



The NetCents Coin White Paper

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Introduction

The development of the blockchain and cryptocurrencies have been called the most significant technological breakthroughs since the Internet. Bitcoin, the first cryptocurrency, appeared in January 2009 and was the creation of a computer programmer using the pseudonym Satoshi Nakamoto.

Since then, cryptocurrencies have been revolutionizing the financial landscape by allowing consumers access to a global payment system—anywhere, anytime—whereby participation is restricted only by access to technology, which completely disintermediates the current financial system.

It is all about empowering the consumer. From the perspective of businesses and merchants, cryptocurrencies offer low transaction fees and lower volatility risk resulting from the nearly instantaneous settlement.

Yet, with all the strides these technologies and cryptocurrencies have made, there is more that can be done, and in fact, more that should be done.

And that's where we come in.

At NetCents Technology Inc., we are unified in the same ambition: to empower and provide our users with unlimited freedom of control. NetCents Technology Inc. is a next-generation payment processor, supporting multiple traditional currencies, cryptocurrencies, and innovative payment methods, and, now, working with the NetCents Coin Organization (NCCO), an independent non-profit organization, we are assisting with the launch of a new digital coin – the NetCents Coin, issued by NCCO.

The NetCents Coin allows consumers to make fast and secure transactions that are independent of any one singular authority or a trusted third party, making it a truly decentralized alternative.

One of the key innovations that distinguish the NetCents Coin from all other cryptocurrencies is the coin release algorithm which was developed to ensure a stable supply/demand equilibrium for a steady, yet non-speculative, rise in the price of the coin, unlike existing cryptocurrencies.

NCCO treasury coins are released over time and sold through approved exchanges around the world. ALL sale proceeds of coins remain within the NCCO in its Treasury Reserve Account, benefiting ALL coin holders.

Building this Treasury Reserve Account is key to the NetCents Coin's long-term credibility and acceptance in the marketplace, making it a mainstream coin and not just an instrument of speculation like other cryptocurrencies in circulation today. The NetCents Coin was engineered with its users in mind, shaping it to become an appealing store of value and currency of choice for transactions around the world.

With the introduction of the NetCents Coin, we are changing the game and levelling the playing field. We're leveraging existing technologies and delivery ecosystems to bring merchants and consumers an innovative alternative.

The NetCents Coin will be:

Widely held and circulated

Tradable

Backed by a Treasury Reserve Account

Operated under a structured coin release to prevent price speculation

Highly secure and private

Structured with counterfeiting prevention and fraud risk detection, leveraging next-generation algorithms

A global coin, with initial releases in Canada and Europe

With its high usability and accessibility, the NetCents Coin is positioned to become the leading currency of choice for both consumers and merchants. From low transaction fees, transactions that mitigate chargebacks, and instant trading, the NetCents Coin is poised to make a second disruption in the digital currency space. NetCents Technology Inc. and the NetCents Coin are next-generation technologies for those seeking a true decentralized alternative.

Evolution of Cryptocurrency

During the 2008 Financial Crisis, the global economy saw the most significant economic downturn since the Great Depression – everyone was affected. A crash that sent the global markets sprawling, nearly a decade later, it still stirs up residual fear for anyone in the financial landscape, with many stakeholders pointing to a genuine problem: that our current centralized monetary system is flawed.

The creation of Bitcoin was an entirely different departure from fiat currency and a possible solution to a system rife with corruption.

Entirely electronic, Bitcoin's appeal was, and is, that no one person, system, or party can control it. It is an altogether decentralized mode of transacting which does not rely on third parties, outdated technologies, or trust, the latter of which was the primary pain point of conventional currencies (after 2008, trust was a high commodity, but difficult to win).

Bitcoins, unlike traditional fiat currencies, aren't printed. They are created on computers all around the world. They leverage software that solves complex mathematical problems. And, unlike fiat currencies, they are generated at a predetermined rate by an open-source computer program, set in motion just after the Financial Crisis of 2008.

All of this became achievable with the development of blockchain, the technology that acts as the backbone of Bitcoin. A blockchain is a decentralized and distributed digital ledger that is used to record transactions across many computers so that the records cannot be altered retroactively without the alteration of all subsequent blocks and the collusion of the network.

This allows the participants to verify and audit transactions inexpensively. It confirms that each unit of value is transferred only once, solving the long-standing problem of double spending (in which any information online could be copied). By storing data across its network, the blockchain eliminates the risks that come with centrally held data. Its network lacks centralized points of vulnerability that computer hackers could exploit; likewise, it has no central point of failure. Data stored on the blockchain is considered incorruptible.

