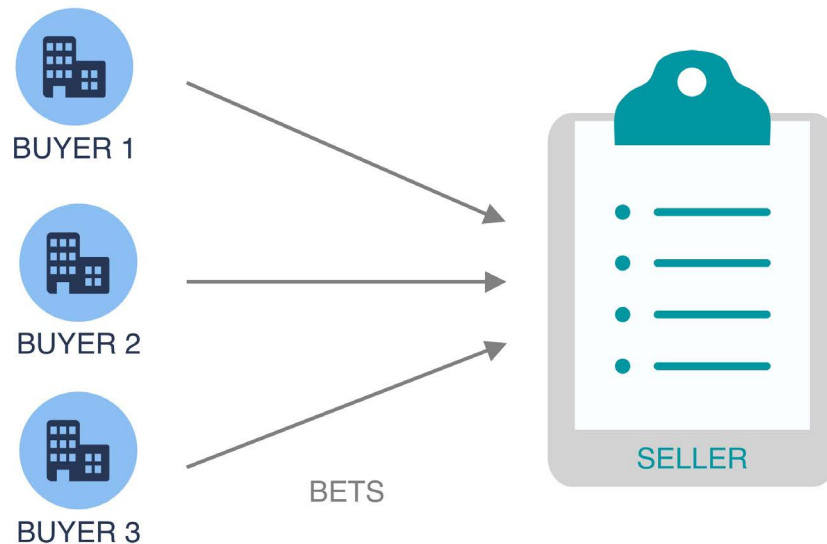
Step 3: Validators prepare a list of matching sellers for buyers based on pre-set rules.

Step 4: The buyer stakes coins before selecting an offer from the seller.

Step 5: The payment is initiated to the seller based on the terms of the contract using a Smart Contract.

