Business Plan

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From the Desk of Sudato M. O' Benshee

Principal architect of C*u*Bit™ and founder of
Universal Real Estate Wealth Protection Solutions™, LLC

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Universal Real Estate Wealth Protection Solutions™ Business Plan

A member Managed Wyoming Limited Liability Corporation
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Abstract

For many years now many economists have been pointing out that the prevailing economic policies of central banks around the world, including the USA, are leading to an economic collapse triggered by a collapse of fiat currencies. Fiat currency, which derives its value by government decree rather than tangible assets, is increasingly viewed as vulnerable to inflationary pressures. Central banks worldwide have adopted unprecedented measures, such as extensive quantitative easing (QE), to stimulate economic growth. Governments' rising debt levels further exacerbate the situation, with countries like the United States carrying trillions in public debt. This heavy reliance on borrowing raises questions about long-term economic stability and fiscal responsibility. Economists have argued that over-reliance on fiat currency and continuous debt accumulation could lead to hyperinflation as it did in Weimar Germany and Zimbabwe (Bordo, 2019). Bordo notes, “When central banks lose control over inflation expectations, trust in fiat currencies erodes rapidly, sometimes irreversibly” (p. 50).

Other experts argue for a return to the gold standard some[1], where each dollar is backed by a specified amount of sovereign gold reserves. Using a valuable commodity such as gold to back the value of currency is a practice that is almost as old as recorded human history[2]. For a commodity to succeed as the backing of a currency

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requires several characteristics:[3] portability, divisibility, durability, universally available, usability, inflation resistance, low volatility, and degree of difficulty to counterfeit.

The growing popularity of alternative assets, including cryptocurrencies, leads experts to suggest that fiat currencies could lose their dominance if people increasingly seek stable stores of value outside government-controlled currency. This shift signifies that central banks' current approaches may lead to an accelerated search for alternatives. As Saifedean Ammous (2018) warns, "In a world where governments cannot maintain fiscal prudence, alternatives like Bitcoin offer a hedge against devaluation" (p. 205). Cryptocurrencies inherently have many features needed to succeed as a currency. They are inherently portable, divisible, durable, universally available, usable, and more resistant to counterfeiting than paper money. Additionally, with the use of crypto wallets protected by twelve-word encryption keys they are invulnerable to brute-force thefts. Their biggest weakness has been the lack of any inherent value or the value of a commodity to back them.

Universal Real Estate Stable Coin™ (URESC*u*™, C*u*Bit™) couples the proven acceptance and security of the Ethereum blockchain with the undeniable commodity value of real estate to produce a receipt cryptocurrency that remedies all the shortcomings cryptocurrency as an alternative store of value.

The choice of real estate as the commodity to back C*u*Bit™ is based on multiple factors that are characteristics of a stable currency. Real estate is inarguably a finite commodity which cannot be counterfeited. Additionally, real estate has an inherent value which historically outpaces inflation. The value of real estate (in aggregate) is highly resistant to price manipulations and extreme volatility. Although real estate is readily divisible and durable, the lack of portability and lack of liquidity has prevented its use as currency. Despite those deficiencies, the historic and ongoing use of real estate to back the value transactions, and to act as security and a store of value, is embraced all over the world and is a significant element of world economics. C*u*Bit™ overcomes all the disadvantages of real estate and makes the advantages of its positive characteristics available to everyone.

To further cement the safety and security of C*u*Bit™ as a store of value, instead of leaving the key levers of the currency supply in the hands of governments or central banks, those levers are subject to decentralized control by the people who use the currency. Everyone who exchanges money for C*u*Bit™ becomes a member (Member) of the C*u*BitDAO™ (the DAO) and gains voting rights to control the currency. Finally, to prevent currency manipulation by bad actors, the DAO is a "slow DAO." Replacing automated changes to the currency found in many cryptocurrencies with a reasoned and deliberate pace and process administered by a trusted Administrator. This paper introduces the functionality of C*u*Bit™ in the context of the DAO, Administrator, and the unprecedented transparency tool, the publicly published and audited C*u*BitDAO™ Asset Ledger.

This document serves as a whitepaper and business plan for Universal Real Estate Wealth Protection Solutions™, LLC (UREWS™, the Company). The organization of this document is laid out in the Table of Contents. Some components of this document are included by reference to specific elements of either the

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website www.UREWPS.com or www.CuBitREvolution.com. The reason for including those portions by reference is to ensure that select portions of the plan which may require post-publication updates can be maintained in one location with the latest information. The authors apologize in advance for any inconvenience this may cause the reader.

1.0 Executive Summary

The wealth of cryptocurrency investors and stock market investors is frequently decimated by volatility. The collapse of many cryptocurrencies is nearly inevitable. They collapse because the value of typical cryptocurrencies is not backed by any tangible assets which can be independently verified. The highly speculative and shaky foundations of these cryptocurrencies is a de facto invitation for poor management and fraud. When the shaky foundations, poor management, or fraud are uncovered, collapse of the value of the venture is certain and extreme.

In addition to the devastation of wealth due to volatility is the inexorable decline in buying power of accumulated wealth that stems from inflation. Inflation, regardless of whether it is creeping as it has in the past or soaring as it is now, has been steadily and stealthily eroding the buying power of the wealth of both savers and investors. As inflation erodes the buying power of fiat currencies like the US Dollar (UDS), investment accounts and savings accounts held in fiat currencies lose their inherent value.

1.1 Stable Currency

To protect against volatility and inflation requires a stable currency deriving its stability from an inherently, and historically, stable underlying commodity and an investment vehicle denominated in this stable currency. Traditional avenues for the creation of such a currency are almost entirely limited to nation-states. The advent of blockchain-based cryptocurrencies has created an unprecedented opportunity to create the requisite currency without reliance on the imprimatur of a nation-state.

C*u*Bit™ is expressly designed to be a stable receipt currency rooted in a commodity that has inherent value and historically stable values. C*u*Bit™ dramatically changes the world of investors and savers. Cryptocurrency investors and savers now have a currency with its value linked directly to real estate, historically one of the most stable commodities with inherent and widely recognized value. The transparency of this link between C*u*Bit™ and real estate is maintained through a publicly viewable ledger of real estate and liquid assets (the Asset Ledger).

1.2 C*u*BitDAO™ Members

The Company has created C*u*Bit™ and the associated DAO which controls the supply of C*u*Bit™. The Company is the DAO Administrator and maintains a contractual relationship with the DAO. Initially, the Company is the only member of the DAO. Members will be added as they deposit money in the DAO treasury and receive a commensurate amount of C*u*Bit™ in acknowledgement of their deposit.

The Administrator, acting under the direction and withing limits set by the DAO, mints C*u*Bit™. The Administrator manages the investment of the wealth deposited in the DAO by Members. A summary view of the assets of the DAO is publicly displayed in the Asset Ledger and updated regularly.

Periodically, outside auditors examine the Asset Ledger and the Administrator's books to ensure that the Asset Ledger accurately reflects the value of the DAO assets. The Asset Ledger gives Members a line of sight to the value backing their holdings and keeps the Administrator accountable.

Those who become Members are not spending their money. Nor are they acquiring illiquid digital tokens of dubious value which they hope to trade later for a profit. Members are pooling their resources to create a fund that is managed by the Administrator to protect Members' wealth against volatility and inflation through real estate investments.

Taking advantage of the Ethereum blockchain and self-custody cryptocurrency wallets, Members retain direct control of their C*u*Bit™. Each Member has the right to vote on specific measures affecting the value of C*u*Bit™ and the operations of the DAO. Members are free to exchange their C*u*Bit™ with other parties at will. Anyone accepting C*u*Bit™ is accepting the terms of membership in the DAO and is subject to the terms and conditions applied to all Members as noted in the C*u*Bit™ Deposit and Redemption Agreement.

1.3 Wealth Protection Through Real Estate

C*u*Bit™ is a significant advancement in the protection of wealth through real estate. First, it provides some key benefits of real estate investing without requiring individual Members to provide large sums of capital to invest in either real estate or C*u*Bit™. Second, it eliminates the lack of liquidity inherent in most investments involving real estate. Because C*u*Bit™ deposits are not tied to specific real estate investments C*u*Bit™ is a truly fungible currency.

The Company is designed, built, and operated to protect the wealth entrusted to it by the C*u*BitDAO™ Members. As the Administrator, the Company mints C*u*Bit™ and exchanges it for Member deposits. Then the Administrator invests a majority of deposits in income producing real estate. Controlling the supply of C*u*Bit™ and supporting it with the value of real estate are the primary tools used to protect Members against volatility and inflation.

