



NEM

PRE-AUCTION UPDATES  
AND  
INVESTOR'S HANDOUT



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nem<sup>®</sup> IN SOLIDARITY  
NEW ECONOMY MOVEMENT



On behalf of the NEM development team I would like to invite you to take a part in our initiative to develop the NEM system. The NEM development team core members currently are:

UtopianFuture	Organization, Finance
Jaguar0625	Core Developer, NIS, NCC
Gimre	Core Developer, NIS, NCC
Thies	Core Developer, NIS, NCC
Makoto	Core Developer, NIS, POI
BloodyRookie	Core Developer, NIS, POI
Krysto	NCC, Front-end Developer, Web Developer
TranLoi	NCC, Designer, UX Elements

Our two main products under development are the **NIS (NEM Infrastructure Server)** and **NCC (NEM Community Client)**, which when fully developed will be one of the most advanced decentralized blockchains with a colored coin implementation (decentralized asset exchange). Our source code is implemented from scratch in Java and Javascript (NCC). Innovations in blockchain server technology include **Proof-of-Importance (POI)**, account rules, and Eigentrust++ peer reputation management. NCC has a distinct new wallet design that is completely different from all common Bitcoin QT-based wallets that almost all other coins are using. NCC design supports multiple new functionalities in NIS and puts security and user friendliness as top priorities.

NIS and NCC completion will mark the launch of NEM V1 blockchain, however that is just the beginning of the NEM system technological road-map. We are prepared to go full speed to build a dynamic NEM ecosystem as soon as NIS and NCC go live and pass an open beta. The NEM ecosystem team already includes dozens of developers staying within the NEM ecosystem board and we will design an incentive system that motivates these developers and other new developers to stay and help build the NEM environment. More importantly, we will attract new developers by offering a coherent vision of the NEM technological roadmap that will show our commitment to building and developing the NEM decentralized system over the long term. After launching the V1 blockchain, NEM core code will still be developed continuously, with the aim to support the growing NEM ecosystem, as well as to add new features to the network.

Our decentralized network needs to be nurtured by its community and we are thankful for already having a NEM community of about **3000 members**. The NEM system will draw its security from the community nodes' support and its expansion from community marketing efforts. In this aspect, I would like to invite you to be a part of our effort and to join our community.

NEM will be created with a maximum of **4 billion units**, divisible to **6 digits**. We plan to distribute **75%** of the total to the community at the official lunch, all with a minimum contribution of promotional effort or donation. Of the 75% of stakes to be given to the community, 71% have already been reserved and the remaining **4%** will be auctioned to the public to raise money for the development fund. **25%** will be reserved under control of the core development team, in which **10%** is reserved for the core development team for their work in fully developing NIS and NCC to the V1 blockchain specifications. **5%** is reserved for the extended development team for their work on NEM promotion and the NEM ecosystem. The last **10%** is reserved for future development after the completion of the V1 blockchain, including further development of the ecosystem and new features for the core blockchain.

A preliminary draft of the NEM development contract has already been released in which the above distribution plan was officially written and agreed upon by all NEM stakeholders. Up until the final version of the NEM development contract, the stake distribution plan is subject to modifications and stakeholders are also to request a refund if they no longer wish to be a NEM contributor.

If you are willing to join in the NEM effort, please consider buying a NEM stake either on NXT AE or during the public auction that we will announce shortly. This will entitle you to be an equal regular stakeholder with a share of **1 million NEM** upon NEM's official launch. I would further invite you to contribute to NEM's promotion and the NEM ecosystem building effort to enjoy NEM development shares reserved for these activities. Most of all, I hope you will be a long-term supporter of NEM, supporting us in building network security and spreading the word about our efforts to transform the world's current monetary system, the nation-state centralized and corrupted political power, and together we will build a new economy based on the principles of financial freedom, decentralization, and grassroot contributions. In solidarity.

