eNFT Reference Architecture

Research Paper

Version 0.0.1

Contents

About Splyt Core

Splyt aims to decentralize affiliate marketing brokers and providers in retail e-commerce so that anyone can have a fair opportunity to create an online business without having to rely on a single entity. Specifically, we use blockchain, NFTs (non fungible tokens), and smart contract technology to reduce the barriers of entry for small players to reliably and efficiently provide the same quality of service to Consumers[1] as the current expensive and inefficient middlemen Providers[2] that currently dominate the industry.

Leaders in the blockchain space have indicated that economies can be formed via blockchain by applying the technology to databasing and search engine functionality, trust-facilitating environments such as reputation/dispute resolution systems.[3] Additionally, those thought leaders recognize that mainstream adoption of a blockchain-based e-commerce system in the short run will likely require stablecoin capability and payment processing[4] to ease the current players' transition as seamlessly as possible from their current systems. Splyt uses blockchain, NFTs, and smart contract technologies to create an efficient marketplace of decentralized providers to perform those functions in the same ways that Bitcoin and Ethereum did with computer processing power.

Splyt has initially focused on building and perfecting databasing and search engine functionality necessary for marketing retail e-commerce goods via tokenizing asset listings through smart contract escrows. These tokenized asset listings, also called eNFT's (e-commerce non-fungible tokens) carry the ability for Sellers[5] to offer bounties

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[1] This document uses the capitalized "Consumers" to refer to those who purchase retail goods online.
[2] This document uses the capitalized "Providers" to refer to legacy intermediaries who facilitate transactions between e-commerce sellers and e-commerce purchasers or those who facilitate transactions between e-commerce sellers and affiliate marketing partners.
[3] https://twitter.com/VitalikButerin/status/1023923633175945222
[4] https://twitter.com/vitalikbuterin/status/711696782556733440
[5] This document uses the capitalized "Sellers" to refer to those who warehouse inventory available for retail sale online.

for Affiliates[6] and other parties who help facilitate a sale or transaction. Our team is now researching the relevant remaining issues, including refining and developing efforts by others in the ecosystem so they can be implemented in an all-encompassing retail e-commerce ecosystem that provides affiliate marketing intermediary services through blockchain and eNFT organizational structures.

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[6] This document uses the capitalized "Affiliates" to refer to those who help Sellers gain visibility and marketing presence for Sellers, including influencers, referral-link traffic aggregators, or even other Sellers. Unlike Sellers, Affiliates do not warehouse the inventory of the goods they promote.

eNFT Overview

Mirroring the TCP/IP, Splyt Core proposes the TCP/eNFT: The Transmission Control Protocol for E-Commerce Non-Fungible Tokens. This protocol outlines the guidelines and procedures that will be used to reinvent global e-commerce. A "Splyt" economy; decentralized, scalable, and flexible. All while providing a fair and balanced ecosystem that empowers both small and large brands.

The eNFT is a standard that has been created for e-commerce transactions within the Polkadot ecosystem. The eNFT will be the Polkadot standard for e-commerce users, just as the ERC-721 standard for Ethereum. We are building our protocol and eNFT so that all others may be adopted into our own, creating a universalized e-commerce Web3 data-layer standard.

The main objectives of Polkadot eNFT are:

1. to provide a design, reference architecture and implementation of Polkadot ecosystem's NFT pallet for e-commerce.

2. to expand the Polkadot ecosystem through integration with real-world e-commerce platforms, stores and affiliate networks including Shopify, WooCommerce and Maison Du.

3. to pioneer the blockchain/e-commerce continuum in order to complement the defect of the legacy e-commerce.

Splyt is going to use eNFTs. IN the way that Bitcoin solves the "double spend" problem, Splyt solves the "double-sale" problem with a live-updating inventory and a unique eNFT attached to each product. Splyt's blockchain eNFT inventory database enables effortless & transparent sales, streamlines multi-platform affiliate sales, and eliminates liability between e-commerce platforms and supply chain.

Splyt Core functionality automates the e-commerce experience, removing guesswork, middleman, and inefficiencies. Double sale, inventory management, affiliate contracts, negotiations, product authenticity/knockoffs, product markups/scalping, user reputation, and seller integrity are all managed by the structure of the system. This removes the need for trust and prevents unhealthy imbalances that often occur in centralized economies.

eNFT Reference Architecture Content

The eNFT reference architecture is part of a suite of documents under construction by Splyt Core and our technical liaisons partners. It is a medium- to high-level view of system architectures for eNFT systems and its related systems. Future documents will provide lower-level details, including formal, enumerated requirements that will form the basis of quantitative testnets and the specified interoperability of systems. Future documents will also refine the use cases described in Chapter 'Use Cases for eNFT' as Splyt Core develops real-world use cases and applications with eNFT.

The eNFT reference architecture is divided into the following chapters:

- **Areas of Opportunity**: describes existing problems and issues in the e-commerce industry and lists up the opportunities that eNFT can handle.
- **eNFT Reference Architecture**: provides an in-depth look at the full eNFT reference architecture.
- **Use Cases for eNFT**: presents some use cases where we see eNFT emerging. This list will grow and evolve as the eNFT is refined.
- **An End-to-End Deployment Use Case**: shows an end-to-end deployment of an e-commerce marketplace use case scenario using eNFT.
- **Summary and Next Steps**: contains discussions and future plans of eNFT.

Areas of Opportunity

From the outset, eNFT was designed appropriately and proposed with deep experience and understanding of the e-commerce industry. In this chapter, we introduce three representative categories of existing e-commerce in which the requirements for eNFT have arisen and eNFT can potentially be applied.

Inventory Management Challenges

Many online retail marketplaces do not hold the complete inventory for every item listed for sale to their consumers; instead, they sell items on behalf of an inventory holder who then fulfills the order by shipping directly to the buyer. The inventory holder in this scenario is known as a "dropshipper." The marketplace typically collects a commission for securing the sale on behalf of the dropshipper after it transfers the customer's information for fulfillment. Virtually every link in the e-commerce fulfillment supply chain can serve as a dropshipper, including manufacturers, wholesalers, distributors, or even sometimes other retailers with their own marketplace or storefront.

The most common problem affecting drop-shipping methods is managing a synchronized inventory system to serve one or multiple marketplaces. Dropshippers must ensure that, if an item runs out of stock (or is discontinued), then every marketplace on which they list that item reflects the item being out of stock (or discontinued) to avoid customers purchasing an item that is unavailable. Although some dropshippers do this manually and some utilize services available to help automate this process, _an estimated $93B of sales are lost due to out of stock items each year_.[7] The problem becomes most pronounced when e-commerce traffic is exceptionally high (e.g., during the holidays season), overloading back-end servers that cannot process and communicate at a rate consistent with inventory depletion. When an out of stock or discontinued item is sold, either the

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[7] https://stellaservice.com/best-practices-sending-email-notifications-when-an-item-is-out-of-stock/

dropshipper or the marketplace must contact the customer to inform the customer of the mistake, refund the customer's money, and possibly offer a discount or other incentive to avoid losing customer loyalty.

No dominant inventory management service provider has emerged with a solution to alleviate this problem, possibly due to the technical limitations of legacy server-side inventory management solutions. There is also little coordination between dropshippers and affiliate marketing services since the legacy affiliate system requires a seller to already have an interface to direct consumers. The result is a complex supply chain and room for marketplaces to gain market-dominance, which they can exploit with high prices, if they can gain a strong intermediary position between dropshippers and customers and marketers.

Marketplaces

Marketplaces serve as the online gatekeepers, connecting retail customers to the manufacturers and the supply chain of the goods for which they shop. The largest marketplace (by far) in the US is Amazon . The rest of the industry is unconcentrated; there are approximately 135,500 participants in the e-commerce marketplace space (expanding at a rate of 11.5% per year over the last five years[8]).

Amazon's dominance in the marketplace space relies on its offering peripheral services through its other branches. Amazon Web Services is a primary vehicle for this strategy, which is a major provider for storage and processing for other marketplace websites. Amazon Affiliate Program is a well-known affiliate marketing network that helps Amazon insert itself between other marketplaces and product marketers. Amazon Fulfillment allows sellers and marketplaces to utilize its matured supply chain infrastructure, allowing other online retailers to fulfill their orders quickly through a reputable method. Amazon

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[8] https://www.recode.net/2017/10/24/16534100/amazon-market-share-ebay-walmart-apple-ecommerce-sales-201

Marketplace provides a front-end interface integrated with its own retail interface for sellers and dropshippers to sell under the behemoth's brand (in 2017, Amazon Marketplace sales outpaced its own direct sales for the first time[9]). Amazon Prime re-shaped market expectations by offering free 2-day shipping (1-day in certain metropolitan cities) to all subscribers; Prime also offers other benefits, such as access to Amazon Music and Video content. Through the successful execution of its approach, "all roads lead to Amazon" when it comes to e-commerce.