Blockchain not only made it easier to send money to peers, but it also made it more secure, reliable, and entirely democratic, removing pain points for both consumers and businesses. Since its advent, Blockchain has upended conventional currency with the following features:

- **COMPLETELY TRANSPARENT:** changes to the Blockchain are entirely public and viewable by all parties.
- **IMMUTABILITY:** a transaction is irreversible once confirmed; no one can interfere, change, or delete a completed transfer thanks to the time and date stamps in an endless chain of codes.
- **LOW COST:** intermediaries are eliminated, thereby reducing transaction fees and overhead costs.
- **CROSS-BORDER FUNCTIONS:** money can be sent easily from one side of the world to the other as if they were next door.
- **FAST:** Interbank transactions can take days. Transfers through blockchain show up almost instantaneously thanks to the transparent nature of the blockchain.
- **STREAMLINED ECOSYSTEM:** all transactions are added to one single, continuous chain, removing clutter and complications of multiple parties and ledgers.
- **DURABILITY AND LONGEVITY:** with its decentralized networks, Blockchain has no central point of failure, making it capable of withstanding potential attacks.

When you add it all up, blockchain looks and sounds a lot like the gatekeeper to a decentralized payment system, one that would be the saviour of a post-2008 world. As we continued to grow into an increasingly digital world, cryptocurrencies evolved from this innovative technology, a technology that gave us Bitcoin and Ether, both of which gave us seamless transactions and smart contracts. We entered what should have been a utopian payment age, one that made it incredibly efficient to send and receive money.

So, what happened?

Current Cryptocurrency Shortcomings

The promise of Bitcoin revolved around the idea of a decentralized financial system, one that didn't rely on intermediaries or third parties, which, while secure, are often susceptible to human errors, high fees, long wait times, and outdated methods.

Although Bitcoin served as a better alternative to outdated systems of transacting, over time, it grew susceptible to its own faults. The truth is that Bitcoin, as a digital currency, has many challenges, and not as much potential to disrupt as we once thought.

Bitcoin has a limited ability to scale, with technology that can only support up to 300,000 transactions per day. It also consumes a significant amount of energy, with miners attempting nearly 450 thousand trillion solutions per second to validate transactions.

There are high transaction costs, mining risks, and a lack of privacy. Anyone with Internet access can connect to the Bitcoin network and conduct peer-to-peer transfers, making it a conduit for illegal transactions.

There is also zero underlying asset value to Bitcoin. Its value is entirely based on supply and demand dynamics. With an insufficient supply, Bitcoin's value has skyrocketed to stratospheric levels. Its price appreciation is entirely artificial; a bubble which could burst at any time.

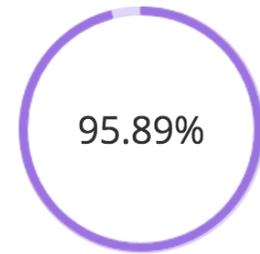
Bitcoin and Ether are both speculative and volatile currencies, that, while disruptive in their technology, are not viable alternatives as a long-term store of value for the population at large. Both coins were, at the onset, issued at very low values, with new coins only issued through the mining process (a vital step in maintaining their blockchain).

In the event of a market fall, there is nothing to stabilize either coin. With such a flawed market introduction and no treasury reserve to support either of these cryptocurrencies, there is no intrinsic value.

But perhaps the most significant demise in both Bitcoin and Ether is that both cryptocurrencies evolved into the very thing they initially sought out to transform: a centralized financial network.

Bitcoin holdings are incredibly concentrated in the hands of a small number of parties. At the time of this writing¹, 3.47% of addresses own 95.89% of the Bitcoins and 1% of addresses control more than half of the entire market². This is one of the key factors which has fuelled its price with a total supply versus demand imbalance.

3.47% of all addresses own



of the Entire Bitcoin Market

A fundamental issue of these mainstream cryptocurrencies is the prevalence of groups, or pools, of miners, concentrated and dominating the new production of coins. Meaning that these cryptocurrencies are just like the currencies they meant to disrupt: centralized and vulnerable to market manipulation.

On the outside, Bitcoin maintains a reputation of being a rebel with a cause; a digital coin that is upturning the financial industry. But when you look under the hood, it is the same machine that centralized banks currently use.

And in our books, that's problematic.

NetCents Technology Inc.

The NetCents Coin was created to address all of these significant flaws in modern-day cryptocurrencies.

