



Genaro Network

GNX TOKEN

ALLOCATION

STATEMENT

Genaro Network

The First Blockchain 3.0 Ecosystem Built on a
Turing-Complete Public Chain with Decentralized Storage.

V1.2

GNX Token Allocation Statement

[*], 2018

This statement is published about the latest allocations and distributions of the GNX Tokens.

Persons want to purchase/sell GNX Tokens can purchase/sell GNX Tokens in public exchanges. All risks, liabilities, damages arising from such transactions shall be born solely by such persons. And such transactions are made under the sole discretion of such persons and with no relation to Genaro. Genaro hereby states that it will not assume any liability of transactions and holdings of GNX Tokens by such persons.

For more information about GNX Tokens, you can read Genaro Network White Paper (which is available at <https://genaro.network/en/whitepaper>) and Genaro Network Frequently Asked Questions (which is available at <https://genaro.network/en/faq>).

1. Allocation Schedule

The total amount of GNX shall be 675,000,000, and Genaro Network allocates and distributes GNX Tokens according to the article hereunder:

Description of Allocation	Amount of GNX Tokens	Percentage
Genaro Public Community		
Current Circulating Supply	233,709,608	34.62%
Community Fund	167,540,392	24.82%
Genaro Ventures	60,750,000	9%
Development Fund	54,000,000	8%
Node Reward	33,750,000	5%
Bounty Program & Airdrop	20,250,000	3%
Sub-Total	570,000,000	84.44%
Genaro Internal Team		
Co-Founders	63,000,000	9.33%
Core Members	42,000,000	6.22%
Sub-Total	105,000,000	15.56%

Description of Allocation	Amount of GNX Tokens	Percentage
All-in Total	675,000,000	100%

2. The Vesting and Locking Period of GNX Tokens

(1) *Current Circulating Supply*

Current Circulating Supply includes GNX Tokens distributed to angel investors (locked for a certain period, from SIX (6) months to THIRTY-SIX (36) months; such lock-up periods for angel investors were based on their respective investments and conditions, and after the lock-up period, all Tokens shall be freely transferable); distributed to Genaro Support Program Participants; already airdropped (or have been allocated to airdrop soon to the community) through airdrop programs and what we called the “PoS experiment” – a voluntary locking of tokens exchange for a small bonus up to eight months after locking.

(2) *Community Fund*

This fund refers to GNX Tokens that have been allocated to future community development. The community fund is used for marketing campaigns, rewarding community contributions (e.g. positive community actions), community management among our independent community managers, cooperation with other projects (token swaps and so on) and strategic partners who will contribute to the growth of the Genaro community.

These tokens are to be held in the Genaro treasury and are in reserve under the supervision and control of the Genaro foundation. “Reserved” and “in reserve” hereinafter are taken to mean non-circulating and held for up to the time listed, after which they could be reallocated to another Genaro Fund or otherwise redistributed. Within the time listed, Genaro or its Board of Directors shall have discretion to distribute these GNX Tokens from the Community Fund based on future requirements and conditions from time to time. Among the Community Fund, 59,290,392.2024992 GNX is locked and completely untransferable for a fixed period of THREE (3) years and cannot be transferred.

(3) *Genaro Ventures*

As for the GNX Tokens distributed to Genaro Ventures - Blockchain 3.0 Ecosystem (i.e., the Genaro hub(s) and incubator), they shall be held in reserve for FIVE (5) years under the supervision and control of the Genaro foundation. Genaro or its Board of Directors and those responsible for Genaro Ventures shall have discretion to distribute these GNX Tokens from the allocation based on

future requirements and conditions from time to time.

The purpose of this allocation is to run the Genaro hubs and incubator project utilizing GNX Tokens by seeding the Genaro economy. We provide co-working space, blockchain community events and meetups, technology tutorials and instruction on how to build applications on Genaro, and more. We currently plan start with Shanghai and followed by Seoul, Moscow and Silicon Valley, but more locations will be planned in following years.