As competition increases in the e-commerce space, marketplaces are pursuing innovative approaches to compete with Amazon and each other. Online retailers who also have substantial brick-and-mortar presence (such as Amazon, WalMart, Costco, and Target) compete with Prime by allowing customers to make purchases online and then immediately pick the item up at the most convenient store. Newcomers (such as Etsy, Blue Apron, or TeeSpring) who do not have a brick-and-mortar presence have found success by specializing in niche areas and providing services tailored to their respective narrow audiences. Ultimately, although Amazon has a clear stranglehold on its top-position in terms of inventory selection, other retailers are finding room to grow by providing increasingly competitive experiences and delivery methods to consumers.

Affiliate Marketing with a Heightened Price Burden

Affiliate marketing describes methods through which an online retailer pays commission to an external website for traffic or sales it generates. Affiliate marketing is increasingly impacting e-commerce, contributing to 16% of all US e-commerce sales[10] and expected to grow 10% annually to $6.8B in 2020.[11] While many types of affiliate marketing exist, commissions are generally paid on a "per-click," "per-signup" or "per-sale" basis. Likewise, many methods for affiliate marketing exist as well, but generally take the form

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[9] https://www.entrepreneur.com/article/303532

[10] http://www.businessinsider.com/omnichannel-marketing-strategy-and-research-e-commerce-and-online-sales-2016-11

[11] https://mthink.com/affiliate-marketing-industry-grow-6-8-billion-next-five-years/

of either "cross-promotion" - where two online retailers promote each other items for sale in their own marketing materials -- and "affiliate promotion" -- where retailers work with reviewers, celebrities, influencers, web hosts, and other non-retailer parties to promote a website or item.

In a highly competitive and concentrated market landscape, fresh campaigns and powerful influencers become necessary to maintain consumer interest. This creates a marketing landscape that is nearly impenetrable for emerging brands that have not got the immense marketing budget necessary to collaborate or partner with influencers.

A common affiliate marketing practice involves those like ClickBank, CJ Affiliate, or ShareASale who offer more of a network of buyers through various sites and partners they have, including brokering agreements between cross or affiliate promoters and providing services to ease that process. Customized services frequently involve "members" who join their networks (often involving an introductory or ongoing membership fee) and then provide per-sale commissions to others who facilitate transactions (sometimes charging a percentage of those commissions).

The market for affiliate services is fragmented. Competitors generally compete on a sliding scale between quality, depth, breadth of their networks, and price. As a service's network grows in scope and effectiveness, its pricing tends to do so as well. This leads to an environment where online retailers and marketers must constantly research which vendors provide which types of services, whether new entrants offer innovative services or lower cost points, and the dynamic quality of their memberships. Marketplaces regularly do not remain loyal to the same affiliate services, and those who fail to adequately research and stay nimble in their relationships risk facing rising prices with an incumbent vendor whose effectiveness is simultaneously deteriorating. This can be

devastating to retailers in an ecosystem where affiliate intermediaries can charge as much as 30% of each commission beyond additional initiation and monthly fees[12].

[12] http://www.marketingminefield.co.uk/affiliate-marketing-costs-explained/

eNFT Reference Architecture Overview
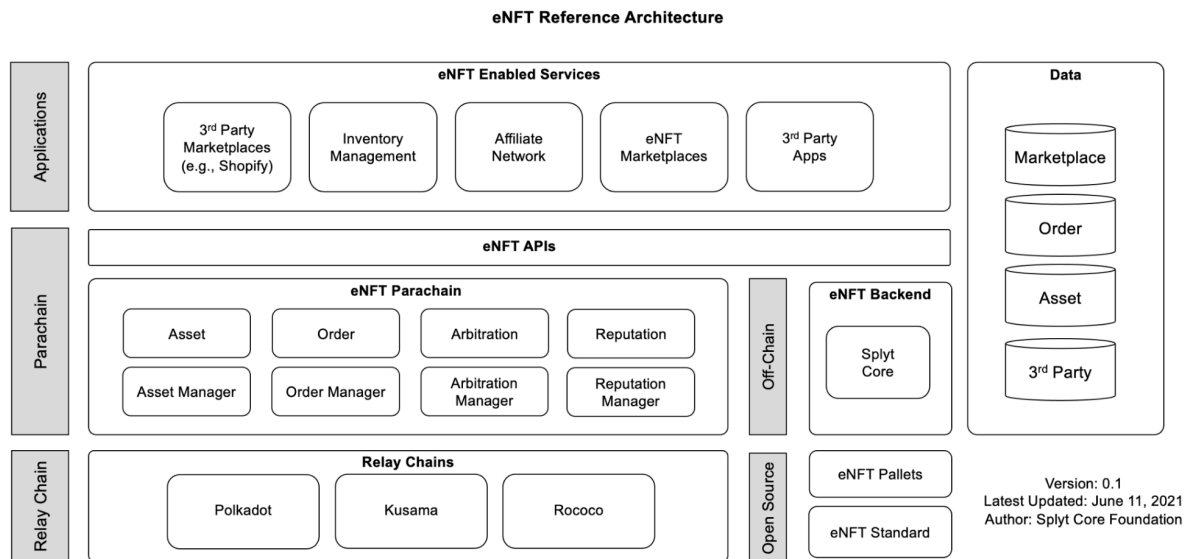
Figure 1. eNFT Architecture

eNFT Architecture

The proposed eNFT reference architecture is described in the figure above. We are designing and developing eNFT substrate and these will be the core functionalities of eNFT. The eNFT runs as parachain and supports various applications running on top of eNFT.

The backbone of Splyt Core is the eNFT. The functionality that branches out of this technology will set the standard for how e-commerce should operate and will revolutionize how NFT's are used and perceived by the community. An explanation of each major component and a summarized workflow of the usage of eNFT are described below.

Parachain: We are designing the eNFT to operate as a parachain. The eNFT includes an asset that defines assets in e-commerce, and orders that defines the order. It also includes arbitration and reputation contents that function as governance of the centralized e-commerce. Detailed variables and functions related to the eNFT parachan are described in the section eNFT substrate.

Replay Chain: The replay chain connects multiple parachains, and depending on its use, polkadot, kusama, or rococo can act as the replay chain for the eNFT parahcain. The eNFT will be operated first in Rococo for testing purposes and will be linked with other parachains and polkadot ecosystems through Kusama or Polkadot replay chains in the future.

Application: Developers can develop e-commerce-related applications through various APIs of eNFT parachain and Splyt Core off-chain. The blockchain-based eNFT infrastructure and its integration with 3rd-party e-commerce platforms will allow e-commerce application developers to interact with popular e-commerce platforms via the eNFT. Currently, Split Core is developing early use cases of the eNFT.

Off-chain: The eNFT includes blockchain-based eNFTs as well as off-chain platforms. The off-chain platform complements the shortcomings of the early stage of eNFT and also blockchain infrastructure itself. Especially, off-chain platforms include gateways and interfaces communicating with the existing e-commerce platforms APIs.

Data: Data includes databases and storage platforms that are not included in the parachain.

Open Source: The eNFT will be provided as an open source and we plan to provide it as eNFT pallet so that anyone who wants to integrate e-commerce NFT into a blockchain

can use it. Rather than providing the eNFT as pallets, we also plan to propose a standard for e-commerce NFT.

To facilitate transactions and bolster market integrity, eNFT provides a set of protocols that simplify user interactions and disincentivize fraudulent behavior. This includes a Listing Deposit, Affiliate Protocol, Dispute Resolution, Validators, Arbitrators, and Global Reputations.

When a seller uploads an item, a unique eNFT is minted and assigned to that item for the duration of its lifetime in the ecosystem. When an eNFT is purchased from any market, the blockchain is updated and the item is removed from available digital inventory. Each eNFT requires an initial deposit as collateral, creating a TCR (token curated registry) mechanism to govern the inventory supply on Splyt to prevent fraud and scams. If the seller fulfills the order, they get their deposit back. If they are deemed a bad actor, they lose the deposit.

As a product is bought and sold and moves through the Splyt ecosystem, the eNFT remains attached. There are several different opportunities to capitalize on here. Buying and selling can be tracked, tracing consumer behavior. This free information can help brands react quickly to market trends.

As Splyt becomes more widely adopted, buyers and sellers alike will develop large eNFT "wallets" that represent their purchase history. These accumulated eNFT's can be bought, sold, and eventually even traded with a single click. If a user wants to resell an eNFT, they need only to press a button, and it will automatically restock on any market that had previously listed it. The restocked eNFT will carry its purchase history with it.

Listing Deposit: Upon listing an item for purchase, sellers must deposit tokens to be returned after successful purchase. These listing fees increase or decrease based on the

seller's reputation. The following formula will calculate the listing deposit required: $f(x) = ((10,000,000) / (100 * x + 2,000,000))$

The listing deposit is what makes the eNFT unique. It is a collateral-based NFT system that will financially incentivize the seller to fulfill the order so that the seller will get their deposit back. This will make p2p e-commerce a safe place to transact.