# Detailed Summary of the Current state of NEM & Official announcements

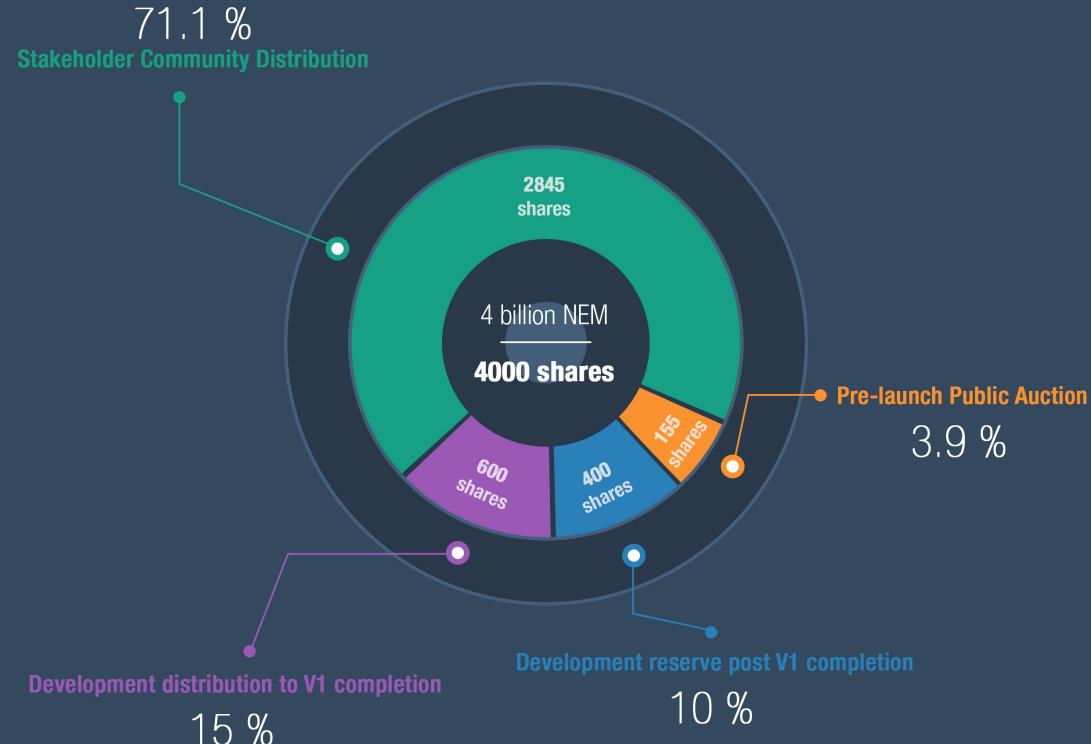
Allocation Shares  
**Statistic**

- 1 Please refer to the NEM summary for the latest important information about NEM governance.
- 2 To current stakeholders: the core development team's development contract is designed to best advance NEM's innovative blockchain, functionality, and widespread usage. It is understandable that some stakeholders may not agree to the terms. In that case, you should request a refund and we should go our separate ways on an amicable basis. No fund from any stakeholder is withheld by the development team involuntarily.
- 3 To investors: if you want to buy NEM from a current stakeholder or from the NEM public auction, please consult the development contract very carefully and consider it a very risky investment and only invest with what you can afford to lose.
- 4 The information in the NEM summary should be self-contained. The development team is under no obligation to provide extra information, such as an exact release date of the software or team members' personal information, etc.

## DEVELOPMENT RESERVE PRINCIPLES

- Released over time maximum an average **10%** every **2 months** (after V1 blockchain completion)
- Focus on important features, big projects, and applications. For example: private transaction mode, encrypted social messaging system, multi-signature implementation, establish NEM using economic zones (street, shopping square, commune etc.), important ecosystem projects

*Note: Development fund, development reserve, and development shares do not belong to the community. They are under the control of the development team to best advance the NEM blockchain, NEM functionality, NEM widespread usage, and community. They will be allocated under the above guidelines.*



## EXPLANATIONS

- Development Fund = Initial Fund Raising + Pre-launch Public Auction
- Initial Fund Raising = 66.2 BTC + 419,697 NXT (minus some refund)
- External Expenses = independent code audit, Bug Tracker Bounties, Contractor Salaries etc.
- Development Fund - External Expenses = Development Bonus
- Development Bonus is allocated proportionally to development shares up to V1 blockchain completion

## NEM Timelines

JAN 19	Initial fundraising
FEB 17	
FEB 21	Waiting list open
APR 10	
MAR 21	Public Auditing of stakeholders list
APR 9	
APR 28	Waiting list invitation
MAY 09	
MAY 10	Final stakeholder list published
MAY 25	Development contract published
MAY 30	NEM stake on Asset Exchange
TBA	Open Alpha release
TBA	NEM stake public auction
TBA	Open Beta release
TBA	Official Launch
TBA	V1 blockchain completion

## History of allocation

The purpose of the stakeholder community distribution round is to spread the majority of NEM evenly to as many stakeholders as possible, so long as the logistics allow. The goal is to build a **big and decentralized community**, that can support NEM's existence and operation as a decentralized network. The rule of registration is **1 account/1 share**. However, stakeholders' can reserve a share for their loved ones in a different (new) account. Taint analysis was used during a 1 month period of public auditing to find accounts that were related to maintain an even distribution (taint analysis was a surprise factor and not known to be used during the fundraising and as a result close to **300 accounts** were refunded)

## Stakeholder Population Statistics

**1205**

VETERAN ACCOUNTS AT LEAST  
JUNIOR MEMBERS, HIGH  
ACTIVITY, ACCOUNT OPENED  
BEFORE THE FUNDRAISING

**645**

ACCOUNTS OPENED AFTER  
JANUARY 16 BUT HAS RECENT  
ACTIVITY, AVERAGE 15 POSTS,  
SHOW NEM SUPPORT

**995**

ACCOUNTS WITH MORE OR  
LESS AROUND 10 POSTS,  
BUT WITH JUNK POSTS

### Organization

Core team: UtopianFuture, Jaguar0625, Gimre, Thies, BloodyRookie, Makoto  
Developers and Helpers: patmast3r, Krysto, Tranloi, xtester, taumuon, errki12, Kooream, Zoata87, and many more.

### NEM development fund addresses

NXT: 14343293611098709683

BTC: 1Lk5Paws9T1YpoSeLeZT7ZeSQKW7UNq4TJ