Much of the 2008 Financial Crisis was entrenched in the same flawed structure that is prevalent in the digital currencies that arose as an answer to that same crisis: highly leveraged currencies with little to no real value, all with centralized holdings, and no reserve or supply mechanisms to help support its value.

The premise of digital currencies is that they are alternatives to outdated fiat currencies. Fiat currencies are flawed because they are centralized, meaning their value is hoarded and not widely shared. While Bitcoin began as a decentralized coin, it has evolved into a currency where its largest shares are controlled by a small group of parties.

¹ October 10, 2017

² This Chart Reveals the Centralization of Bitcoin Wealth: <https://howmuch.net/articles/bitcoin-wealth-distribution>

This is how we're differentiating ourselves. While Bitcoin proved itself as a much-needed disrupter in an archaic financial landscape, there is more to be done.

We're bridging the gap between an old world and a new, with a decentralized transaction coin to be used by the masses as a daily transaction currency.

A digital currency should be available to everyone. We did not break away from a centralized monetary system only to have it operate under a monopoly. We broke away from it to deliver a true alternative.

NetCents Technology Inc.'s goal has always been to offer users and businesses with such an alternative currency, one that eliminates pain points and the high fees consistent with traditional payment processing systems, while also delivering a currency that is widely held.

To ensure that a new digital coin would be able to evolve on its own, independent from NetCents Technology Inc., it was determined early on that an independent, non-profit organization should be issuing and governing the new coin for the benefit of all of its stakeholders, hence the creation of NCCO.

Within the NetCents ecosystem, it was also determined that an exchange should be set up, once again, independent from NetCents Technology Inc., the NC Exchange. This exchange runs entirely on the blockchain technology, handling all payments and settlements, and tracking distribution metrics. Blockchain, the technology behind Bitcoin, is a digital public ledger of all transactions, one that does not require the need for a central authority or a trusted third party to send and receive money between parties. We utilize blockchain along with our AI 2.0 proprietary algorithms to provide a fast, secure, and real-time record of every transaction.

These three organization, although all independent from each other, form the core of the NetCents Ecosystem at launch. NetCents Technology Inc. is merely a facilitator for the launch of this new global coin. The coin and the ecosystem will rapidly evolve and bring in third parties as market participants. This includes third party exchanges and other service providers.

The NetCents Technology Inc. Ecosystem and Our Approach

The NetCents Technology Inc. ecosystem is built on a foundation of empowerment: we want end users and our merchants to not only feel secure and confident with the knowledge that they have the choice of how to pay, but also the freedom to do so. Because at the core of our ecosystem is the idea that sparked NetCents Technology Inc. – to make paying, end-to-end, simple.

We do this by leveraging the same blockchain technology: for seamless transactions, transfers, and trades that are affordable, easy, and accessible around the globe. In one year, as an independent company, NetCents Technology Inc. has grown from a payment processor to a payment processor with the following innovative product features:

- E-wallet capabilities
- Currency exchange
- Payment transfers
- Merchant gateway

We're picking up the pieces where Bitcoin could not. NetCents Technology Inc. is a truly disruptive and decentralized platform that offers all of the above with secure, predictable, and immutable transactions that give both our end users and merchants complete ease of mind. Whether it's through our universal plug and play software, our API capabilities, or peer-to-peer transactions, we're delivering effective, efficient solutions that meet the needs of the masses.

One of the preeminent features of the NetCents Technology Inc.'s platform is the ability to pre-validate transactions before the final processing stages through our AI 2.0 proprietary algorithms. For every transaction, the NetCents Technology Inc.'s platform engages our proprietary payment processing algorithms in identifying potential fraud and high risk transactions.

NetCents Technology Inc.'s platform is built from the ground up, capturing the most recent technological advancements. Our ironclad platform is backboned by the latest blockchain and cryptocurrency technology and assembled upon the following pillars:

- Low-cost transaction environment, fostered by next-generation risk reduction and fraud prevention algorithms
- Stringent underwriting rules coupled with IP and user verification applied to every transaction
- AI-driven probability modules complying with industry-leading KYC/AML checks and balances

NetCents Technology Inc.'s AI-based processing technology puts us at the forefront of further disrupting the FinTech landscape with next-generation fraud and risk reduction technology, one that is continuously evolving. We aim to be the underlying technology that connects exchanges to the end consumer.

With the release of the NetCents Coin by NCCO, we are closing the loop with our blockchain 3.0 technology platform that underlies the coin release.