Affiliate Protocol: After listing an item, the seller will be able to add a bounty to the eNFT. Any affiliate marketer who wants to advertise that item can sell it and receive the bounty upon purchase.

Dispute Resolution: Using the Double Stake method, sellers will be financially disincentivized to post fraudulent listings or act in bad faith.

1. Seller makes the required deposit on their listing. Let's say 5 tokens.
2. Buyer opens a dispute after purchasing.
3. Seller has 48 hours to either concede their 5 tokens to the Buyer or Double Stake their deposit. They stake 5 more tokens for a total of 10.
4. Buyer has 24 hours to either back down or match the total stake, 10 tokens
5. At any point in the process, the parties can come to a personal agreement without losing tokens.
6. Arbitrator steps in and evaluates the claim. Both parties present their evidence within 48 hours, and the Arbitrator reviews within 72 hours.
7. The winner of arbitration gets their tokens back and half of the loser's tokens. The arbitrator gets the other half (in this case, the winner gets 15 and the arbitrator gets 5)

Validators: These agents stake tokens into a fund to disincentivize bad faith behavior. If a listing receives a large number of spam/fraud reports in relation to views, the listing will

be sent to a Validator to dispute with the Double Stake method. The only difference is that the Validator must stake tokens equal to the listing deposit to begin the dispute.
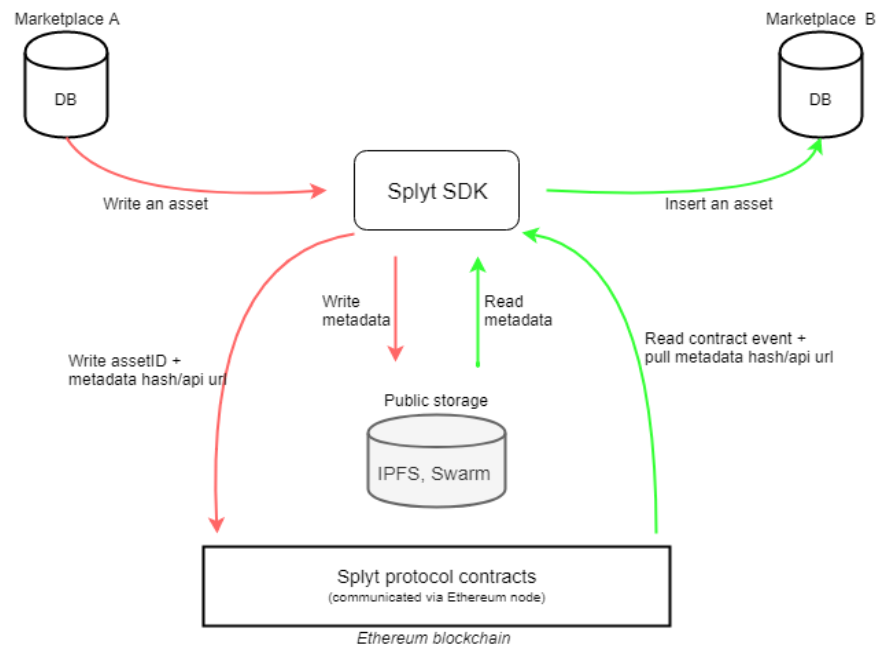
Arbitrators: These agents stake tokens into a fund to disincentivize bad faith behavior. The larger the stake, the larger the price of the listing they will be allowed to arbitrate. Their job is to settle disputes in a fair, timely manner.

Global Reputations: Each user and each eNFT has a global reputation that sticks with them and determines how the system and how other users treat them. eNFT's with bad ratings might not be purchased. User's with bad reputations might not be bought from. Validators and Arbitrators with bad reputations are selected less frequently until ultimately being removed from service and losing their initial stakes.

eNFT retail e-commerce listing databasing and indexing functionalities

A thorough and effective search through existing catalogs and inventories is necessary for Consumers to locate items they wish to purchase from Sellers. The following illustrates how Splyt approaches this issue:

Spl.yt data storage and event mechanism

Marketplace A — DB → Write an asset → Splyt SDK → Insert an asset → Marketplace B — DB

Write metadata → Public storage (IPFS, Swarm) ← Read metadata

Write assetID + metadata hash/api url → Splyt protocol contracts (communicated via Ethereum node) — Ethereum blockchain ← Read contract event + pull metadata hash/api url

The Splyt SDK supplies one method for developers to join the Splyt ecosystem within this framework. A developer managing an e-commerce website can run the Splyt SDK on their backend in order to sync their existing inventories with the Splyt ecosystem. When a Seller pushes a (or creates a new) listing to the Splyt ecosystem, a contract will be deployed to represent that item. As the above flow-chart indicates, Splyt is data-storage agnostic, meaning the service can easily draw from information stored on any data store that can be resolved to and read by the Ethereum blockchain. Splyt currently houses metadata on its own servers, though it intends to migrate to the InterPlanetary File System or a similar Web3 data storage service as a default in the near-term. Nonetheless, others building on the Splyt platform can pull from any data store that is appropriate to their purposes at any time, including but not limited to rest API calls.

Splyt's current iteration includes the following code:

```
...
    enum Statuses { NOT_MINED, ACTIVE, IN_ARBITRATION, EXPIRED, SOLD_OUT,   CLOSED, OTHER }
    Statuses public status;
    address public seller;
    address[] public listOfMarketPlaces;
    bytes12 public assetId;
    uint public term;
    uint public amountFunded = 0;
    uint public totalCost;
    uint public expirationDate;
    uint public kickbackAmount;
    string public title;
    uint public initialStakeAmount;
    mapping(address => uint) contributions;
    address public arbitration;
    uint public inventoryCount;
...
```

This includes the key on-chain identifiers necessary to facilitate crypto-payments and escrowing, such as the total cost of the item, owner of the asset listing, listing expiration, etc. While the e-commerce industry has not standardized metadata requirements, information such as descriptive identifiers (color, make, model, year, condition, or product category), specific descriptive identifiers (item description, shipping size, warranty), item pictures, and item ID numbers (SKU, IBSN, UPC, or another serial number) are held off-chain.

E-commerce also does not have a standard method for inventory managers to derive unique keys for their catalog databases. This leads to a potential problem where two marketplaces may create clashing unique keys while tracking their various inventories, resulting in a clash in Splyt's global catalog. Splyt's SDK will resolve this by hashing the combination of an inventory manager's local unique key for a listing with their assigned Ethereum wallet address into one single hexadecimal uniqueId, ensuring that no unique key will clash in the global Splyt system. This method is favorable to using an item's token address as a unique Id because it gives sellers the flexibility of manipulating their

listing information before committing it to the blockchain. In other words, a seller can operate locally as they are always accustomed to, and only commit resources to joining the Splyt ecosystem (and, consequently, the Ethereum network) once they are ready to push such information.

This method is sub-optimal given that the majority of goods listed online are generally not available for fractional purchase, making the redundancy unnecessary in most cases. Splyt plans to convert its listings to the ERC-1155 standard (which gained popularity after we completed this portion of our technology), with the option to assign an ERC-721 token (that represents an item for sale) to a fractionally ownable DAO that is itself the fractionally purchasable item.[13]

Local copies of the current state of Splyt's global catalog are held locally (including real-time changes to inventory), so Affiliates can display these items (including any relevant metadata) on their own websites. Search indexing and querying then can occur locally, allowing Affiliates to only display certain items or subsets as they please. When an Affiliate sells an item from their website or interface, the SDK will then automatically update all other ecosystem copies to show the item had already sold. As each item is represented by an ERC-1155, this will prevent accidental double-sales of any item in the same way that blockchains prevent double-spends.

Affiliate Bounty Incentive Contract Structure

Sellers can use Splyt to incentivize Affiliates to attract Buyers for their products. Sellers do this by pre-defining an amount of an item's sale price that will be automatically transferred to an Affiliate's wallet should a Buyer purchase an item from the Affiliate's

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[13] This also creates a potential for a collectibles aftermarket of closed listings. For example, should a celebrity purchase a unique item online through the Splyt system, they may then be able to sell the ERC-721 that represented that transaction as collectible merchandise after it is closed. While it is not clear that any demand exists for this feature, the use of ERC-721 in the Splyt system will enable exploring this possibility.

website or storefront. This acts as an affiliate reward or commission, with invoicing and settlements processed automatically and verifiably by the blockchain.

For example, a Seller can post an asset for 100 SHOPX tokens with an 10 SHOPX reward for any Affiliate who sells the item. An Affiliate then lists the item on their website or interface. Should a Buyer purchase the item from the Affiliate (and the transaction is successful), the Seller will receive 90 SHOPXs while the Affiliate receives 10 SHOPXs.