1.4 Value Control

The inherent value of any currency is controlled by two factors:

1) the value of the assets backing the currency

2) the amount of currency in circulation (monetary supply).

Nominally, the value of every US Dollar (USD) is backed by the Gross Domestic Product (GDP) of the USA. When the amount of USD in circulation increases without a corresponding increase in the US GDP, the value (buying power) of each USD declines.

"Printing money means … devaluation."

James Rickards (Rickards, 2011)

Although the Company manages the assets of the C*u*BitDAO™, the supply of C*u*Bit™ is ultimately managed by the C*u*BitDAO™ Members. DAO Members vote to increase or decrease limits on the supply of C*u*Bit™.

The Company manages the monetary supply within those bounds. If the Company needs more C*u*Bit™ than is currently permitted, the members of the DAO must vote to approve or reject the Company's proposal to alter the monetary supply. This ensures that the supply of C*u*Bit™ is always adjusted exclusively in support of the interests of DAO Members. DAO Members are as important to the value of C*u*Bit™ as Federal Reserve Board Members are to the value of the US Dollar.

1.5 Transparency

When the Company uses DAO funds to acquire various types of real estate in diverse locations it pledges a prescribed portion of the value of those assets to the Asset Ledger. This provides real world assets to store and protect the wealth deposited in the DAO. A significant portion of DAO assets are kept liquid and not invested in real estate. The combination of liquid assets and real estate assets in the Asset Ledger fully collateralizes the wealth of C*u*BitDAO™ Members.

In the Administrator contract, the DAO requires that the Company target an Asset Ledger balance of ~65% real estate and ~35% liquid assets, plus or minus 15% for each. The liquidity margin of ~35% allows the DAO to meet short-term liquidity needs of Members and allows the Company to take advantage of unexpected real estate opportunities. Because C*u*Bit™ is a fungible currency, we anticipate it will become a currency of choice and be freely exchanged for other cryptocurrencies, fiat currencies, as well as goods and services.

1.6 Exchanging C*u*Bit™

The exchanging of C*u*Bit™ outside of the captive Exchange has no effect on the amount of C*u*Bit™ in circulation. Only deposits and redemptions made through the Exchange affect the amount of assets in the Asset Ledger and the amount of C*u*Bit™ in circulation.

All exchanges of C*u*Bit™ are subject to the terms of the C*u*Bit™ Deposit and Redemption Agreement which transfers with C*u*Bit™. See the Exchange on www.CuBitREvolution.com for the particulars of the C*u*Bit™ Deposit and Redemption Agreement.

The Exchange rate for C*u*Bit™ through the captive Exchange is determined based on total value of C*u*BitDAO™ assets as published on the Asset Ledger. Exchange rates through exchanges that are not captive to the Company are not controlled by the Company or the DAO and may vary widely. Members can expect that their most advantageous and stable exchange rate is through the Exchange, where no arbitrage or profit incentive is in play.

After closing the books each month, the Company will publicly refresh the values in the Asset Ledger, demonstrating to the DAO Members, and everyone else, how well it is doing at protecting the wealth deposited in the DAO and represented by C*u*Bit™. The exchange rate published in the Asset Ledger will demonstrate the performance of the Company as it carries out its mission to protect the deposits of the C*u*BitDAO™ Members.

The Exchange lists two distinct exchange rates for C*u*Bit™. One rate is for deposits and the other is for redemptions of C*u*Bit™. The redemptions exchange rate is set lower than the deposits rate to reflect the costs incurred by the Company to redeem C*u*Bit™. The redemption fee is payable to the Administrator.

1.7 C*u*BitDAO™ Inflation Control

Figure 1 Inflation Control is About Money Supply

One of the most common inflationary issues for any currency is the "printing" of money. We put quotes around printing to mean the creation of money whether it is digital, paper, or coinage; increasing the money supply, in any way, is printing money. Today, when a central bank increases the money supply the insertion of the new money into the economy is nearly instantaneous. The inflationary effects of increasing the money supply in this manner are well documented. Cryptocurrencies are not inherently immune to these inflationary effects, unless they have been specifically designed to manage them.

C*u*Bit™ is architected to deter inflation of the currency through the minting and release processes of the Company.

Newly minted C*u*Bit™ is deposited in the C*u*Bit™ reserves (Reserves). Reserves are shown in the Asset Ledger. Reserves constitute a potential liability because they have not yet been issued in receipt of any deposits. Because Reserves have not been issued, they are not in Circulation. Only C*u*Bit™ in Circulation has any value. Hence, Reserves do not cause inflation by decreasing the value of C*u*Bit™.

When a new deposit is received into the DAO treasury, C*u*Bit™ is issued as a receipt. When C*u*Bit™ is redeemed, assets are removed from the DAO treasury and the C*u*Bit™ is retired from Circulation into the Reserves. This means that the C*u*Bit™ in Circulation is always backed by assets in the Asset Ledger. The result is that there is no inflationary effect from minting or issuing new C*u*Bit™.

At least once each year, as the Company performs its annual financial accounting reconciliation, the Company will give Members the opportunity to review the results of an audit performed by a third party. In conjunction with that audit, the Company may present one or more proposals. The first is to accept the results of the audit. The second is to accept a designated party to conduct the next outside audit. Additionally, a vote of confidence in the Company to continue as Administrator managing the assets supporting C*u*Bit™. Finally, there may be proposals to adjust the supply of C*u*Bit™. DAO votes are binding on the Administrator.

2.0 UREWPS™ *"The Company" & Administrator*

The legal name of the Company is Universal Real Estate Wealth Protection Solutions™, LLC. We usually shorten this to the acronym UREWPS™, or simply refer to "the Company." In the current context the Company is also acting in the role of the DAO Administrator and the terms "Administrator" and "the Company" are generally interchangeable in this document. Regardless of any shortened names the full name of the company is meaningful, providing many indicators about important aspects of the Company.

What's in a Name?

Universal Real Estate Wealth Protection Solutions™

Universal reflects the fact that the need to protect wealth from inflation and volatility are not limited to one country or one economic tier. This is a universal need, and the Company aims to meet that common need.

Real Estate is historically the single most reliable investment used to successfully protect and grow wealth. Its durability, utility, and scarcity make it ideal for wealth protection. Real estate is central to our solution.

Wealth Protection, aside from wealth accumulation, is perhaps the most important part of the wealth cycle. Once in your hands there is a long line of folks looking to take away what you have earned. The Company aims to provide you with tools to keep your wealth safe from the seen and unseen threats.

Solutions, plural. We need more than one solution to grow and protect your wealth because there are multiple threats to your wealth. Our risk management approach aims to foresee and protect against a wide variety of threats with a wide variety of solutions. We do that regardless of the amount of wealth you deposit in the DAO. We embrace the utility of cryptocurrency as integral to our solution because of the inherent and growing risk to fiat currencies. We also embrace real estate as integral to our solutions because of its long track record of reliability as a protection for wealth.

LLC limits our liabilities. We wouldn't be a very good protector of what is yours if we couldn't even protect what is ours. We are a closely held, limited liability company incorporated in the State of Wyoming. We chose to incorporate in Wyoming because lawmakers there have been among the first in the nation to establish legal frameworks addressing DAO and cryptocurrencies.

2.1 Fiat Currencies in Peril

Rampant Inflation

For many years now many economists have been pointing out that the prevailing economic policies of central banks around the world, including the USA, are leading to an economic collapse triggered by a collapse of fiat

currencies. James Rickards has gone so far as to assert that we are in the midst of a "currency war." The current currency war, he asserts, is one a series of such wars and this one threatens to culminate in the collapse of the US dollar (Rickards, 2011).

Fiat currency, which derives its value by government decree rather than tangible assets, is increasingly viewed as vulnerable to inflationary pressures. Central banks worldwide have adopted unprecedented measures, such as extensive quantitative easing (QE), to stimulate economic growth. Governments' rising debt levels further exacerbate the situation, with countries like the United States carrying trillions in public debt. This heavy reliance on borrowing raises questions about long-term economic stability and fiscal responsibility. Economists have argued that over-reliance on fiat currency and continuous debt accumulation could lead to hyperinflation as it did in Weimar Germany and Zimbabwe (Bordo, 2019). Bordo notes, "When central banks lose control over inflation expectations, trust in fiat currencies erodes rapidly, sometimes irreversibly" (p. 50).