Buyer Use Case:
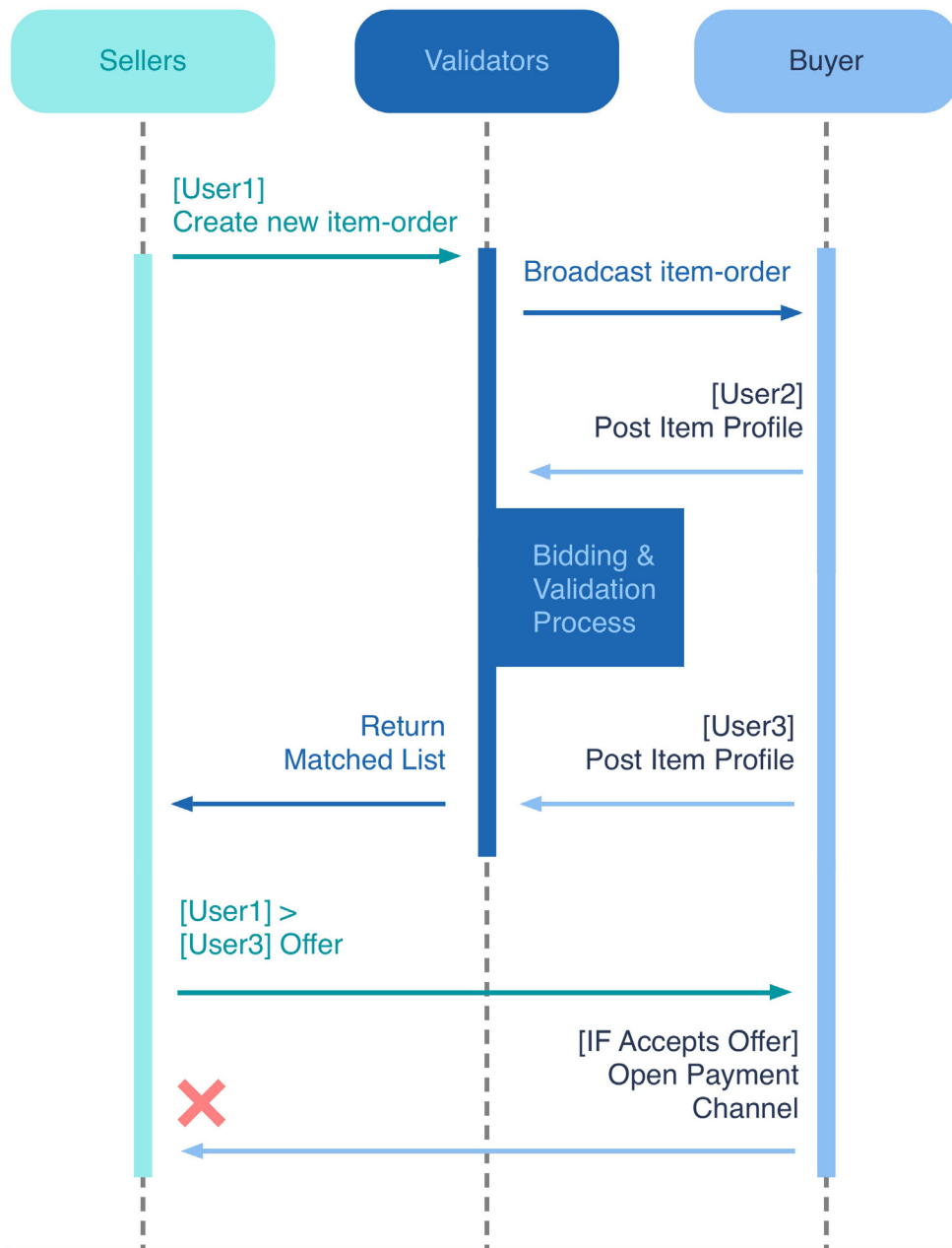## Betting

The Bet Process

Step 1: Seller posts an item that he has in the inventory.

Step 2: Buyers who are notified, start betting for the order by staking their tokens.

Step 3: Validators prepare a list of interested buyersfor the sellers based on pre-set rules.

Step 4: The seller stakes coins before selecting an offer from the buyer.

Step 5: The payment is initiated by the seller based on the terms of the contract using a Smart Contract.

Sellers | Validators | Buyer

[User1]
Create new item-order

Broadcast item-order

[User2]
Post Item Profile

Bidding &
Validation
Process

Return
Matched List

[User3]
Post Item Profile

[User1] >
[User3] Offer

[IF Accepts Offer]
Open Payment
Channel

THE TOKEN SALE STRUCTURE

Summary

Token name: OPK
Token Sale Duration: 01/10/2018 - 31/12/2018
Standard: ERC-20
Accepted Currencies: BTC, ETH, USD, EUR, CHF
KYC/AML: Yes
Token to be sold: 30,000,000 OPK
Hard Cap: $30 million
Unsold OPK Tokens: To reserve fund
Total Token Supply(max): 50,000,000 OPK
Token Purchase price: 1 USD = 1 OPK
Min Purchase: 50 OPK
Max Purchase: 100 000 OPK
Token allocation: Automatic
Lock up: No
Fund Collection: Escrow
Funds Release: Roadmap Milestones

Bonus Structure

TIMEFRAME	Below 10 ETH	10-100 ETH	Above 100 ETH
First 24 hours	20%	22.50%	25%
Week1	15%	17.50%	20%
Week2	5%	7.50%	10%
Week3	1%	1%	1%
Week4	0%	0%	0%

- The exact number of tokens generated depends on the amount of funds contributed
- Tokens will be transferable once the ICO is completed
- Upon reaching the hard cap, the ICO will end immediately

The number of tokens generated will be proportional to the number of OPK token generated.

* The number of OPK Tokens per 1 ETH will be pegged to the $US value of Ethereum at the time of the ICO

The number of tokens generated will be proportional to the number of OPK token generated.

ICO Participants	Team (Subject to vesting and lockups terms)	Advisors, early supporters, bounty	Reserve Fund
60%	15%	5%	20%

- The team's tokens are locked for a period of 2 year vesting schedule with a 6 month cliff.
- Advisors' and early supporters' tokens are locked for 6 months.

BOUNTY CAMPAIGN AND REFERRAL AWARDS

Activity	% of Bounty Pool
Signature Campaign	20%
Blog Article and Video Campaign	20%
Social Media (Facebook & twitter)	20%
Translations	15%
Telegram	5%
Miscellaneous	10%
Referrals	5%
Reserved Bounty Pool	5%

Activity	Reward as % of t okens purchased
Referrals	5%

Referral reward to a referral link owner is 5%, based on the number of tokens purchased using the referral link. Those who bought tokens using a reference link receive an extra 3% bonus.

THE TOKEN SALE PROCESS

Planned Fund Allocation	%	Amount
Research and Development	50%	18000000
Marketing and Sales	27.80%	10008000
Admin and Operation	14.40%	5184000
Legal	2.80%	10008000
Contingency	5%	1800000

Our roadmap assumes development of all features for the OPN platform and mobile applications and interfaces for all the platform participants, with a strong sales and marketing support to accelerate adoption by sellers and buyers of the packaging industry.

- Research & Development costs cover all R&D expenses, including design and development of smart contracts, cryptographic mechanisms, the OPN platform, apps and interfaces, etc. Includes opening of an R&D center with approximately 40 engineers.

- Admin & Operations costs include salaries of all OPN employees excluding the R&D team. Marketing & Sales budget will be allocated on acquisition of both sellers and buyers.

- Legal costs include all legal expenses associated with expansion of the OPN ecosystem in different countries.

- Contingency fund is calculated as 5% of the total budget.

TOKEN SALE ALLOCATION

%	5	10	15	20	25	30	35	40	45	50	55

Research & Development

50%

Marketing & Sales

28%

Admin & Operations

14%

Contingency

5%

Legal

3%