We have coded this feature in pseudocode as follows:

```
// Calculate how much seller gets after kickbacks taken out
function calcDistribution() public view returns (uint, uint) {
    uint kickbackWitheld = kickbackAmount / listOfMarketPlaces.length;
    uint sellerGets = totalCost - kickbackWitheld * listOfMarketPlaces.length;
    return (kickbackWitheld, sellerGets);
}

function releaseFunds() public {
    if (isFunded()) {
      TrackerInterface trackerContract = TrackerInterface(tracker);
       uint mpGets;
       uint sellerGets;
       (mpGets, sellerGets) = calcDistribution();
       trackerContract.internalRedeemFunds(this, seller, sellerGets);
       for (uint i = 0; i < listOfMarketPlaces.length; i++)
         trackerContract.internalRedeemFunds(this, listOfMarketPlaces[i], mpGets);
    }
}
```

Reward mechanism from asset contract (for fractionally/single purchased items)

This structuring also allows for multiple Affiliates to facilitate fractional purchases of an asset. For example, a Seller lists an item for fractional purchase for 100 SHOPXs with a 10 SHOPX Affiliate Reward. Two independent Affiliates can list the item for purchase on their website. Each Affiliate secures a Buyer who each contributes 50 SHOPXs for the purchase of the item, allowing the transaction to eventually successfully complete. By splitting the Affiliate Reward among Affiliates listed in the "listOfMarketPlaces.length,"

each Affiliate will receive their portion of the Reward. This can help Sellers market fractionally purchasable items, especially for high value assets.

eNFT Substrate

Polkadot, in contrast to Ethereum, requires fewer validators, which results in shortening the transaction finality time (12 - 60 seconds). Polkadot's parachains (parallel blockchains) are meant to process more transactions than a single blockchain, spread across multiple computers. Their governance decision can be made on-chain, which enables upgrades without hard forks. With this, Splyt can easily adapt and upgrade as technologies improve, ensuring we are continuously at the forefront of industry.

Polkadot is built on Substrate which uses "pallets," which are modular blocks of code, and ships with FRAME for runtime development. Substrate developers can make their own pallets, reuse ones that have already been made, or they can use up to 50 pre-made pallets that come with Substrate. Below is a summary of eNFT pallet:

```
//! # Splyt eNFT Protocol

pub trait Asset<AssetID> {


    enum AssetTypes { NORMAL, FRACTIONAL }
    enum Statuses { NOT_MINED, ACTIVE, IN_ARBITRATION, EXPIRED, SOLD_OUT, CLOSED, OTHER }

    type SellerAddress;
    type ListOfMarketPlacesAddress;
    type AssetID;
    type Term;
    type AmountFunded;
    type TotalCost;
    type ExpirationDate;
    type KickBackAmount;
    type Title;
    type InitialStakeAmount;
    type Contributions;
    type Arbitration;
    type InventoryCount;
```

```
    fn set_status(Statuses);
    fn get_marketplace_by_index(index: u128);
    fn get_marketplace_length()
    fn add_marketplace(marketplace: address)
    fn add_inventory(quantity: u128)
    fn subtract_inventory(quantity: u128)

    fn set_inventory(qty: u128)
    fn is_only_affiliate() -> bool




}


pub trait Order<OrderId> {

    struct Contribution {
        contributor: address;
        amount: u128;
        date: u128;
    }

    struct Order {
        version: u128;
        orderid: u128;
        asset: address;
        buyer: address;
        quantity: u128;
        paidamount: u128;
        status: Statuses;

        reason: Reasons;
        contribution: Contributions;



    }

    enum Statuses { NA, PIF, CLOSED, REQUESTED_REFUND, REFUNDED, CONTRIBUTIONS_OPEN,
CONTRIBUTIONS_FULFILLED, OTHER }
    enum Reasons { NA, DEFECTIVE, NO_REASON, CHANGED_MIND, OTHER }

    type Version;
    type Orders;
    type FractionalOrders;
    type OrderIdByIndex;
    type Index;

    fn save (orderid: u128, asset:address, buyer:address, quantity:u128, paidamount:u128) -> bool;
```

```
    fn set_status (orderid: u128, status: Statuses) -> bool;
    fn get_status (orderid: u128) -> Statuses;
    fn get_paid_amount (orderid: u128) -> u128;

    fn get_asset_address (orderid: u128) -> address;

     fn get_quantity (orderid: u128) -> u128;
    fn get_total_contributions (orderid: u128) -> u128;
    fn save_fractional (orderid: u128, asset: address, contribution: address, amount: u128, status: Statuses) -> bool
    fn add_contribution (orderid: u128, contributor: address, amount: u128, status: Statuses);

    fn get_factional_order_id_by_index (assetaddress: addresss) -> u128;
    fn get_buyer (orderid: u128) -> address;
    fn get_asset (orderid: u128) -> address;
    fn get_order_by_order_id (orderid: u128) -> Order;

}



pub trait OrderManager<OrderMangerID> {

    enum Statuses { PAID, CLOSED, REQUESTED_REFUND, REFUNDED, ARBITRATION, OTHER }
    enum Reasons { DEFECTIVE, NO_REASON, CHANGED_MIND, OTHER }

    type OrderData;
    type SplytManager;



    fn purchase (orderid: u128, assetaddress: address, quantity: u128, tokenamount: u128, marketplace: address) ->
bool;
    fn create_order (orderid: u128, asset: Asset, quantity: u128, tokenamount: u128);
    fn is_fractional_order_exists (asset: address) -> bool;
    fn contribute_order (orderid: u128, asset: Asset, tokenamount: u128);
    fn set_status (orderid: u128, status: Statuses) -> bool;
    fn get_status (orderid: u128) -> Statuses;
    fn calc_distribution (totalcost: u128, length: u128, kickbackamount: u128) -> u128;
    fn approve_refund (orderid: u128) -> Statuses;
    fn request_refund (orderid: u128) -> Statuses;
    fn get_total_contributions (orderid: u128) -> u128;
    fn set_splytmanager (address: address);
    fn get_data_contract_address () -> address;
    fn get_data_contract (orderdata: address) -> OrderData;
    fn get_fraction_order_id_by_asset_address (asset: address) -> u128;
    fn get_order_info_by_order_id (orderid: u128) -> OrderData;
    fn get_order_info_by_index (index: u128) -> OrderData;
    fn get_contribution_length (orderid: u128) -> u128;
    fn get_contribution_by_order_id_and_index (orderid: u128, index: u128) -> u128;
```

```
}
```

Use Cases for eNFT

This chapter describes the use cases in which eNFT can be utilized. eNFT can be used in e-commerce for problems related to, but not limited to, global inventory, affiliate networks, and supply chains. In this chapter, we introduce specific use case examples for each. Splyt Core is currently developing real-world applications for each use case.

Decentralized eNFT Based Global Inventory

Multiple websites and platforms can contribute to and use Splyt Core's shared eNFT inventory listing base, competing instead on other significant business differentiators (such as, shipping fees, support services, specialized competence, etc.). For example, if an e-commerce store, an affiliate, and an influencer were all connected to Splyt Core Core, a brand would only have to list their product once on one platform and Splyt Core would automatically populate their respective inventories on any other connected platforms (e.g., Shopify stores). Conversely, a buyer of goods would only need to browse one Splyt Core-powered platform to compare products and prices. After a buyer purchases an item listed in the decentralized global inventory, the item will automatically de-list from every marketplace, which avoids any risk that the same item will be purchased twice. Retailers and customers are expected to save time, money, and headache by using Splyt Core's low cost and built-in technical accuracy.

Sellers must deposit a small number of tokens to list an item that is tethered to an eNFT in the decentralized global inventory to deter spam and fraudulent listings. These deposited tokens will be returned to the seller, distributed to other marketplaces, or sent to other users depending on the success and behaviors exhibited throughout the transaction (see below). This deposit procedure is the core mechanism that automates certain affiliate marketing and dropshipping functions that are inefficient under the legacy e-commerce system, as described above.

Luxury Marketplace and Affiliates

Maison Du will be the first use case on the Splyt blockchain platform. Maison Du is focused on the luxury industry, an industry expected to be a $115B e-commerce market by 2025. The luxury industry is rapidly moving online, reactive to the pandemic climate. Many industry leaders have stepped back and challenged out-dated sales models and focused conversations around how to create a more supportive marketplace for emerging luxury brands. This creates a very large marketplace hungry for solutions, with Maison Du pioneering with a global blockchain database which revolutionizes the sales and partnerships models.

Luxury brands traditionally must go through and pay wholesale stockists for customer acquisition. Stockists set advantageous profit-share terms for themselves and don't synchronize inventory, creating a logistics nightmare and a space hard to scale in for emerging brands. With the move to online, brands are competing for market share against big-name multi-brand e-commerce retailers. Maison Du and Splyt are creating solutions for brands to grow their sales and brand awareness through stylists, affiliates, and drop-ship terms with larger e-commerce stockists. Maison Du is launching with approximately 2,000 stylists, affiliates, and luxury brands.