Currency Replacement

Other experts argue for a return to the gold standard[4], where each dollar is backed by a specified amount of sovereign gold reserves. Using a valuable commodity such as gold to back the value of currency is a practice that is almost as old as recorded human history[5]. For a commodity to succeed as the backing of a currency requires several characteristics:[6] portability, divisibility, durability, universally available, usability, inflation resistance, low volatility, and degree of difficulty to counterfeit.

The growing popularity of alternative assets, including cryptocurrencies, leads some experts to suggest that fiat currencies could lose their dominance if people increasingly seek stable stores of value outside government-controlled currency. This shift signifies that central banks' current approaches may lead to an accelerated search for alternatives. As Saifedean Ammous (2018) warns, "In a world where governments cannot maintain fiscal prudence, alternatives like Bitcoin offer a hedge against devaluation" (p. 205). Cryptocurrencies inherently have many features needed to succeed as a currency. They are inherently portable, divisible, durable, universally available, usable, and more resistant to counterfeiting than paper money. Additionally, with the use of crypto wallets protected by twelve-word encryption keys they are invulnerable to brute-force thefts. Their biggest weakness has been the lack of any inherent value or the value of a commodity to back them.

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Using Real Estate

The choice of real estate as the commodity to back C*u*Bit™ is based on multiple factors that are characteristics of a stable currency. Real estate is inarguably a finite commodity which cannot be counterfeited. Additionally, real estate has an inherent value which historically outpaces inflation. The value of real estate (in aggregate) is highly resistant to price manipulations and extreme volatility. Although real estate is readily divisible and durable, the lack of portability and lack of liquidity has prevented its use as currency. Despite those deficiencies, the historic and ongoing use of real estate to back the value transactions, and to act as security and a store of value, is embraced all over the world and is a significant element of world economics. C*u*Bit™ overcomes all the disadvantages of real estate and makes the advantages of its positive characteristics available to everyone.

Real estate has proven success in preserving and growing wealth. Real estate investments provide a natural hedge against inflation and are generally far less volatile than any other investment. Unfortunately, real estate investing is a very capital-intensive business. Real estate investing is also replete with many specialized risks and many scammers. The specialized risks and need for large amounts of capital put real estate investing out of reach for most middle-income savers. To make the benefits of real estate investing available to middle income savers requires a solution which:

1) Lowers the capital requirements to be within reach of most middle-income savers
2) Effectively manages the specialized risks associated with real estate investing
3) Protects against real estate scams

2.1.2 Decentralized Monetary Controls

To further cement the safety and security of C*u*Bit™ as a store of value, instead of leaving the key levers of the currency supply in the hands of governments or central banks, those levers are subject to decentralized control by the people who use the currency. Everyone who exchanges money for C*u*Bit™ becomes a member (Member) of the C*u*BitDAO™ (the DAO) and gains voting rights to control the currency. Finally, to prevent currency manipulation by bad actors, the DAO is a "slow DAO." Replacing automated changes to the currency found in many cryptocurrencies with a reasoned and deliberate pace and process administered by a trusted Administrator. This paper introduces the functionality of C*u*Bit™ in the context of the DAO, Administrator, and the unprecedented transparency tool, the publicly published and audited C*u*BitDAO™ Asset Ledger.

Using Cryptocurrency

We have targeted a modest value per C*u*Bit™ to provide a reliable solution usable by middle-income savers to protect their modest amounts of wealth from the depredations of inflation, volatility, and scammers.

Cryptocurrency was targeted by the Company because of the inherent transparency, accessibility, and durability of the distributed ledger technology (blockchain) and smart contracts which are at the heart of cryptocurrency. Unfortunately, the existing world of cryptocurrency has several major obstacles hindering its widespread adoption by middle-income savers:

1) The technology requires specialized knowledge to understand. This puts off many middle-income savers because they are too busy earning a living to dedicate the time needed to understand the technology.
2) The cryptocurrency market is saturated with scammers and others who deliberately sow confusion about the technology and how it works.
3) Most cryptocurrency offerings are mislabeled. Most are not currencies. Most offerings are either securities, or collectibles.

A cryptocurrency solution which meets the needs of middle-income savers must:

1) Provide a simple, easily understood, and believable value proposition
2) Ideally, the solution should clearly relate to real world assets with which middle-income savers are familiar
3) Provide a simple, easily understood, and believable process for protecting and growing their wealth
4) Protect against cryptocurrency scams
5) Give the middle-income savers significant control over their wealth

To meet these needs the Company has created C*u*Bit™, the C*u*BitDAO™, the Asset Ledger, and Distributed Regional Affiliates (DRA).

2.2 Vision, Mission, Strategies, and Values

Our Vision: Tokenize "damn near everything" to enable individual economic liberty for everyone.

Our Mission: Protecting the wealth of C*u*BitDAO™ Members from inflation and volatility.

2.2.1 Strategies

1) Use the inherent and appreciating value of real estate investments to support the value of C*u*Bit™.
2) Partner with local real estate investors through purpose-built, regional affiliates in diverse selected markets to identify, fund, and manage real estate assets to support the value of C*u*Bit™.
3) Migrate the management of real estate property rights away from vulnerable analog processes to immutable, distributed ledgers (blockchains) as we "Tokenize Damn Near Everything."
4) Use the features and ubiquity of cryptocurrency to create a layer of liquidity for real estate which doesn't widely exist today.
5) Avoid the risks associated with debt-for-liquidity solutions that exist today.

2.2.2 Values

1) **Integrity:** Many believe that when we die each of us will have a meeting with God where we will be required to justify all our actions and face eternal consequences for those actions. Compared to eternity, mortality is short. Hurting others with our actions in this life to enjoy short-lived rewards is a recipe for a very disappointing and unpleasantly prolonged experience after this life ends.
2) **Transparency:** It has been said that "sunlight is the best disinfectant." We believe that integrity and transparency are complementary. While exercising a prudent level of risk management requires some of our operations must be kept out of the public eye, we will regularly open our operations to reputable,

outside auditors to provide a third-party verification that we are acting in the best interests of the C*u*BitDAO™ Members.

3) **Sensible Risk Management:** Well managed and prudent risk management is often the key factor that differentiates sustainable success from sudden success stories that collapse as abruptly as they arose.
4) **Balance (Win-Win-Win instead of Win-Lose):** The Company is committed to implementing solutions that produce wins for all involved. This means that our solutions should allow C*u*BitDAO™ Members to have their wealth protected and growing, our Affiliates thriving, and our employees enjoying a balance of compensation and time to invest in their family and personal lives.

To further implement these values we have incorporated into our Strategic Roadmap three related efforts:

[The Worldwide Property Rights Registry™ (TWPRR™)]

[Worthy Renter Assistance Program™ (WRAP™)]

[Home Ownership Opportunities Pathways System™ (HOOPS™)]

For details of each please see their respective whitepapers which can be downloaded through links on www.CuBitREvolution.com or www.UREWPS.com.

2.3 Value Proposition

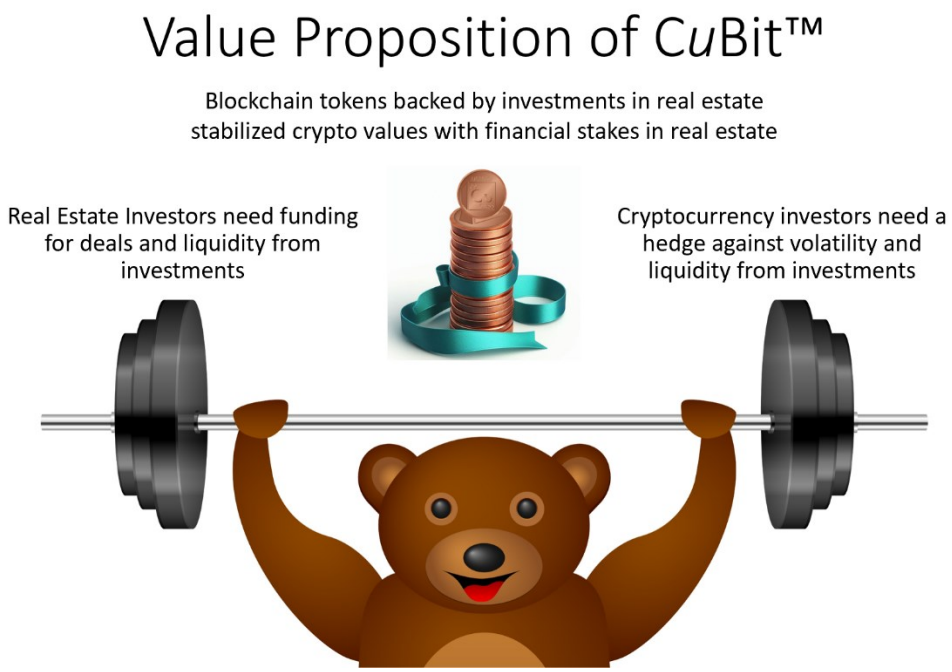

Figure 2 - Value Proposition

In the world of real estate investing there are several key participants, each with their own set of needs.