Projects incubated within Genaro Ventures will primarily be DAPPs using the Genaro Network. Therefore, GNX is going to be scalable across all the DAPPs on the Genaro Network, allowing people and organizations to use them in multiple places and creating a parallel economy. Of course, some DAPPs will use their own tokens; we will create convertibility mechanisms to allow GNX to be exchanged for other tokens and vice-versa. For incubated DAPPs built on Genaro, the projects will receive a fixed amount of GNX for seed purposes. For non-incubated DAPPs built on Genaro, they will receive a certain amount of GNX as reward and the amount depends on the complexity and popularity of the DAPP.

(4) *Development Fund*

The Development Fund is used as motivation for passionate developers all over the world to join Genaro's open source development. Genaro intellectual property is protected under GPL3.0. (From the GNU Project: The GNU General Public License (GNU GPL or GPL) is a widely used free software license, which guarantees end users the freedom to run, study, share and modify the software.

As for the GNX Tokens distributed to the Development Fund, they shall be held in reserve for FIVE (5) years under the supervision and control of the Genaro foundation. Genaro or its Board of Directors shall have discretion to distribute these GNX Tokens from the Development Fund based on future requirements and conditions from time to time.

Genaro Foundation will reward anyone who contributes to Genaro open source projects in a meaningful way. The exact amount of GNX developers received depends on how much work and how helpful their contribution is, and the evaluation is made by a special Genaro Foundation Development Council.

Finally, Genaro will also incubate top university and college blockchain teams and projects to encourage future talented developers join the Genaro development community. This will be a separate initiative from Genaro Ventures and is intended to assist the growth of the Genaro development

community.

(5) *Node Reward*

To encourage both end users to share their storage space and “challengers” to contribute their computing power, Genaro Foundation has also created the Node Reward program.

Firstly, in the initial stage when there are very few users, whoever shares storage space or computing power will get GNX as reward no matter whether there are users requiring storage or deploying applications or not. The GNX they get is a certain percentage of a full usage scenario. This way Genaro Network growth could increase rapidly.

Secondly, for geographic areas with smaller populations, sharers have a chance to get more GNX than users paid to help build up the local communities with higher populations elsewhere. This will assist the geographic distribution of Genaro’s node structure to be more evenly spread.

As for the GNX Tokens allocated to the Node Reward program, they shall be held in reserve for FIVE (5) years, with supervision and control by the Genaro foundation. Genaro or its Board of Directors shall have discretion to distribute these GNX Tokens from the Node Reward pool based on future requirements and conditions from time to time.

(6) *Bounty Program & Airdrop*

To develop the Genaro community and introduce Genaro to more people in the world, Genaro has designed a number of bounty and airdrop programs. We have already done several programs and will do more in the future. This is a separate initiative from post-sale promotional allocations under the Community Fund.

As for the GNX Tokens prepared for Bounty Program and Airdrop, they shall be held in reserve and distributed to Genaro community and Genaro partners’ community in the following TWO years (until December 31, 2019) under the supervision and control of Genaro. If there are any remaining GNX Tokens from this allocation at the end of that period, they will be rolled into the Community Fund for future use.

(7) *Co-Founders*

Genaro is cofounded by Larry Liu, Jason Inch, Waylon Wu and Andrea Liu.

The GNX Tokens distributed to co-founders shall be locked for TWO (2) years,

and after the lockup period, the GNX Tokens allocated to the co-founders shall be vested over the subsequent TWELVE (12) months, one-twelfth (1/12) vested each month creating 12 vesting periods; after each vesting period, any GNX Tokens allocated to the co-founders shall be freely transferable. For the next two years, these Tokens are therefore considered non-circulating supply and are held in special escrow accounts rather than in the treasury.

(8) *Core Members*

Instead of hiring fulltime employees, part-time employees and contractors as a traditional enterprise does, Genaro builds up a more open and more incentivized relations with community members who want to contribute to the project. Genaro will reward all the Genaro internal core members, including fulltime community members, part-time community members, advisors, partners and entities who have contributed significantly regarding legal, financial, scientific research, business development, marketing, strategy, and other professional work or consultation.

As for the GNX Tokens prepared for these core members, they shall be held in reserve in the Genaro treasury and distributed during the next THREE years on an as-needed basis, with a vesting period of THREE (3) to SIX (6) months after being issued to a recipient, vesting monthly in proportion to the number of months of the vesting period (i.e., 1/3 per month for three months, 1/6 per month for six months, and so on). Until that time of issuance and vesting, they are considered non-circulating supply.