Limited Edition and Reseller Marketplace

As limited edition and reseller marketplace grew, the authenticity of goods, tracking of goods, and secondary markets trading are getting important. These products rely on offline certificates, and as product sales and transactions take place online, there is an increasing need for verification of the authenticity of these products and tracking of them. eNFT provides the features that best meet these requirements. The utilization of eNFT is useful for the limited edition and reseller industry. By integrating eNFT with existing product management systems, unique evidence for each product can be issued on the blockchain, and those who own it can use the authenticity and tracking of the product.

Summary and Next Steps

The Splyt protocol is an open-source blockchain inventory built to be "the next generation of e-commerce" to push forward global digital commerce for a more sustainable business climate. Splyt's vision is to be adopted by the masses and used as the foundation for all digital commerce, just as the internet has been mass adapted and built out. The ultimate goal is to make Splyt a self-sustained and organized open source project and move all governance to be decentralized within the foundation. Splyt Core is building the protocol to be built on and used globally by all businesses, large and small. The protocol is adaptable to user changes and needs, enabling the technology to keep up with changing demands and uses. We want to be synonyms with TCP/IP but for digital commerce transactions.

The eNFT reference architecture is the baseline document in developing an open, interoperable architecture for NFTs for e-commerce. It is the first step in creating new Polkadot standards to enable interoperability in blockchain, NFT, marketplace, affiliate network, inventory management, and other complex data and e-commerce applications. The eNFT reference architecture is the first step in creating Polkadot standards for e-commerce NFT.

Splyt Core will establish detailed documents, codes, standards, and APIs in the reference architecture over the next year. Our technical team is working on a suite of follow-on specifications, testnets, and systems which prove the architecture, and new use cases to deliver eNFT-based real-world services.

For more information on the work of the Splyt Core, please visit www.splytcore.org.

Frequently Asked Questions

Why decentralization?

The call for a decentralized "free market" has been growing louder as we begin to realize the strengths of such a system. It isn't until now that conceptualization has been able to join with innovative technology to create a model that is global, scalable, able to withstand complexity and change, and highly resistant to fraud. Splyt Core is the first and only entity of its kind.

The power in decentralization comes in multiple parts. First, with the right mechanics, many different processes can be automated. Not only does this include tedious manual tasks, but even person to person communication can be avoided by relying on the functions of the system instead. Second, attention and resources aren't pooled in one area, creating oligopolistic entities that can censor individuals and dictate terms. Finally, new rules and system updates can be decided by consensus, ensuring that only the most efficient protocols are implemented, unmotivated by personal gain.

Why nonprofit?

The nonprofit, non-stock corporate entity model is well suited to avoid influences that may corrupt its mission of serving token-holders and users through a decentralized protocol. For-profit entities favor maximizing profits, which are not aligned with users and customers, society, or even useful products' survival. Concepts like profit maximization, executive fiduciary duties, and pressures from forces like hostile takeovers can promote informational asymmetry, aggressive exploitation of steep bargaining leverage, oligopolistic markets, and psychological manipulation of users and customers through advertising. If true decentralization of control for the benefit of customers is the goal, a profit orientation simply is not the most aligned model for success.

Is Splyt Core a marketplace?

Splyt Core is not a market place. It is a marketplace of marketplaces. Think of Splyt as the TCP/eNFT: the conceptual model and set of communications protocols used in e-commerce. It is a self-enforced system that streamlines tasks and resources within the e-commerce industry. Markets can either plug into the Splyt platform or can start fresh within it.

Why blockchain?

Blockchain is currently the only way to create a platform that is decentralized and immune to data corruption and system-wide hacks. It's not enough to create a fair and equitable economy on theory alone. It's possible to imagine and plan such a concept, but the only way to have it work as intended is for the technology and machinery to be functionally decentralized.

What sets Splyt apart from similar projects from the past and present?

Most other companies have been building tech with the expectation that users will completely abandon the current system in favor of their own. But even a flawless, revolutionary platform will never be adopted if users are expected to drop everything and jump ship at the same time. Also, large companies have little incentive to bleed profit during the transition while they're already at the top of their own ecosystem.

Splyt offers a Plug and Play option that is crucial towards bringing this tech to the mass market. Large companies won't face the inefficiencies of a massive change in protocol, but will also be able to keep up with and accommodate the changing landscape.

Why now?

Timing is crucial, and we need to move before this window of opportunity narrows.
On the surface, the US only officially recognized cryptocurrency in 2020. It's as legitimate as it has ever been. More importantly, blockchain technology itself has only recently

advanced to the point where it is viable and scalable enough to accommodate widespread adoption.

Upon closer observation, it is clear to see that everyone is now online as a result of Covid. Not only that, but the free time we have been given, along with the increase in e-commerce, has dramatically increased the awareness around business transparency and the implications of online marketing. Retail giants have cornered the market and are now taking advantage of their position. The public is hungry for solutions.

LEGAL DISCLAIMER

PLEASE READ THIS SECTION (AND THE WHITEPAPER GENERALLY) CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITEPAPER.

This reference architecture is intended to present relevant information to potential purchasers (the "**Purchasers**" and, each, a "**Purchaser**") in connection with the proposed offering (the "**Token Launch**") by Splyt Core, an exempted company incorporated with limited liability in the Seychelles ("**Splyt Core**"), of cryptographic tokens with the symbol 'SHOPX' (the "**Tokens**"), including information about the smart contract connected to the Tokens (the "**Splyt Core Smart Contract**") and the decentralized platform and marketplace operated by Splyt Core Foundation, a foundation company incorporated in the Seychelles ("**Splyt Core Foundation**" or "**Foundation**" and together with Splyt Core "**Splyt Core**", "**we**" or "**us**"), in connection with the Tokens (the "**Splyt Core Platform**").

The information contained in this whitepaper is not intended to be exhaustive and the statements included in this whitepaper are not intended to be relied upon or create or form part of a contractual relationship (unless the context otherwise requires).

Nothing in this whitepaper shall be deemed to constitute a prospectus of any sort, a solicitation for investment or investment advice nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This whitepaper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, each of Splyt Core, Splyt Core Foundation and their respective directors and officers (collectively, the "**Associated Parties**" and each an "**Associated Party**") expressly disclaim and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) the Purchaser's acceptance of or reliance on any information contained in this whitepaper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

All statements, estimates and financial information contained in this whitepaper, made in any press releases or in any place accessible by the public and oral statements that may be made by Splyt Core or any Associated Party that are not statements of historical fact, constitute "forward-looking statements". Nothing contained in this whitepaper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Splyt Core.

Further, Splyt Core disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

This whitepaper, and any sale of Tokens referred to in this whitepaper, will be subject to and governed by any definitive agreement for the purchase of such Tokens. Such agreement will be delivered by Splyt Core to the prospective Purchaser after its receipt of such documents or materials as Splyt Core may require from such Purchaser in connection with the satisfaction of its AML and KYC procedures (as defined in the *Important Notices* section below).

Where there is any inconsistency between such terms and conditions of purchase and this whitepaper, the terms and conditions of purchase shall prevail and govern.

IMPORTANT LEGAL NOTICES

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about Splyt Core, the Splyt Core Platform and Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, Splyt Core, the Splyt Core Platform, the Tokens and the Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Tokens being rendered worthless or unusable.

The acquisition of Tokens from Splyt Core does not present an exchange of cryptocurrencies for any form of shares or equity interests in Splyt Core, and a holder of any Tokens, issued by Splyt Core is not entitled to any guaranteed form of dividend or other revenue right. Holders of Tokens are only entitled to the use of the Splyt Core Platform and certain other rights within the Splyt Core Platform in accordance with the terms set out herein.

The Tokens are available to Purchasers in exchange for certain other cryptographic tokens or fiat currency (subject to Splyt Core's anti-money laundering ("**AML**") and "know your customer" ("**KYC**") procedures being satisfied (including as to source of funds)) and Splyt Core does not provide any exchange of the Tokens for fiat currency. Splyt Core also does not provide custodial or wallet services for the Tokens.

No regulatory authority has examined or approved of any of the information set out in this whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this whitepaper does not imply that any such applicable laws, regulatory requirements or rules have been complied with.

Any person or entity, including anyone acting on its behalf, being based, being a citizen or resident, domiciled, located or incorporated where applicable laws prohibit or restrict distribution or dissemination of Splyt Core's materials, acquiring Tokens or accessing the Splyt Core Platform including, but not limited to, the United States of America and any of its territories, the Seychelles , New Zealand, Canada, People's Republic of China, Singapore, Republic of Korea or any other country that prohibits the sale of Tokens shall not use the Splyt Core Platform or acquire Tokens, otherwise this person assumes all the responsibility arising from the continued use of the Splyt Core Platform and/or Tokens.

All statements, estimates and financial information contained in this whitepaper, made in any press releases or in any place accessible by the public and oral statements that may be made by Splyt Core or any associated party that are not statements of historical fact, constitute "forward-looking statements". Nothing contained in this whitepaper or such other statements is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Splyt Core.