1) **Sovereign authorities** need to protect and manage the property rights of the people while also ensuring real estate-based taxes and associated government fees are collected fully and in a timely manner.
2) **Real estate investors (REI)** need to be certain they are dealing with the true owner of a property, and they need ready access to sufficient affordable capital to fulfill their investment objectives.
3) **Investors and Savers** need a stable alternative to a fiat-currency-based, which will protect their wealth from inflation and volatility.

To meet these needs, the Company creates and sells C*u*Bit™ which is backed by the value of real estate. The cryptocurrency created and minted by the Company is a true currency, not a security. The distinction, and the importance of the distinction is explained subsequently.

2.3.1 *Sovereign Authorities and TWPRR™*

Ownership Origins

The term "real estate" has its origins in the words "royal estate." This nomenclature implicitly recognizes that without the backing of a sovereign all claims to land ownership are inherently legally indefensible. Without the imprimatur of a recognized sovereign, claims of land ownership are only recognized by force of arms; the ability to assert ownership rights forcefully and successfully.

Even in the USA, where the founding documents expressly recognize that the government derives is powers from the consent of the governed thereby recognizing them as the source of sovereign power, the government is the sovereign source of land ownership. The common law foundations of US law recognized the validity of land ownership tracing back to land grants from the English Crown. Later, treaties and actions such as the Louisiana Purchase, the conquests of the Texas War for Independence, the Mexican American War, the Oregon Treaty, and the purchase of Alaska from Russia all had the effect that citizens first acquired their rights of land ownership from the sovereign authority.

Ultimately, all current claims of real estate title trace their roots to a sovereign power granting ownership. Implicit in this grant, even in the event of purchase, is the right or ability of the sovereign to revoke ownership. The means of revocation may be simple or complex and may afford more or less respect to the rights of the nominal owners. However, the ability and right of revocation is a Sword of Damocles hanging over the head of every landowner. Failure to recognize that threat and attempts to subvert that hazard are inevitably bound to incur the displeasure of the sovereign and result in actions which will reassert sovereign ownership of the land.

In the USA sovereign interests in real estate are managed by government entities at Federal, State, County, and Municipal levels. Although each level of government has its own unique needs, we will refer to all these interests collectively as the Sovereign.

Blockchain Opportunities

Because the world of blockchain (the digital world) is only tenuously tied to the real world (the analog world), some operators in the cryptocurrency space attempt to obviate, avoid, or attempt to deny the rights of the Sovereign to intervene. While that approach may succeed for a limited time, the digital world will not escape the attention of the Sovereign. The naiveté of the digital operators putting themselves at odds with sovereign authorities will become self-evident when Sovereigns establish laws regulating their interests in the digital world and enforce the same by real-world pursuit and incarceration of scofflaws.

Blockchain technology has many inherent advantages over many analog practices relative to real estate ownership. Chief among these are the efficiency of the processes and the immutability of the records. These advantages will inevitably be realized, and the legal oversight of real estate ownership will be dramatically disrupted as the changes are implemented by converting analog real estate records and transactions from analog to blockchain records. This disruption has a significant potential to create hostility from the Sovereign if actors attempt to avoid or subvert its interests.

Sovereign Prerogatives on the Blockchain

TWPRR™ includes active and direct support for the Sovereign relative to the lawful execution of real estate related transactions using Blockchain technology. We do not plan to simply comply with Sovereign requirements as they emerge, we plan to enable enforcement and simultaneously shape those requirements. We anticipate that our problem solving in this space may result in significant consulting revenues, however they do not factor in our financial projections.

2.3.2 *Investors and Savers*

Crypto Investors and Savers

Cryptocurrency investors currently face a situation where many of their investments suffer repeatedly from significant volatility and the investors have few options to hedge against this volatility.

In November 2021, Statista.com[7] notes that the combined market cap for all cryptocurrencies totaled just over $3 trillion USD in value. By February of 2022 that value had dropped by nearly 1/3rd to $1.7 trillion. They lost a total of about $1.7 trillion USD. If just 1% of those investors had hedged against volatility back in November, they would have saved themselves more than $17.0 billion USD.

Bitcoin, currently the most prominent cryptocurrency holding about 40% of all cryptocurrency investments today similarly[8] lost about 1/3rd of its value during the same period. Its market cap dropped from 1.15 trillion in October 2021 to 830 billion in February of 2022, losing $185 billion USD in value. If just 1% of Bitcoin investors had shifted to a volatility hedge, they would have saved themselves $1.85 billion USD.

These recent, real-world losses illustrate the fact that the size of a potential market for any cryptocurrency which can act as a hedge against volatility is in the billions of dollars. Currently, the options for hedging are mostly limited to so-called stablecoins. Unfortunately, because stablecoins are typically designed to mimic the valuation of a specific fiat currency, their value as a hedge against volatility is tainted by their loss of value due to inflation of the mimicked currency. Confidence in stablecoins is further eroded by their opacity regarding the assets held to support their value.

Cryptocurrency investors and savers need an option which both hedges against volatility and inflation. Because the costs of exchanging cryptocurrency assets for fiat currencies can be high, the ideal solution would be a

[7] Overall cryptocurrency market capitalization per week from July 2020 to February 2022, as seen on 2/21/22 https://www.statista.com/statistics/730876/cryptocurrency-maket-value/

[8] Statista.com, Market Capitalization of Bitcoin from April 2013 to February 7, 2002, as seen 2/21/22 at https://www.statista.com/statistics/377382/bitcoin-market-capitalization/

cryptocurrency which manages to provide the advantages noted. As a cryptocurrency, C*u*Bit™ is available in the cryptocurrency world as a viable alternative to stablecoins or transfers into fiat currency.

Real Estate and Crypto Savers

Real estate has traditionally been a significant hedge against volatility and a significant vehicle for investors to store, protect, and grow their wealth. Today, for a blockchain investor to use real estate to hedge against volatility with real estate they must liquidate their blockchain into fiat currency and purchase real estate or convert their wealth into fractionalized ownerships represented by non-fungible tokens (NFTs) which are difficult to exchange for any other investment, even within the real estate arena.

C*u*Bit™ is a blockchain-based commodity receipt currency. The commodity backing the value of the currency is revenue producing real estate. Providing C*u*Bit™ as a receipt for deposits allows crypto investors and savers to keep their money in the cryptocurrency universe (the cryptoverse) while enjoying the low volatility and inflation hedges provided by real estate. While some of the benefits of C*u*Bit™ will be available to depositors, DAO Members do not have direct ownership claim on the real estate. Thus, while the value appreciation of the real estate flows to the Asset Ledger (and thence to the DAO Members), the operational cash flows generated by the real estate are reserved to fund Company operations.

For a more robust description of C*u*Bit™, please refer to the CuBit™ Whitepaper as found at www.CuBitREvolution.com.

2.3.3 *Real Estate Investors (REI)*

Nearly every weekend, self-appointed real estate experts (referred to as gurus) hold seminars to teach people to become real estate investors. While the instructions provided vary in quality and accuracy, few of them provide any substantive support for the capital needs of these real estate investors. In short, these seminars continue to create a pool of trained, but relatively inexperienced real estate investors who typically lack access to adequate capital to succeed in their investing endeavors.

Banks and credit unions typically direct these investors into full-recourse residential loans they can easily resell to Fannie Mae and Freddie Mac[9], rather than treating these investors as businesses. This approach is comfortable for the lending institutions while managing the escalated risks from inexperienced business owners.

These investors have been sold on the notion that they can invest in real estate using little or none of their own money or credit. This pitch is appealing because they often have little money or poor credit. Unfortunately for these REI, traditional lending products usually fail to meet the needs of many of these investors. Traditional lending products require both money for down payments and decent credit scores. As REI overcomes the hurdles of traditional lenders and succeed at gaining ownership of additional properties, they can hit lending ceilings imposed from Fannie Mae and Freddie Mac. To overcome these limits and the other restrictions of traditional lenders the successful REI resort to creative financing techniques.

[9] Fannie Mae (the Federal National Mortgage Association) and Freddie Mac (the Federal Home Loan Mortgage Corporation) are two quasi-governmental agencies operating under the conservatorship of the Federal Housing Finance Agency (FHFA) which, together, own about 60% +/- of all conforming residential loans in the USA, according to Sarah Shareky, Bankrate.com, Fannie Mae vs. Freddie Mac: What's the Difference?, 13 October 2021 as seen at https://www.bankrate.com/mortgages/fannie-mae-vs-freddie-mac as of 2/22/22.