The NetCents Coin will be issued by an independent, non-profit organization – NCCO. NetCents Technology Inc. will have a close working relationship with NCCO through a management agreement to manage the technical aspects related to the coin. The real benefit which NetCents Technology Inc. is looking to get out of this partnership with NCCO is its ability to integrate the NetCents Coin in our merchant system and drive operating efficiencies.

The aim and implementation of the digital currency are for mass adoption – to be widely held as well as widely circulated. Our goal is to deliver users and businesses with a currency that:

- Eliminates processing pain points
- Is used all over the world
- Eliminates high fees that are consistent with traditional payment processing systems

We want our users to feel more secure not only in owning, but in spending and accepting their currency of choice, one that can't be manipulated or compromised, can be exchanged

independently, and will be widely held and mass adopted. We believe that the NetCents Coin will be the right choice.

The Technology Behind the NetCents Coin: Multichain

In designing the NetCents Coin, we endeavoured to solve the major shortcomings of current cryptocurrencies:

- **UNDERLYING ASSET VALUE:** Bitcoin has no underlying value with no reserve, its value is based entirely on supply and demand dynamics. The NetCents Coin will have a strong asset base through its cash reserve account (the proceeds from all of its coin release and sales). These funds will be made available to manage the coin and the potential volatility of the coin price.
- **CONCENTRATED OWNERSHIP:** The majority ownership of Bitcoin is held by a small group of parties. The NetCents Coin's structured release algorithm ensures that the NetCents Coin will remain an equal opportunity, true exchange medium for the masses.
- **TRANSACTION SCALABILITY:** Bitcoin can only support 300,000 transactions per day. The NetCents Coin can support 9,200,000 and does not rely upon mining to release new coins.
- **TIMING:** The Bitcoin settlement process can take hours. The NetCents Coin's settlement process is nearly instantaneous with instant verification and validation.



The problem with Bitcoin's blockchain, as previously mentioned, is not just that it lacks the decentralized model it was created for, but that it also lacks privacy. Anyone with an internet connection can access transactions.

NCCO provides an alternative solution to this by incorporating advanced blockchain technology into its platform and the NetCents Coin. The technology behind the NetCents Coin is Multichain. It is a next-generation blockchain which provides both enhanced privacy and control over existing technologies. Multichain is a proven technology. It is based on existing and tested blockchain technology and architecture which has been around for almost ten years and has enhanced features that allow administrators to control access and cost of operations.

NCCO leverages this next generation technology to solve the pain points of mainstream cryptocurrencies, by:

- Ensuring that the blockchain can only be managed (addition of blocks to the chain) by chosen participants
- Implementing safeguards and controls over which transactions are permitted
- Only containing transactions of interest to participants

- Setting our block size and increasing the number of transactions which are processed per day
- Preventing the use of the blockchain for ideological reasons

By using Multichain's permission module, we limit access to our blockchain, ensuring the blockchain's activity is only accessible chosen participants. Our permissions include who can send and receive transactions, who can connect, and who can view different aspects of the blockchain. These permissions are set on an agreement basis with the respective parties. The ledger itself, however, will be public for all to see.

To send a transaction with today's modern technology, a user does so with public key cryptography. Anyone can generate their own private key, which has a mathematically related public address that represents a recipients' identity as well as how they receive funds. When information is sent to this public address, those funds can only be spent using that same private key to 'sign' a new transaction.

NCCO takes this one step further, ensuring privacy and restricting blockchain access to a limited, select list of permitted participants. We do so by expanding the process that occurs when two blockchain nodes connect.

- It involves an algorithm that, if not verified, is aborted and the peer-to-peer connection is lost
- Each node presents its identity as a public address on the permitted list
- Each node verifies that the other's address is on its own version of the permitted list
- Each node sends a challenge message to the other party
- Each node sends back a signature of the challenge message, proving their ownership of the private key that corresponds to the public address they presented

With Bitcoin and other cryptocurrencies, the mining process serves to both add transactions to the blockchain and to release new coins. This process involves compiling recent transactions into blocks and trying to solve a computationally difficult puzzle.

The first participant who solves the puzzle gets to place the next block on the blockchain and claim the rewards. The rewards incentivize mining and include both the transaction fees (paid to

the miner in the form of Bitcoins) as well as the newly released Bitcoin. The conventional mining method requires excessive computer hardware power and extensive facilities, which in turn consumes a lot of power.