Further, Splyt Core disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

The Tokens may be placed on third-party exchanges, giving future Purchasers an opportunity to openly buy Tokens. A user seeking to enter the Splyt Core Platform following the Token Launch will have to buy Tokens on such exchanges. Conversely, Tokens may be sold on such exchanges if the holder of Tokens would like to exit the Splyt Core Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America, People's Republic of China, South Korea, Canada and Singapore, may prohibit the sale of the Tokens to the residents of those countries. In addition, proposed transfers of the Tokens may be blocked by Splyt Core in circumstances where the proposed transferee has not already completed Splyt Core's KYC and AML procedures (including, without limitation, verification of identity and source of funds) to its satisfaction. Purchasers should be aware of the restrictions on their subsequent sale.

The Tokens are not redeemable at the option of a Purchaser and are in essence "closed-ended". The Tokens are non-refundable.

There is a 250k USD Token purchase amount minimum.

Splyt Core is not currently required to register with the Seychelles Monetary Authority because the Tokens are not shares, trust units or partnership interests and accordingly are not currently considered equity interests for the purposes of the Mutual Funds Law (2019 Revision) of the Seychelles ("**MFL**"). Additionally, as the Tokens are not redeemable it would, in any event, be considered 'closed-ended'. Purchasers must appreciate that the Seychelles Monetary Authority has therefore not reviewed this whitepaper and have not passed any judgment on the merits of Splyt Core or acquiring the Tokens. The Seychelles Monetary Authority will have no oversight of the operations of Splyt Core or the Tokens.

This whitepaper does not constitute an offer of the Tokens to the members of the Public in the Seychelles . "**Public**" for these purposes does not include a sophisticated person, a high net worth person, a company, partnership or trust of which the shareholders, unit holders or limited partners are each a sophisticated person, a high net worth person any exempted or ordinary non-resident company registered under the Companies Law (2018 Revision) or a foreign company registered pursuant to Part IX of the Companies Law (2018 Revision) or any such company acting as general partner of a partnership registered pursuant to the provisions of the Exempted Limited Partnership Law (2018 Revision) or any director or officer of the same acting in such capacity or the Trustee of any trust registered or capable of registering pursuant to the provisions of the Trusts Law (as Revised).

The Seychelles Government has not yet proposed or passed any legislation expressly regulating crypto currencies, cryptographic tokens, initial coin offerings or token generating events and its regulatory intentions are unclear. Each Purchaser should be aware that any new laws imposed in the Seychelles (or amendments to the existing laws of the Seychelles , such as the MFL) could, among other things: (i) prohibit the sale, purchase or transfer of the Tokens or otherwise make holding them illegal, (ii) require Splyt Core to register itself or the Tokens with the Seychelles Monetary Authority and become subject to its supervision or (iii) adversely affect or destroy the value of a Purchaser's Tokens, and that such new laws or amendments could be imposed very quickly and without warning.

NOTICES FOR PARTICULAR PURCHASERS

Notice to prospective Purchasers is People's Republic of China: For residents of the People's Republic of China (which, for the purposes of this whitepaper, does not include Hong Kong, Macau, and Taiwan) only: the Tokens may not be marketed, offered or sold directly or indirectly to the public in the People's Republic of China (the "**PRC**") and neither this whitepaper nor any corresponding agreement for the purchase of the Tokens ("**Purchase Documents**"), which has not been submitted to the PRC securities and regulatory commission, nor any offering material or information contained herein relating to the Tokens, may be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Tokens to the public in the PRC. The information contained in this whitepaper and the Purchase Documents will not constitute an offer to sell or an invitation, advertisement or solicitation of an offer to buy any Tokens within the PRC.

Notice to prospective Purchasers in Singapore: This whitepaper has not been registered as a prospectus with the monetary authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore. Accordingly, this whitepaper and the Purchase Documents and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Tokens may not be circulated or distributed, nor may the Tokens be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore.

Notice to prospective Purchasers in the United States: No offer to sell or solicitation of any offer to buy Tokens shall be accepted or made to any resident of the United States or any prospective Purchaser who is in the United States at the time of payment of the purchase amount or date of execution or delivery of the definitive purchase documents.

For residents of any country subject to sanctions from the Seychelles , including without limitation Belarus, Burundi, Central African Republic, Cuba, Iran, Libya, North Korea, the Philippines, the People's Republic of China, Somalia, Sudan and Darfur, Syria and Zimbabwe will not be permitted to enter into the purchase documents or other otherwise purchase Tokens.

DISCLOSURES REGARDING THIS WHITEPAPER

Accuracy of Information, No Consent of Parties Referenced in Whitepaper

This whitepaper includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for Splyt Core and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in this whitepaper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

Neither Splyt Core nor any of the Associated Parties has conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Splyt Core nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.

Terms Used

To facilitate a better understanding of the Tokens being offered by Splyt Core for purchase, and the businesses and operations of Splyt Core, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this whitepaper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Forward Looking Statements

All statements, estimates and financial information contained in this whitepaper, made in any press releases or in any place accessible by the public and oral statements that may be made by Splyt Core or any Associated Party that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate",

"believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding Splyt Core's financial position, business strategies, plans and prospects and the future prospects of the industry which Splyt Core is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to Splyt Core's revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in this whitepaper regarding Splyt Core are matters that are not historic facts, but only predictions.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements. These factors include, amongst others:

- changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which Splyt Core conducts its respective businesses and operations;
- the risk that Splyt Core may be unable to execute or implement its business strategies and future plans;
- changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- changes in the anticipated growth strategies and expected internal growth of Splyt Core or the Splyt Core Platform;
- changes in the availability and fees payable to Splyt Core in connection with its respective businesses and operations and/or the Splyt Core Platform;
- changes in the availability and salaries of employees who are required by Splyt Core to operate the respective businesses and operations and/or the Splyt Core Platform;
- changes in preferences of the customers of Splyt Core;
- changes in competitive conditions under which Splyt Core operates, and the ability of Splyt Core to compete under such conditions;
- changes in the future capital needs of Splyt Core and the availability of financing and capital to fund such needs;
- war or acts of international or domestic terrorism;
- occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of Splyt Core and/or the Splyt Core Platform;
- other factors beyond the control of Splyt Core; and
- any risk and uncertainties associated with Splyt Core and its business and operations, the Tokens, the Token Launch, the Splyt Core Platform and the underlying assets (each as referred to in this whitepaper).

Nothing contained in this whitepaper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Splyt Core. Further, Splyt Core disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

No further information or update

No person has been or is authorised to give any information or representation not contained in this whitepaper in connection with Splyt Core and its business and operations, the Tokens, the Token Launch and the underlying assets (each as referred to in the whitepaper) and, if given, such information or representation must not be relied upon as having been authorised by or on behalf of Splyt Core. The Token Launch (as referred to in this whitepaper) shall not, under any circumstances, constitute a continuing

representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and prospects of Splyt Core or in any statement of fact or information contained in this whitepaper since the date hereof.

Restrictions on Distribution and Dissemination of whitepaper

The distribution or dissemination of this whitepaper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this whitepaper or such part thereof (as the case may be) at your own expense and without liability to Splyt Core or the Associated Persons.

Persons to whom a copy of this whitepaper has been distributed or disseminated, provided access to or who otherwise have the whitepaper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this whitepaper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

Language of whitepaper

This whitepaper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

RISK FACTORS, DISCLOSURES, ACKNOWLEDGEMENTS AND WARRANTIES BY PURCHASERS AND OTHER NOTICES

RISK FACTORS AND DISCLOSURES

IMPORTANT NOTICE: PROSPECTIVE PURCHASERS SHOULD CAREFULLY CONSIDER THE RISKS INVOLVED IN DETERMINING WHETHER PURCHASING THE TOKENS IS A SUITABLE INVESTMENT, CERTAIN OF WHICH ARE SUMMARISED BELOW.

In this section, unless the context otherwise requires, the risk factors and disclosures set out below shall also be deemed to apply in relation to Splyt Core Tokens as if references to Tokens were references to Splyt Core Tokens.

The risk factors set out below are in addition to those set out in the Confidential Private Placement Memorandum which should be read in its entirety.

DISCLOSURES REGARDING TOKENS

Nature of Tokens

Except as explicitly set out in this whitepaper, Tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the Splyt Core Platform. Splyt Core does not guarantee and is not representing in any way to a Purchaser that the Tokens have any rights, uses, purpose, attributes, functionalities or features. The purchase of Tokens does not provide a Purchaser with rights of any form with respect to Splyt Core or its revenues or assets, including, but not limited to, any voting, distribution, redemption, liquidation, proprietary (including all forms of intellectual property), or other financial or legal rights; is not a loan to Splyt Core; and does not provide the Purchaser with any ownership or other interest in Splyt Core.