Underserved Market Segment

Experienced and inexperienced real estate investors are notoriously underserved, or badly served, by traditional lenders. This situation has led to the creation of a cottage industry of private lending which is often predatory and unevenly regulated. A large, reliable, and ethically managed pool of capital will enable competition and many efficiencies in real estate markets.

In addition to the constant stream of new, small real estate investors needing capital, many established real estate investors can benefit from indirect access to the significant amounts of capital that are currently locked away in the cryptocurrency world.

The Company's products and operations ethically and effectively manage the risks while efficiently allowing the DAO to profit from using Member deposits to benefit from serving this underserved financial market.

2.4 The Solution

The solution to the problems of these various actors is solved by the Company by bringing together the following pieces:

1) The DAO accepts deposits in exchange for C*u*Bit™ while offering to provide an effective hedge against volatility and inflation for cryptocurrency investors, savers, and others.
2) The Company creates affiliated companies in selected real estate markets to meet the financial needs of REI by providing financing partnerships, funded with DAO liquid assets.
3) Through TWPRR™ and other smart contracts, the Company creates immutable blockchain entries documenting the properties, property rights, ownership, and sovereign interests in each piece of real estate and teaches local sovereign authorities how to use this technology to meet their needs more efficiently and resiliently than present methods allow.

2.4.1 *The Savers' Solution*

To solve the problems of the cryptocurrency investors, savers, and REI, the Company provides C*u*Bit™ to cryptocurrency investors (and others), as a receipt currency in exchange for their money deposited in the DAO and tracked through the Asset Ledger. Then, the Company establishes distributed regional companies (DRA, the Affiliates) comprised of real estate investors, who are also accredited investors, in local markets. Each DRA works with local real estate investors (REI) to source and manage real estate investments which back the value of C*u*Bit™.

With the USD the Federal Reserve, a quasi-governmental agency, makes all decisions about the supply of money. These decisions directly impact the value of money (USD). Conversely from the centralized, bureaucratic, and corporate control over the supply of USD, decisions affecting the supply of C*u*Bit™ are left in the hands of those most impacted by those decisions.

Members of the DAO have specific rights and responsibilities. C*u*Bit™ holders are entitled to vote in the matters presented for decision to the DAO regarding the supply of C*u*Bit™.

DAO Members have no direct ownership of the real estate in the Asset Ledger or the returns of the Company. C*u*Bit™ holders are roughly analogous to anyone buying Euros, Rubles, or some other fiat currency. The benefit of C*u*Bit™ is the hedge against volatility and inflation due to inherent real estate values, not from any

income stream or dividends. This is one of the key aspects of C*u*Bit™ which make it a currency instead of a security, in contrast with many other cryptocurrencies (see C*u*Bit™ and the Howey Test for more details).

2.4.2 *Real Estate Investors' Solution*

The Company provides funding from the DAO treasury for real estate investment deals sourced through the Affiliates.

Owners of Affiliates must buy stock in the Affiliate through a private placement memorandum (PPM). Each owner of an Affiliate must be an accredited investor as specified in US government guidelines. Each Affiliate is structured as a DAO with limited membership. Each Affiliate, through its members, is expected to fulfill certain duties and is compensated by the successful execution of those duties. As local experts they are perfectly positioned to perform these duties:

1) Vet the REI proposing deals, the subject property in the deal, and the terms of the deal
2) Oversee the operation of the deal to ensure all conditions are successfully met
3) Provide training to hone the skills of the REI, enabling them to succeed as REI

2.4.3 *Sovereigns' Solution*

As properties flow through the Company their related characteristics and ownership interests will be codified into NFTs which will be registered in a blockchain created by the Company specifically for this purpose (The Worldwide Property Rights Registry or TWPRR™). The Company will work with local sovereign authorities to help them understand and adopt standardized ways to use NFTs for managing their real estate interests. We anticipate that this effort will help decrease the frustrations of sovereigns and facilitate their transition to using blockchain technology to replace many of the inefficient and vulnerable processes they currently use to manage sovereign real estate interests.

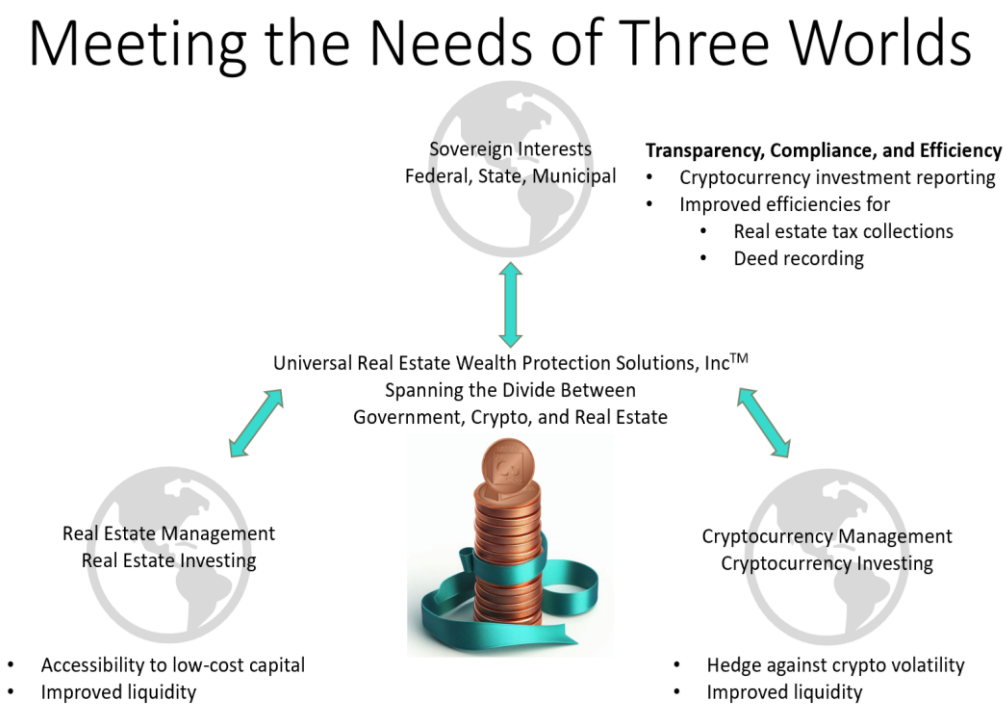

***Figure 3** - Meeting the Needs of Three Worlds*

C*u*Bit™ is a reliable and stable bridge between the digital and analog worlds of finance through the intertwining of real estate and cryptocurrency.

2.4.4 *Trustworthy Solutions*

UREWPS™ and C*u*Bit™ incorporate several measures to earn and maintain the trust of C*u*Bit™ depositors, DRA investors, REI, and sovereign authorities.

1. Using the Ethereum Mainnet to host C*u*Bit™ provides transparency. Transactions on the Mainnet are visible to anyone with access to the internet.
2. The wallet used to deploy and alter C*u*Bit™ (the owner wallet) requires multiple signatures to make deploy any changes to the coin contract. The contract is kept in a locked state except during deployments. This creates an extra step for security.
3. Proposed changes to the contract require authorization by a vote of the C*u*BitDAO™. They cannot be made unilaterally by UREWPS™, or any other party.
4. Proposed changes to the contract can only be presented to the C*u*BitDAO™ through UREWPS™. This expressly thwarts efforts to defraud C*u*Bit™ depositors through spurious or suspect proposals.
5. C*u*BitDAO™ votes are carried out using a third-party provider, ensuring that UREWPS™ cannot manipulate the results.
6. The Asset Ledger is publicly viewable and updated monthly. This provides a single source of record for C*u*Bit™ depositors to see how much real estate and liquid assets are backing their deposits.
7. The Asset Ledger is periodically audited by an outside auditor and the relevant results are posted publicly. This provides assurance that UREWPS™ is honestly reporting the assets used to back the value of C*u*Bit™ deposits.

2.5 Organizational Profile

2.5.1 *Legal Structure*

The Company is organized as a closely held, member-managed, Limited Liability Corporation in the state of Wyoming. When appropriate, the Company will convert from using traditional stock certificates and ownership share will be encoded into a blockchain computer program known variously as a smart contract or a non-fungible token (NFT). We refer to these as governance shares or tokens as GovT[10].