With the NCCO Platform, we eliminate the traditional mining process since we control the number of coins being issued and issue coins according to our release schedule. For NCCO, the mining process means merely validating the transactions to keep the blockchain in sync. This allows NCCO to eliminate the expensive hardware and electricity costs associated with Bitcoin mining. We have also solved Bitcoin's scale issue (limited to 300,000 transactions per day), whereby the NCCO Platform can support 9,200,000 daily transactions.

NCCO currently operates nodes located in Canada and Europe, with each location containing two servers/nodes running our blockchain technology. In addition to our current nodes, NCCO will deploy additional nodes in South America, Africa, and Asia.

To keep our blockchain decentralized, each participating merchant will have a patent pending software which creates a compressed node of our blockchain to be hosted on their infrastructure. This provides NCCO with a fault tolerance, meaning that it is less likely to fail accidentally since we rely on multiple separate components.

It also safeguards NCCO with attack resistance (decentralized systems are more expensive/difficult to attack and destroy or manipulate because they lack sensitive central points) and a collusion-resistant network (it is harder to collude to act in ways that benefit themselves at the expense of other participants).

The NetCents Coin Release Management

To promote mass adoption, the supply of the NetCents Coin will match demand while maintaining a significant capital appreciation for both early adopters and ongoing users.

While Bitcoin has proven to be a strong contender in the alternative payment field, its price volatility makes it risky to hold and difficult to use for everyday pricing and payment.

This is where NCCO identified a solution.

The introduction of our currency through a structured release algorithm ensures that the NetCents Coin and NC Exchange remains an equal opportunity, true exchange medium for the masses by incorporating these major elements:

- Structured release system
- Rigorous supply management
- Treasury reserve

The release of the NetCents Coin is structured much differently than other cryptocurrencies. Unlike existing cryptocurrencies, the NetCents Coin will be issued over time from the NCCO treasury at market rates with a transparent release mechanism.

The coin release mechanism is a transaction based algorithm. Once released, the coins will be sold through authorized exchanges around the world. All proceeds realized from the sale of the coins by NCCO will be deposited in NCCO's Treasury Reserve Account, which will be used to support the value and fund the development and continued maintenance of the NetCents Coin.

The structured release management system is designed to reduce market volatility and instill user confidence. Merchants and consumers will be able to transact with the coin with confidence there will be sufficient liquidity in the market

NCCO will continue to release coins in this manner to sustain and defend the floor price of each release.

Subsequent releases will be issued at escalating price levels, based on the NetCents Coin's trading value once it has reached a preset value, rather than at pre-determined times. If there is a rapid price appreciation of the NetCents Coin, NCCO will sell new coins into the price inflation and continue to build its Treasury Reserve Account.

Once the coin is widely accepted and receives significant sums of capital inflows, the release mechanism of new treasury coins guarantees a more stable price, growing its appeal as a store of value as well as the currency of choice for transactions around the globe.

Building the treasury reserve is key to the NetCents Coin's long-term credibility and acceptance into the marketplace. NCCO will use the treasury reserve to position it as a mainstream currency, rather than an instrument of speculation, as most modern cryptocurrencies in circulation are today.

With each coin release, ALL proceeds from the sale of new coins will be deposited in the NCCO Treasury Reserve Account. An asset diversification model will be implemented by the NCCO Trustees to ensure a stable and robust asset base underpins the coin. Full transparency in the makeup and value of the NCCO Treasury Reserve Accounts will always be available.

The NetCents Coin Rollout

The number of NetCents Coins which could be issued is technically unlimited. However, only a specific number of coins will be issued and sold into the market within specific price bands. Furthermore, the minimum sale price per coin for each release is preset at a specific premium to the previous release. This ensures that if the NetCents Coin is not trading well, no new treasury coins will be issued and sold.

If there is high demand for the NetCents Coin, instead of having euphoric speculation and rapid rise in its price, a new release of treasury coins will be triggered and sold in the marketplace. Increasing the supply of the NetCents Coin at the higher price, putting a damper to an uncontrolled rise in the coin price.

Should the price of the coin never increase and cross into the next band, no further coins will be released and sold out of the treasury. At no time will new coins flood the market creating a supply imbalance.

Once a new release threshold has been crossed, a set number of new coins, increasing with each release, will be made available from treasury and sold through the exchanges.

The release will be structured in such a way that new coin sales cannot debalance the prevailing supply/demand equilibrium. The treasury coins will be sold at market prices through various

authorized exchanges around the world with all of the proceeds going to the Treasury Reserve Account.