Tokens are non-refundable

Splyt Core is not obliged to provide Purchasers with a refund for any reason and Purchasers will not receive money or other compensation in lieu of a refund. The Tokens are also not redeemable at the option of the Purchaser. Statements set out in this whitepaper are merely expressions of Splyt Core's objectives and desired work plan to achieve those objectives. and no promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.

Tokens are provided on an 'as is' basis

The Tokens are provided on an "as is" basis. The Associated Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding the Tokens, including any warranty that the Tokens and the Splyt Core Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Associated Parties and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

Tokens may have no value

The Tokens may have no value and there is no guarantee or representation of liquidity for Tokens. Splyt Core is not and shall not be responsible for or liable for the market value of the Tokens, the transferability and/or liquidity of the Tokens and/or the availability of any market for Tokens through third parties or otherwise.

Lack of development of market of Tokens

There are no warranties that Tokens will be listed or made available for exchange for other cryptocurrency and/or fiat money. It shall be explicitly cautioned that if Tokens are made available on an exchange, such exchange, if any, may not be subject to regulatory oversight, and Splyt Core does not give any warranties in relation to any exchange services providers. Because there has been no prior public trading market for Tokens, the Token Launch may not result in an active or liquid market for Tokens, and the price of Tokens may be volatile. Token holders may not be able to dispose of Tokens easily and where no secondary market develops, a Token holder may not be able to liquidate at all. Proposed transfers of the Tokens may be blocked by Splyt Core in circumstances where the proposed transferee has not already completed Splyt Core's KYC and AML procedures (including, without limitation, verification of identity and source of funds) to its satisfaction. Purchasers should be aware of the restrictions on their subsequent sale.

Risks relating to highly speculative prices

The valuation of cryptocurrency in a secondary market is usually not transparent, and highly speculative. The Tokens do not hold any ownership rights to Splyt Core's assets and, therefore, are not backed by any tangible asset. The value of Tokens in the secondary market, if any, may fluctuate greatly within a short period of time. There is a high risk that a Purchaser could lose its entire contribution amount. In the worst-case scenario, Tokens could be rendered worthless.

Force Majeure

The Token Launch and the performance of Splyt Core's activities set out in this whitepaper and the development roadmap may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of this whitepaper, "force majeure" shall mean extraordinary events and circumstances which could not be prevented by Splyt Core and shall include: changes in market forces or the technology, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond Splyt Core's control, which were not in existence at the time of Token Launch.

Insurance

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Splyt Core to offer recourse to a Purchaser.

GOVERNMENTAL DISCLOSURES

Splyt Core is not a regulated mutual fund

Splyt Core is not regulated as a mutual fund for the purposes of the Mutual Funds Law (2019 Revision) of the Seychelles ("**MFL**") on the basis that Tokens are not shares and Splyt Core is therefore not a registrable mutual fund. In addition, the Tokens are not redeemable at the option of the Purchaser and so the Tokens and Splyt Core are considered 'closed-ended'. Accordingly, neither a copy of this whitepaper nor details about Splyt Core have been filed with the Seychelles Monetary Authority ("**CIMA**"). Because

Splyt Core is not a regulated mutual fund, Splyt Core is not subject to the supervision of CIMA and Splyt Core is not required to have its accounts audited nor submit such accounts to CIMA.

If Splyt Core were regulated as a mutual fund under the MFL, it would need to comply with regulatory requirements designed to protect investors, including the requirement to limit the minimum aggregate Token purchase amount to US$100,000 or its equivalent in any other currency in order for it not to be licensed or administered by a licensed mutual fund administrator. Splyt Core would also need to pay a prescribed initial registration fee.

These are matters which would be required in connection with an initial registration under the MFL. Splyt Core would also then have ongoing obligations under the MFL following its initial registration, including the obligation to file with CIMA prescribed details of any changes to this whitepaper; to file annually with CIMA accounts audited by an approved auditor and a fund annual return; and to pay a prescribed annual fee.

If Company were a regulated mutual fund, it would also be subject to the supervision of CIMA, and CIMA would have wide powers to take certain actions if certain events occur.

Risk of unfavourable regulatory action in one or more jurisdictions

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens. Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which the Tokens are dependent. There can be no assurance that governmental authorities will not examine the operations of Associated Parties and/or pursue enforcement actions against Associated Parties. All of this may subject Associated Parties to judgments, settlements, fines or penalties, or cause Associated Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Associated Parties' reputations or lead to higher operational costs, which may, in turn, have a material adverse effect on the Tokens and/or the development of the Splyt Core Platform.

Purchaser bears responsibility of legal categorization

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. Splyt Core does not provide any warranty or guarantee as to whether the Tokens will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction (or would only be legal if the company had taken additional steps such as registration or licensing), it should not acquire Tokens and immediately stop using or possessing Tokens.

Acquiring Tokens in exchange for cryptocurrency will most likely continue to be scrutinised by various regulatory bodies around the world, which may impact the usage of Tokens. The legal ability of Splyt Core to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event that Splyt Core determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, Splyt Core may cease operations in that jurisdiction, or adjust Tokens in a way to comply with applicable law.

Purchaser bears responsibility for complying with transfer restrictions

Tokens may be placed on third-party exchanges, giving future purchasers and users an opportunity to openly buy Tokens. A user seeking to enter the Splyt Core Platform following the Token Launch will have to buy Tokens on such exchanges. Conversely, Tokens may be sold on such exchanges if the holder of Tokens would like to exit the Splyt Core Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America, China, South Korea, Canada and Singapore, may prohibit the sale of the Tokens to the residents of those countries. When buying Tokens, Purchasers should be aware of the restrictions on their subsequent sale.

GENERAL SECURITY RISKS

Risk of theft and hacking

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's digital wallet, whether located on the Splyt Core Platform or otherwise, (the "**Purchaser's Wallet**"), the Splyt Core Smart Contract or the availability of Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of a Purchaser's Tokens.

Private keys

Tokens purchased by a Purchaser may be held by a Purchaser in the Purchaser's Wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's Wallet or vault storing the Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Splyt Core is not responsible for and shall be held harmless in respect of any such losses.

Failure to map a public key to Purchaser's Wallet

Failure of the Purchaser to map a public key to such Purchaser's Wallet may result in third parties being unable to recognize buyer's Token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain based upon the Splyt Core Platform.

Risk of incompatible wallet service

The wallet or wallet service provider used for the acquisition and storage of the Tokens has to be technically compatible with the Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.

Internet transmission risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. Splyt Core shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Splyt Core Platform and Tokens, howsoever caused. Transactions in cryptocurrency may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Cryptocurrency transactions are deemed to

be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

Splyt Core PLATFORM DISCLOSURES

No guarantee that the Splyt Core Smart Contract will be developed

Each Purchaser acknowledges, understands and agrees that such Purchaser should not expect and there is no guarantee or representation or warranty by Splyt Core that:

- the Splyt Core Platform will ever be adopted;
- the Splyt Core Platform will be adopted as developed by Splyt Core and not in a different or modified form;
- a blockchain utilizing or adopting Splyt Core will ever be launched;
- Splyt Core Tokens will ever be made available or be exchangeable for Tokens; and
- a blockchain will ever be launched with or without changes to the Splyt Core Platform and with or without a distribution matching the fixed balance of Initial Tokens (as defined below).

Furthermore, the Tokens initially generated upon the Token Launch ("**Initial Tokens**") will not have any functionality or rights on the Splyt Core Platform and holding Initial Tokens is not a guarantee, representation or warranty that the holder will be able to use the Splyt Core Platform, or receive any tokens utilized on the Splyt Core Platform, even if the Splyt Core Platform is launched and the Splyt Core Smart Contract is adopted, of which there is no guarantee, representation or warranty made by Splyt Core.

Risks associated with the Splyt Core Smart Contract and associated software and/or infrastructure

The Splyt Core Smart Contract is based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause the Tokens and/or the Splyt Core Platform to malfunction or function in an unexpected or unintended manner.

The Ethereum blockchain rests on open source software, and accordingly there is the risk that the Splyt Core Smart Contract may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund or compensation.

On the Ethereum blockchain, timing of block production is determined by proof of work so block production can occur at random times. For example, Ether transferred to Splyt Core's recipient digital wallet address in the final seconds of a distribution period may not get included for that period.

Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time the Purchaser expects and the Purchaser may not receive the Tokens the same day the Purchaser sends Ether, Bitcoin or fiat currency. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. The Purchaser acknowledges and understands that Ethereum block producers may not include the Purchaser's transaction when the Purchaser wants or the Purchaser's transaction may not be included at all.

Ether, the native unit of account of the Ethereum blockchain may itself lose value in ways similar to the Tokens, and also other ways. More information about Ethereum is available at http://www.ethereum.org.