The Company holds ownership interests in each C*u*Bit™ Distributed Regional Affiliate (DRA) it establishes to facilitate its operations in various locales. Each Affiliate is wholly owned by the Company when established. After legal creation of the Affiliate, the Company sells ownership interests in the DRA to accredited investors through a Private Placement Memorandum (PPM) and appropriate processes which comply with applicable Federal and State securities laws and regulations.

2.5.2 *How it Works*

With the authorization of the DAO, the Company mints C*u*Bit™ and issues C*u*Bit™ as receipts for deposits in the DAO treasury. The DAO treasury constitutes a fund which the Company is authorized to manage. The Company uses a majority of the deposits to buy real estate and meet the operational expenses of the Company. The real estate and liquid assets of the treasury are reported to the CuBitDAO™ through the Asset Ledger. The figure below (see

Figure 4- CuBit™ Investment Cycle) provides a high-level view of the investment cycle for C*u*Bit™.

Figure 4- CuBit™ Investment Cycle

Through the issuance of C*u*Bit™, the Company creates and periodically augments a pool of investment capital. The pool is used to fund deals through partnerships in various markets.

An inherent characteristic of real estate is the value variations driven by locality. One acre of real estate in Manhattan Island is much more valuable than an acre of real estate in the plains of Eastern Wyoming. These

[10] Governance tokens are specific to automating certain aspects of the management of the Company and DRA as DAOs. Some may also be employed in a limited capacity in the DAO Advisory Committees. At a minimum, each governance token represents a voting right. It may also represent claims to certain financial rewards.

disparities create substantial risk for anyone investing in a real estate market without intimate knowledge of the nuances of the local market.

To mitigate this risk, the Company organizes local markets through affiliated DAO's (the Affiliate) established by the Company and provides real-estate acquisition funding partnership opportunities to each Affiliate. These Affiliates are substantially locally owned and operated legal entities.

Affiliates have no authority to mint C*u*Bit™ or other tokens. Their scope of control will be limited to the powers enumerated in their charter.

Each Affiliate manages local real estate concerns of the Company. Assets acquired through these Affiliates will be owned in trusts managed by the Company as the Trustee. The portion of the market value of these assets that is claimed by the Company is attributed to the real estate assets (RE) shown in the Asset Ledger.

Real Estate is acquired through joint ventures (JV) between local real estate investing companies (REI), Affiliates, and the Company. The real estate will be titled into trusts with the JV as beneficiary. Most, perhaps all, of the JVs will be organized as an LLC. The Company, the DAO, the DRA, and the REI are all members in the JV with the Company acting as the Managing Partner. The terms and conditions of these JV will be embodied and executed through smart contracts. Smart contracts will dramatically decrease the staffing needs of the Company while simultaneously accelerating the speed and reliability of many routine transactions and administrative tasks (For additional information on the JV and trusts approach used by UREWPS™ please see *7.4 Appendix C: Using Trusts and Joint Ventures* below).

2.5.2.1 Leverage and CuBit™

Leverage, providing a down payment and borrowing the balance of a purchase, is a frequently used mechanism for investing in real estate. While leverage allows the purchase of a much larger portfolio of real estate it increases costs and creates some specific risks.

Leverage significantly dilutes the equity ownership in a property. When property is liquidated frequently 10% to 20%, or more of the value of the property is lost in the costs of the sale. This means an equity position of 10% or 20% (the amount of most required down payments) equates to a zero or negative equity position. Even when the down payment is increased to 35% (a standard for many commercial lenders) the costs of a sale may wipe out most of that value.

Additionally, as happened in 2008 to many lenders and borrowers, if a lender calls for immediate repayment of their loan the proceeds and a replacement lender cannot be found, the proceeds from a forced sale can be less than the amount borrowed, often leaving the owner liable for the difference.

Because of the existential threat leverage is to property ownership, the Company will avoid leveraging the real estate purchases for the DAO. This means that the value of C*u*Bit™ is not misstated or overly complicated by the effects of taking out loans against the real estate backing the value of C*u*Bit™. Being fully reserved with equity positions the Company to better manage any real estate downturns in ways that protect the value of C*u*Bit™.

2.5.2.2 Doing a Deal

The figure below (see **Error! Reference source not found.**) illustrates the general flow and process of a deal s ourced through an Affiliate and funded by the Company.

UREWPS, LLC™ Joint Venture Model

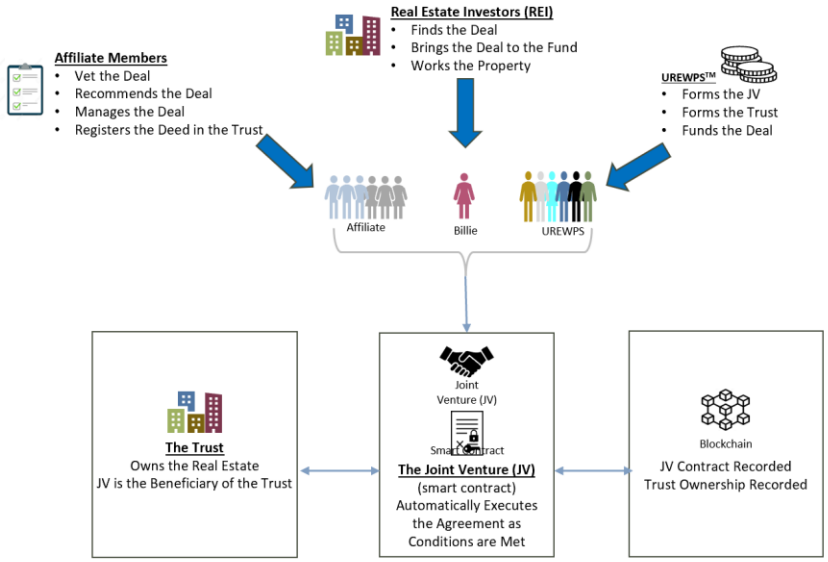

Figure 5 - Deal Flow

Step 1: The REI, a local real estate investing company, brings a deal to their local Affiliate. They may have a purchase and sale agreement and an idea of how they want to handle the purchase and the property, or much more detailed information and plans.

Before deal review and recommendation, the REI, the Affiliate, or both, must gather all the information necessary to make an informed decision about the probability of successful deal completion. This includes the abilities of the REI, the condition of the property, and the terms of the deal.

While there are a very wide variety of categories of real estate, real estate deals tend to fall into a few broad categories. Each category is a combination of strategies to enter and exit the deal. The following are brief descriptions of the four principal deal categories.

1) **Wholesale** – Quickly get a party with money and expertise to "buy" the purchase and sale agreement for a fee to the wholesaler. This typically happens fast and does not involve making any improvements to the property before the wholesaler exits the deal.
2) **Fix and Flip** – Buy the property. Quickly fix it up (rehab or rehabilitate it) to increase its value and sell it. Often this involves short-term, relatively expensive funding.
3) **Buy and Hold** – Buy the property. Make any necessary repairs or improvements. Rent or lease the property for ongoing cash flow. Sometimes this last category is broken into two parts, a fix up funded using short-term, more expensive funding. Then refinancing the repaired property using long-term, less expensive funding.
4) **Development** - This can often look a lot like a fix and flip or a buy and hold. It typically involves funding where only interest is paid while the work is being done and the funding is delivered incrementally as progress is made. When the property is rendered into fully usable facilities. It may be sold like a fix and flip or refinanced into a buy and hold.

Step 2: The Deal Review Committee of the Affiliate underwrites the deal, performing due diligence (vetting) on the REI, the property, and the deal. Each real estate deal entails specific risks and rewards. The risks must be

addressed to improve the probability of success. The rewards must be realistic and sufficient to outweigh the costs and the risks. When the Affiliate has the necessary information, they either reject the deal or recommend the Company fund the deal.

Step 3: The Company reviews the information and the recommendation of the Affiliate. If the Company decides to fund the deal, the company will tokenize the deal in the appropriate trust, JV smart contracts, and then funds the JV by depositing the committed funds into the trust.

Step 4: When the necessary documents are executed and recorded, the deal goes live with the property owned by the trust.

Step 5: As conditions of the deal are met by the work of the REI, verified by the Affiliate, and acknowledged in the smart contract, the smart contract automatically releases funds as agreed. Contingencies for deal failure are built into the JV and agreed upon by the parties before funding occurs. The most extreme remedy for failures is removal from the JV and the loss of all subsequent benefits of the JV.

2.5.3 *Goals*

The Company has several goals, many of which are incremental, building over time. Some goals are more general in nature.