The table below outlines the release mechanism for the first 14 coin releases. Subsequent releases will follow the same pattern.

Table 1 – Coin Release Schedule

Release	Value per Coin	Coin Appreciation	# Coins (Millions)		
			Opening	Issued	Ending
1	\$1.00		-	5.0	5
2	\$2.00	100%	5	5.0	10
3	\$4.00	100%	10	5.0	15
4	\$8.00	100%	15	5.0	20
5	\$16.00	100%	20	5.0	25
6	\$28.00	75%	25	7.5	33
7	\$49.00	75%	33	11.3	44
8	\$85.75	75%	44	16.9	61
9	\$150.06	75%	61	25.3	86
10	\$262.61	75%	86	38.0	124
11	\$459.57	75%	124	57.0	181
12	\$804.24	75%	181	85.4	266
13	\$1,407.42	75%	266	128.1	394
14	\$2,462.99	75%	394	192.2	587

The first five releases are for 5 million NetCents Coins each. The initial sale will be made at \$1.00 USD per coin, gradually escalating to \$16.00 USD per coin. To trigger a new release for the first five releases, the NetCents Coin price will need to have increased by 100% for each release. In total, 25 million coins will be released in the initial five releases.

Starting with the sixth release, the release mechanism will be altered. For a new release to be triggered, the NetCents Coin price will need to have increased by 75%. Each release will be for 150% of the number of coins which were sold in the previous coin release.

To promote mass adoption of the coin, the release mechanism has been engineered to ensure supply of the NetCents Coin will match demand, while still offering significant potential for capital appreciation.

As the NetCents Coin becomes widely accepted and large sums of capital flow into the coin, more coins will be made available for sale with each subsequent release, which not only guarantees greater price stability, it enhances the NetCents Coin appeal as a store of value and currency of choice for transactions around the world.

The NetCents Coin Treasury Reserve Account

With the rapid market acceptance of Bitcoin and Ether, blockchain technology and derived cryptocurrencies are here to stay.

They are one of the leading innovations of the last ten years and clearly disrupted the market. That being said, when referring to Bitcoin or Ether, many pundits call them speculative bubbles which are doomed to burst. The bulk of their coins were issued at the onset at very low values with new coins only released during the mining process and earned by the miners.

With the current consolidation of Bitcoin holdings, if these holders started liquidating their holdings, the supply/demand equilibrium would be broken, and the price of the Bitcoin would tumble.

With no real value to support them, there is nothing to prevent a fall. We believe that while the technology behind these cryptocurrencies was revolutionary, their introduction to the market was flawed and only truly benefited the original insiders and investors.

The NetCents Coin is engineered to address this major flaw.

NetCents Coins will be sold in the market in predetermined releases at a minimum price per release. One of the key features of these releases is that 100% of the proceeds realized from the

sale of treasury coins will go into the NCCO Treasury Reserve Account – thereby benefitting ALL coin holders and not just a limited few.

Building this Treasury Reserve Account is key to the NetCents Coin's long-term credibility and acceptance in the marketplace, making it a mainstream coin and not just an instrument of speculation like other cryptocurrencies in circulation today.

The Treasury Reserve Account will initially be made up of a basket of fiat and cryptocurrencies. We estimate that after a period of 12 to 18 months there will be sufficient price stability and liquidity in the market to allow for the reserve to gradually diversify. A NCCO's Trustee, or Trustees, will at all times manage the Treasury Reserve Account, whose sole purpose is to ensure the reserve operates and is managed cost-effectively and ethically and will be fully transparent at all times.

The reserve account will be used to:

- Firstly and foremost, provide price stability and liquidity for the coin
- Provide continuous investment in the development of the NetCents Coin platform and evolve the NetCents Coin platform as new technologies and features become available
- Cover operational costs associated with the ongoing management and maintenance of the reserve account.

Table two outlines the projected value of the Treasury Reserve Account for the first 14 coin releases³.