Irreversible nature of blockchain transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Tokens, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies and digital tokens. Consequently, Splyt Core may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

Amendments to protocol

The development team and administrators of the source code for Ethereum blockchain or the Splyt Core Smart Contract could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

Risk of mining attacks

As with other decentralized cryptocurrencies, Ethereum blockchain, which is used for the Tokens, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks.

Any successful attacks present a risk to the Tokens, expected proper execution and sequencing of Tokens, and expected proper execution and sequencing of Ethereum contract computations in general. Despite the efforts of Splyt Core and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which the Tokens interact with and consequently the Tokens may be impacted also in that way to the extent described above.

COMPANY DISCLOSURES

Legal structure of Token generator

Splyt Core is an exempted company incorporated in the Seychelles pursuant to the Companies Law (Revised) of the Seychelles . An exempted company is a body corporate which has a separate legal personality capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, and having perpetual succession. The constitution of an exempted company is contained in two documents, the memorandum of association and the articles of association (the "**Articles**"). The Articles typically provide that there must be at least one director of a Seychelles company. Generally, the Articles will specify that the management of a Seychelles company is the responsibility of, and is carried out by, its board of directors. If the Articles permit it, a Seychelles company may indemnify officers and directors of the company from all liabilities and expenses incurred by search persons in the performance of their duties.

The memorandum of association of a Seychelles company must specify the authorised share capital of such company. The memorandum of association will state the aggregate amount of the authorised share capital, together with details of the number of shares into which it is divided and the par value of those shares. As a Token holder, you are not a party to the memorandum of association or the Articles and are not entitled to any right or interest in or to shares of Splyt Core and have no rights to appoint or remove the board of directors of Splyt Core.

Because Tokens confer no governance rights of any kind with respect to the Splyt Core Platform or Splyt Core, all decisions involving Splyt Core's products or services within the Splyt Core Platform or Splyt Core itself will be made by Splyt Core at its sole discretion. These decisions could adversely affect the Splyt Core Platform and the value and/or utility of any Token you own.

Dependence on management team

The ability of the Splyt Core Platform project team which is responsible for maintaining a competitive position of the Splyt Core Platform is dependent to a large degree on the services of a senior management team. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Splyt Core Platform and the value of the Tokens. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect Splyt Core's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Splyt Core Platform and the value of the Tokens.

Risks related to reliance on third parties

Even if completed, the Splyt Core Platform will rely, in whole or in part, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Splyt Core Platform and the value of the Tokens.

Insufficient interest in the Splyt Core Platform and the Tokens

It is possible that the Splyt Core Platform or Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Splyt Core Platform and the value of the Tokens.

Splyt Core Platform development risks

The development of the Splyt Core Platform and/or Splyt Core Smart Contract may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel.

Changes to the Splyt Core Platform

The Splyt Core Platform is still under development and may undergo significant changes over time. Although Associated Parties intend for the Splyt Core Platform to have the features and specifications set forth in this whitepaper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Splyt Core Platform does not meet the expectations of the Purchaser.

Other projects

The Splyt Core Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Associated Parties, and such projects may provide no benefit to the Splyt Core Platform.

Disclosures relating to conflicts of interest

Any of the Associated Parties may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

ACKNOWLEDGEMENTS AND WARRANTIES BY PURCHASERS

Acknowledgements

By (i) accessing or accepting possession of any information in this whitepaper (or any part thereof) or (ii) transferring payment (whether in fiat currency or cryptocurrency) and agreeing to purchase the Tokens, each Purchaser agrees and acknowledges that:

- the Tokens do not and are not intended to constitute securities in any jurisdiction. This whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction;
- The Tokens are meant for internal use within the Splyt Core Platform and are not intended as securities or other assets to be used for speculative trading purposes. Splyt Core does not operate an exchange for Tokens and there is no guarantee of the future value of the Tokens. Splyt Core does not take any responsibility for any trade in Tokens in or through third-party exchanges. The possibility exists that the Tokens could be worth nothing;
- this whitepaper does not constitute or form part of any opinion on, any advice to buy or sell, or any solicitation of any offer to purchase any Tokens nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or any investment or purchase decision;
- no regulatory authority in any applicable jurisdiction has examined or approved of the information set out in this whitepaper and the publication, distribution or dissemination of the whitepaper to you does not imply that any applicable laws, regulatory requirements or rules have been complied with;
- any agreement as between Splyt Core and a Purchaser, and in relation to any sale and purchase, of Tokens is, in the absence of Purchase Documents, to be governed by this whitepaper;
- notwithstanding any other section of this whitepaper, and to the extent permissible by applicable laws, Splyt Core shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this whitepaper or any part thereof by a Purchaser;
- no information in the whitepaper should be considered to be business, legal, financial or tax advice regarding Splyt Core, the Tokens or the Token Launch; and

l they should consult their own legal, financial, tax or other professional adviser regarding Splyt Core and its respective businesses and operations, the Tokens and the Token Launch.

Warranties

By (i) accessing or accepting possession of any information in this whitepaper (or any part thereof) or (ii) transferring payment (whether in fiat currency or cryptocurrency) and agreeing to purchase the Tokens, each Purchaser represents and warrants to Splyt Core as follows:

- that they have read, understood and accepted sole responsibility for the disclosed and undisclosed risks, disclaimers and other disclosures inherent in participating in the Token Launch and the purchasing of Tokens as set out in this whitepaper;
- that they are not a citizen or resident of any jurisdiction or territory into which a sale or distribution of the Token would be unlawful (each a "**Prohibited Territory**") and are not purchasing the Tokens on behalf of, whether directly or indirectly, a citizen of any Prohibited Territory;

l that they have the power to enter into, exercise any rights and perform and comply with their obligations under this whitepaper and their entry into, exercise of their rights and/or performance of or compliance with their obligations under this whitepaper including accessing, distribution or dissemination of this whitepaper, is not prohibited or restricted by the applicable laws, regulations or rules in the Purchaser's jurisdiction or country of residence, and where any restrictions in relation to the aforementioned are applicable, the Purchaser:

- accepts sole liability for non-compliance with such applicable laws, regulations and rules in the Purchaser's jurisdiction or country of residence; and
- has observed and complied with all such applicable laws, regulations and rules in the Purchaser's jurisdiction or country of residence at the Purchaser's own and sole expense;
- that all actions, conditions and things required to be taken, fulfilled and done:
- in order to enable the Purchaser to lawfully enter into, exercise their rights and perform and comply with their obligations imposed by this whitepaper and to ensure that those obligations are legally binding and enforceable; and
- for the issue of the Tokens on the terms and conditions set out in this whitepaper, have been taken, fulfilled and done;
- that all the Purchaser's obligations under this whitepaper are valid, binding and enforceable on such Purchaser in accordance with their terms;
- that the Purchaser has adequate understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based systems, cryptocurrency wallets or other related coin/token storage mechanisms, blockchain technology and smart contract technology;
- that the Purchaser is not exchanging cryptocurrencies for Tokens for the purpose of speculative investment or for the purpose of exchanging one form of virtual currency for another, with the present intention of delivering the Tokens to another person, in a coordinated series of steps intended to complete a single transaction;
- that the Purchaser is acquiring Tokens primarily for use in the Splyt Core Platform; and
- all of the above representations and warranties are true, complete, accurate and non-misleading from the time of the Purchaser's pre-registration (where applicable) and purchase of Tokens pursuant to the Token Launch.

OTHER NOTICES

AML and KYC

Measures aimed at the prevention of money laundering and terrorist financing will require a Purchaser to verify their identity and/or the source of funds to Splyt Core. This procedure may apply on all or any of (i) the initial purchase of the Tokens, (ii) the use of the Splyt Core Platform, (iii) the exchange of the Tokens for Splyt Core Tokens, (4) the transfer of the Tokens, (5) the receipt of any Splyt Core Tokens via the Splyt Core Smart Contract or (vi) as Splyt Core deems necessary or desirable in connection with its AML and KYC policies and procedures.

By way of example, an individual may be required to produce the original passport or identification card or copy duly certified by a public authority such as a notary public, the police or the ambassador in his country of residence, together with two original documents evidencing his address such as a utility bill or bank statement or duly certified copies. In the case of corporate applicants this may require production of a certified copy of the Certificate of Incorporation (and any change of name) and of the Memorandum and Articles of Association (or equivalent), and of the names and residential and business addresses of all directors and beneficial owners.

The details given above are by way of example only and Splyt Core will request such information and documentation as it considers is necessary to verify the identity and source of funds of a prospective Purchaser.

Each Purchaser acknowledges that Splyt Core shall be held harmless against any loss arising as a result of a failure to provide such information and documentation as has been requested by Splyt Core.

Each Purchaser further acknowledges and agrees that any failure by them to comply with Splyt Core's requests in relation to measures aimed at the prevention of money laundering and terrorist financing, may result in action being taken against the Purchaser in respect of the Tokens including, without limitation, the suspension or withdrawal of the Purchaser's account on the Splyt Core Platform or the Tokens held by them.