The Company wants to keep the price of entry relatively low for C*u*Bit™ while being meaningful to large and small investors. Although we have many denominations of the coin which are very small fractions, the C*u*Bit™ is the primary currency denomination in the same way that the US Dollar is the primary denomination of US currency. We want to keep the value of C*u*Bit™ close to $100 USD if we reasonably can without introducing artificial inflationary measures into the currency. Despite that goal, in less than ten years projections show the value of one C*u*Bit™ will be approaching $200 USD.

The foundation of all financial goals is the initial sale of C*u*Bit™ at an approximate value of $100 USD per C*u*Bit™.

2.5.3.1 *Year 1 Goals*

Our first goal is to fund the DAO with $1.5+ billion USD (this will be a combination of USD, BTC, ETH, and C*u*Bit™) by issuing the entire first release of 15 million C*u*Bit™ in exchange for deposits within the first nine months after minting C*u*Bit™.

Achieve a “Balanced” state for the Asset Ledger within 12 months of launching C*u*Bit™. This means that 50% to 80% of the Asset Ledger will be in real estate with the remainder in liquid assets (a robust discussion of the states of the Asset Ledger can be found in the C*u*Bit™ Whitepaper or in the online article *Ledger States)*.

Estimated total gross revenues of $218.6 million USD.

Achieve a value of more than 106% of the initial release value of C*u*Bit™ within 12 months of the launch of C*u*Bit™.

This encompasses the following subordinate, incremental goals.

1) Fund the DAO and UREWPS with the equivalent of $15 million USD by issuing 150,000 C*u*Bit™ for about $120 USD per C*u*Bit™ within the first week of launching C*u*Bit™.

   a. $10m to $15m will be used to fund a DRA.
   b. $1m to $5m will be used to fund Company operations. At this level of funding, we can implement payroll and hire staff for key positions.
2) Fund the DAO with the equivalent of $34.9 million USD by issuing a total of 375,000 C*u*Bit™ within the first month after launching C*u*Bit™.
3) Fund the DAO with the equivalent of $139.5 million USD by issuing 1.5 million CuBit™ within three months of launching C*u*Bit™.
   a. Stand up the first Affiliate with a funding commitment of $90 million USD.
4) Fund the DAO with the equivalent of $1.2 billion USD by issuing 12.75 million C*u*Bit™ by the end of six months after the launch of C*u*Bit™.
   a. Stand up six Affiliates, investing $770 million in real estate.
5) Fund the DAO with the equivalent of $1.5 billion USD by issuing a total of 15 million C*u*Bit™ by the end of nine months from launching C*u*Bit™.
   a. Stretch goal of standing up eight or nine Affiliates, investing $906.1 million in real estate.

2.5.3.2 *Year 2 Goals*

Second C*u*Bit™ Release: Mint and issue an additional 50 million C*u*Bit™ six months into Year 2.

1) Stand up a total of 12 (four to six de novo) Affiliates within 9 months of the second release of C*u*Bit™.
2) Achieve a Balanced state for the Asset Ledger within 12 months of the second release of C*u*Bit™.
3) Estimated total gross revenues of $835.6 million.
4) Achieve a value of more than 112% of the initial release value of C*u*Bit™ within 24 months of the launch of C*u*Bit™.

2.5.3.3 *Year 3 Goals*

Third C*u*Bit™ Release: Mint and issue an additional 50 million C*u*Bit™ six months into Year 3.

1) Stand up a total of 24 (twelve de novo) Affiliates within 9 months of the third release of C*u*Bit™
2) Achieve a Balanced state for the Asset Ledger within 12 months of the third release of C*u*Bit™.
3) Estimated total gross revenues of $1.7 billion.
4) Achieve a value of more than 118% of the initial release value of C*u*Bit™ within 36 months of the launch of C*u*Bit™.

2.5.3.4 *Year 4 Goals*

Fourth C*u*Bit™ Release: Mint and issue an additional 75 million C*u*Bit™ six months into Year 4.

1) Stand up a total of 36 (twelve de novo) Affiliates within 9 months of the fourth release of C*u*Bit™.
2) Achieve a Balanced state for the Asset Ledger within 12 months of the fourth release of C*u*Bit™.
3) Estimated total gross revenues of $2.6 billion.
4) Achieve a value of more than $108 USD per C*u*Bit™ within 48 months of the launch of C*u*Bit™.

2.5.3.5 *Year 5 Goals*

Fifth C*u*Bit™ Release: Mint and issue an additional 100 million C*u*Bit™ six months into Year 4.

1) Stand up a total of 54 (fourteen de novo) Affiliates within 9 months of the fifth release of C*u*Bit™.
2) Achieve a Balanced state for the Asset Ledger within 12 months of the fifth release of C*u*Bit™.
3) Estimated total gross revenues of $3.9 billion.
4) Achieve a value of more than $113 USD per C*u*Bit™ within 60 months of the launch of C*u*Bit™.

2.5.3.6 *Additional Goals*

We want to see tokenization of real estate ownership expressly recognized and embraced by sovereigns in at least 6 (six) US States within 5 (five) years.

2.5.4 Management

Management of the Company consists of a variety of executive officers operating under the direction of up to 13 Directors. While the Company is in startup mode the Directors may fill one or more positions as Executive Officers. Staffing the Executive Officer functions in a timely manner with qualified personnel is a significant objective after startup.

At startup, some of the Directors will also be serving as executive officers of the Company. Over time, the Directors and executive officers will hire employees to fill the Management roles held by Directors. The founding Directors bring to the Company a mixture of experience in real estate investing, banking, lending, blockchain technology, marketing, project management, and finance. Additional Directors and executives are being sought to strengthen key areas needing management oversight.

2.5.4.1 *Board of Directors*

1) **Economic Liberty, LLC** - Chairman: has been working in the US financial services industry for more than 30 years. He has experience in mortgage lending, commercial lending, consumer lending, insurance, and banking. He has run his own real estate investing and management business, acquiring, managing, and divesting multi-family and single-family residential properties worth millions of dollars. He has authored more than a dozen books on real estate investing and finance.
2) **Abundant Alchemy, LLC** - Information Technology Director: More than 30 years of business and technology experience primarily in financial services. More specifically, he has worked in mortgage lending, securities, credit risk management (retail and wholesale), regulatory compliance (state and federal), privacy, customer IS, marketing IS, and HR IS. He is an entrepreneur, having owned businesses in technology infrastructure, personal care, entertainment, and health & fitness.
3) **Infinite Alchemy, LLC** - Operations and Risk Management Director: has been working in US financial services industry and technology for more than 40 years. During her tenure she worked in treasury management and technology responsible for commercial relationship pricing and incentive modeling. She has been a real estate investor and has experience in construction and property management.
4) **Moore Treasury Solutions, LLC** – Chief Financial Officer: working in US financial services industry providing treasury management consulting, data integration and automation consulting to major US banks and financial services companies.

2.5.4.2 *Executive Management Team Roles and Responsibilities*

1) Chief Executive Officer / President, Director, or Assistant Director
    a. Chief Deal Maker, Assistant Director
    b. Marketing, Assistant Director

c. Audit, Assistant Director
d. Legal, Assistant Director

2) Chief Financial Officer / Treasurer, Director, or Assistant Director
   a. Finance & Treasury Services, Assistant Director
   b. Business Development, Assistant Director
   c. Controller of Currency

3) Chief Operations Officer / Secretary, Director, or Assistant Director
   a. Property Management, Assistant Director
   b. Risk Management, Assistant Director
   c. Compliance, Assistant Director
   d. Human Resources, Assistant Director
   e. Administration

4) Chief Technology Officer
   a. Business Systems, Security and Operating Technology
   b. Blockchain, Smart Contracts, Wallet Technology and Tokenization
   c. Marketing Systems/Platforms
   d. Research & Development

2.5.4.3 *Staffing*

The Company relies heavily upon smart contracts to reduce the administrative burden of many tasks. Although this automation is not free it eliminates many HR-related expenses. Additionally, a benefit of the pandemic is that the availability of talented people who are willing to be contract or gig employees is at an all-time high. The Company will, accordingly, engage contract employees and outsource functions whenever feasible. Notwithstanding this deliberately intensive use of automation, contractors, and outsourcing, Management recognizes that the Company will need some full-time employees.

Wherever feasible, the Company pays personnel with C*u*Bit™ although the default will be USD.

2.5.4.4 *Payment of Directors, Management and Staff*

UREWPS™ employs a payroll and benefits provider to manage payments and reporting compliance with US laws.

Employees of UREWPS™ may be working either as contractors or employees, some may be both. Contractor payments will be reported using IRS Form 1099 without any withholding. These are considered B2B payments. Employee payments will be reported using IRS Form W-2.