Table 2 – Reserve Account

Release	Value per Coin	Cash Equivalent Reserve (\$ MM)			Reserve Cash Equivalent	
		Opening	Addition	Ending	Per Coin O/S	As % Value
1	\$1.00	\$-	\$5	\$5	\$1.00	100.0%
2	\$2.00	\$5	\$10	\$15	\$1.50	75.0%
3	\$4.00	\$15	\$20	\$35	\$2.33	58.3%
4	\$8.00	\$35	\$40	\$75	\$3.75	46.9%
5	\$16.00	\$75	\$80	\$155	\$6.20	38.8%
6	\$28.00	\$155	\$210	\$365	\$11.23	40.1%
7	\$49.00	\$365	\$551	\$916	\$20.94	42.7%
8	\$85.75	\$916	\$1,447	\$2,363	\$38.98	45.5%
9	\$150.06	\$2,363	\$3,798	\$6,162	\$71.70	47.8%
10	\$262.61	\$6,162	\$9,971	\$16,133	\$130.20	49.6%
11	\$459.57	\$16,133	\$26,174	\$42,306	\$233.92	50.9%
12	\$804.24	\$42,306	\$68,706	\$111,013	\$416.89	51.8%
13	\$1,407.42	\$111,013	\$180,353	\$291,366	\$738.69	52.5%
14	\$2,462.99	\$291,366	\$473,428	\$764,794	\$1,303.66	52.9%

We anticipate that over time the value of the Treasury Reserve Account per coin will stabilize and represent more than 50% of its trading price.

In essence, the role of NCCO, as an independent, non-profit organization is to manage the release of the coins according to its transparent release mechanism, manage the network of nodes for transaction authorizations, manage the treasury reserve account, and finally, evolve the coin's technology for the benefit of all of its stakeholders at all times.

³ Assuming a constant asset value in the Treasury Reserve Account, before management fees, and assuming new coins are sold at the lowest price at which they can be sold in the market.

How it Works

We designed the NetCents Coin around the idea that it would be bought and exchanged entirely by independent third parties. For its launch, a new and independent exchange was created: the NC Exchange. This will give users the whole package for a truly decentralized currency. It functions like any other exchange and only requires a NetCents Technology Inc. e-wallet for users to begin transacting. Over time other independent exchanges around the world will be authorized to trade the NetCents Coin so long as they satisfy NCCO's strict operating requirements (notably stringent KYC /AML protocols).

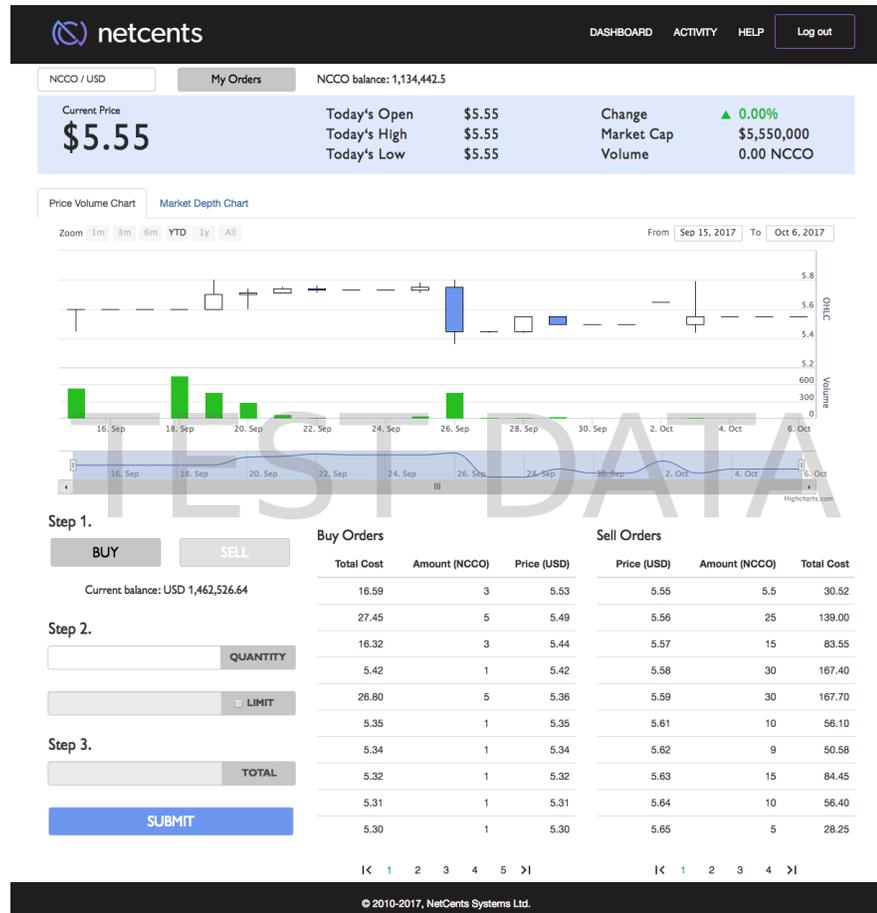
Initially, to obtain the NetCents Coin, users will simply sign-up for a NetCents Technology Inc. account. Once authenticated, users will be instructed to create a NetCents Technology Inc. profile, including adding their deposit mechanism through wire transfer, credit card and/or PayPal. It is important to note that during the sign-up process, all NetCents Technology Inc. users will be subject to extensive KYC and background checks for optimal security and privacy.

KYC (Know Your Customer) is the process of identifying and verifying the identity of our clients. They are a set of stringent guidelines that prevent banks and other financial networks from being used, intentionally or unintentionally, by criminal elements for money laundering activities. These procedures enable us to understand our customers and their financial dealings better as well as help them manage risks prudently.

FOR CONSUMERS

NetCents Technology Inc. users load their account, which also acts as the dashboard for where they will be able to purchase the NetCents Coin from the independent NC Exchange. To do this, the user logs into their NetCents Technology Inc. account goes to the NC Exchange and places the buy order, and the platform will find a matching sell order to complete the exchange between the parties.

Once the exchange is complete, the funds are registered into each user's NetCents Technology Inc. account. From there, the user can complete purchases online with any participating merchants or send NetCents Coins to any other third party, within or outside of the NetCents Technology Inc. system.



FOR MERCHANTS

Merchants using the NetCents Technology Inc. platform and accepting the NetCents Coin as a currency can do so through any one of NetCents Technology Inc.'s easy to use plugins for WooCommerce, Magento, Petrashop, to name a few. Once completed, the transaction is registered within both the merchant and user portal.

Within the merchant portal, merchants can view all sales, revenue, transactions, disputes, customer tracking, subscription plans, and transaction verification rules (fraud and chargeback prevention where transactions can be put on hold or denied based on set rules).

The NetCents Technology Inc. platform can receive consumer deposits from 194 countries around the world and transact with fiat currency, Bitcoin, and Ether.

The purpose of NetCents Technology Inc. using the NetCents Coin is to drive transactions and transaction revenue. The NetCents Coin is being introduced into the settlement options, with the goal of replacing Bitcoin and Ether entirely over the next few months. This will be completed by continuing to settle a percentage of the merchant settlements each month with the NetCents Coin until both Bitcoin and Ether are completely phased out.

Merchants will benefit from a streamlined, faster, and cost-saving process with the ability to convert the NetCents Coin back to fiat through the NC Exchange.

A Coin for the Masses

The NetCents Coin, especially with its cash reserve account, is being set up to be entirely independent of NetCents Technology Inc. and the NC Exchange. These latter two groups operate independently from NCCO.

The examples in the previous section outline the transaction steps within the NetCents Technology Inc. ecosystem. The NetCents Coin is not restricted to trading on the NC Exchange. Users will also be able to set up e-wallets with other third parties.

The NC Exchange will be the first authorized exchange to trade the coin, but over time NCCO will authorize other independent exchanges around the world to trade the coin so long as they satisfy NCCO's strict operating requirements (notably stringent KYC/AML protocols). Furthermore, the NetCents Coin will not exclusively be traded amongst NetCents Technology Inc. clients and merchants.

The NetCents Coin was developed to become a universal coin, autonomously managed. A coin for the masses to be traded by anyone with anyone.

Concluding Remarks

We're nearly a decade out from one of the worst financial crisis' the world has ever seen. It's time for a real alternative; a solution that fits the needs of many instead of the interests of a few.

The NetCents Coin is filling the gaps and picking up where Bitcoin failed. No more centralized mining with limited capacities. No more unpredictability, lack of control, or high transaction fees. We're providing a stable cryptocurrency, one that is widely held and has affordable transaction costs.

The introduction of the NetCents Coin not only opens the gate for more opportunities for businesses and consumers, but it also creates financial inclusivity in what can often feel like a hostile financial landscape. The NetCents Coin was created to be widely held for the masses, with rigid release mechanisms built in to prevent both speculation and volatile currency pricing. We want our users to feel more secure not only in owning but in spending and accepting their currency of choice.

We've built a digital currency that caters to our innovative, fast-paced, digital world. One that is filling the gaps of Bitcoin and Ether. No more operating on outdated models. No more alternative digital currencies that miss the mark. It's time for a digital coin that was designed for mass adoption, for all end users and to be widely held.

The NetCents Coin is more than just a cost-effective solution for the merchant and consumer. It's a gateway for the financial revolution.

Thank you and welcome to the NetCents Coin.