Most UREWPS™ employees will operate with a considerable degree of autonomy regarding how and when they carry out their duties. Therefore, most will be salaried employees who are exempt from the Fair Labor Standards Act (FLSA).

For necessary work that might require employees who fall under the FLSA it is the intent of UREWPS™ to outsource those jobs to contractors. This is a deliberate risk management strategy to shift the costs and burdens of FLSA compliance from UREWPS™ to service providers.

UREWPS™ pay rates are established based on surveys of comparable positions in similar companies and industries. To enhance employee retention and talent attraction, UREWPS™ adjusts the pay range toward the upper end of these survey results. Regardless of these salaries, it is the goal of UREWPS™ management to ensure that salaries represent less than half of the value of the total compensation package.

Employees of UREWPS™ will be eligible for a variety of benefits. UREWPS™ has the goal of providing world-class benefits programs as a key part of its employee retention strategy. These benefits will include profit sharing and bonus pay opportunities which may yield as much or more earnings than employee salaries.

2.5.4.5 *Other Related Information*

Gas fees (Harvey, Rmachandran, & Sandoro, 2021) are payments made to process blockchain transactions. These costs are embedded in the transactions and if funding is insufficient for the combined transaction and the gas fees, the transaction will fail and not be recorded. Although these gas fees can be tracked and reported as costs, it is not clear how they can be attributed to the providers for tax reporting purposes.

Keepers are parties who are paid either a flat fee or a transaction percentage to perform specific actions related to transactions that are occurring on the blockchain. (Harvey, Rmachandran, & Sandoro, 2021). They may provide monitoring or other services. They are not employees of the Company and may be considered contractors.

The Company may use the services of keepers to monitor things like the timely payment of real estate taxes, maintenance of in-force insurance, or other verifications, validations, or even input functions. Optimally payment for these services is carried out in the blockchain and is embedded in gas fees. If they are paid outside of gas fees, the Company will pay them in C*u*Bit™ or *gwei*[11] and report the payments to the IRS on form 1099-MISC/1099-NEC in equivalent USD.

2.5.5 Intellectual Property

The intellectual property created for, or by the Company includes that of the Affiliates, C*u*Bit™ the Company, and any other subsidiaries and joint ventures the Company may create. We will post copyright notice on all appropriate intellectual property and file for trademarks where appropriate. We will maintain and enforce our intellectual property rights.

Below is a representative list of our intellectual property, both actual and anticipated.

1) Key documents (white papers, business plans, diagrams, presentations, etc.)
2) Marketing materials (website contents, blogs, brochures, press releases, podcasts, videos, articles, etc.)
    a. Artwork, logos, icons, memes, and aesthetic pieces created for use, auction, sale, or other promotion of the Company, the Affiliates, C*u*Bit™ or any other products the company develops
    b. Internet domain names, social media identities, and content

[11] gwei stands for gigawei, which is the smallest subdivision of the ether currency. (Antonopoulos & Wood, 2019)

3) All blockchain tokens created for use by the Company, fungible C*u*Bit™ non-fungible governance tokens, and a variety of other tokens, are the intellectual property of the Company.
    a. C*u*Bit™
    b. UREWPS™ Governance Tokens
    c. C*u*Bit™ Regional Affiliate (DRA) Governance Tokens
    d. TWPRR™, HOOPS™, and WRAP™
    e. Real Estate Tokens (e.g., deeds, titles, property rights, etc.)
    f. Lien Tokens (e.g., tax liens, mechanic's liens, bank liens, private liens, etc.)
    g. Others (as needed) (e.g., JVs, trusts, etc.)
    h. All other tokens minted by the Company, which may not be listed, or which may be subsequently developed.
4) Management information systems and computing systems created by the Company such as C*u*BitDeal™, and others we may create.

Within each Affiliate, the financing package for each deal will become a joint venture (JV) and an NFT owned by the Company. The real estate deed will become an NFT held in trust by the Company. UREWPS™ will establish each JV and trust as part of their ongoing operations.

The Company owns the NFTs created by the Company. Ongoing operations of the Company are funded through deal flow and real estate management just like every other real estate investment and management company.

The following notice will be used wherever possible, particularly in the blockchain programs we create.

> *"This program is the intellectual property of UREWPS, LLC™, a Wyoming Limited Liability Organization. All rights are reserved and protected under both international law and the laws of the United States of America. It may only be used in accordance with the provisions set forth below."*

2.6 Operational Strategy and Model

2.6.1 The Model

The key elements of the operational strategy and business model of the Company are as follows:

Operational Element (1)

Mint and issue C*u*Bit™ to attract capital from individual and institutional investors who want:

1) Protection from volatility
2) Protection from inflation
3) Modest value growth
4) No dividends
5) Liquidity
6) Low cost of entry and exit

Operational Element (2)

Create an organization to invest in and manage real estate assets with national (and later global) reach with minimal fixed costs. To achieve this, the Company will do the following:

1. Create and sell affiliated companies (Affiliates) in key markets. These affiliates will be owned and operated by local real estate experts and investors.
   1.1. Affiliates vet deals and bring them to the Company for financing partnerships.
   1.2. Affiliates work with local real estate investors (REI) to find and manage the deals.
   1.3. Affiliates collect a share of the financing and equity cash flows from the partnerships in exchange for their efforts.
   1.4. Affiliate members can also act as an REI and bring deals of their own to the Affiliate for funding partnerships.
2. Provide marketing support to the Affiliates to attract REI deals.

Operational Element (3)

Use automation and smart contracts to reduce costs and reliance on human interventions and activities to carry out many of the processes involved in real estate deal execution and real estate management.

2.6.2 Schedule

The original schedule for this venture began in 2022 and included the denouement of C*u*Bit™ in that same year. Many elements of that original schedule were completed and the Pre-Launch was about to begin when trusted advisors informed the Company of the need to rebrand everything. Originally the currency was to be called DirtiCoin™. A trusted advisor informed us that the industry had informally adopted the term dirty-coin to reference any cryptocurrency which had been taken as part of an illegal or unethical exploit. The rebranding effort and associated changes has taken us more than two years.

Rebranding included new logos, new marketing plans, new websites, rewrites of key documents, rewrites of supporting documentation, rewriting of marketing materials.

The schedule reflected below is our current plan.

Table 1 - Schedule

Term	*Timing*	*Milestone Completion*
Preparation Phase	Completed November 2024	• Deliver completed document checklist ▪ Articles of Incorporation • C*u*Bit™ White Paper • Business Plan • Operating Agreement • Complete initial programming requirements specifications for: ▪ DAO Operating Agreement Contract ▪ Administrator Contract ▪ Asset Ledger ▪ Captive Exchange ▪ C*u*Bit™ • Determine roles and responsibilities • Raise funds through NFT Sales

Term	*Timing*	*Milestone Completion*
		• Create the first DRA • Build operational websites for CuBitREvolution.com and UREWPS.com
Pre-Launch Phase	Begin November 2024	• Acquire a smart contract programmer to code and implement the following: ▪ DAO Operating Agreement Contract ▪ Administrator Contract ▪ Asset Ledger ▪ Captive Exchange ▪ C*u*Bit™ • Initial Marketing campaign for Donations • Raise Operating Capital for UREWPS ▪ Continue to raise funds through NFT sales ▪ Sell shares of first DRA(s) ▪ Add investors • Implementation and integration of AML/KYC into the Exchange processes • Implementation of DAO automated voting mechanisms
Transition Milestone Requirements	Target = start of Pre-Launch + 6 months	• $10m USD Donations in DAO • $5m USD Operational Funding for the Company
Transition Events	Within two weeks after the Transition	• Minting of C*u*Bit™ • AML/KYC of Donors and Donations • Air drop of C*u*Bit™ to convert Donors into DAO Members
Normal Operations	Transition + Year 1 Activities	• Establishment of Digital DRA o Private Placement Memorandum • Sell shares in initial DRAs o Affiliate • Build the DRA smart contracts • Build JV and Trust smart contracts • Fund deals • Automate Deal Flow • Add up to 12 DRA • Develop elements of the Strategic Roadmap
Medium-Term	Year 2 – 5 Activities	• Mint Additional C*u*Bit™ within the current Approval Limit. • TWPRR™ Rollout • WRAP™ Rollout • HOOPS™ Rollout • Add DRAs
Long-Term	Beyond Year 5	• Expansion into Markets outside the USA • Metaverse Initiative • Increase the Minting Approval Limit

Term	*Timing*	*Milestone Completion*
		• Increase the Coin Cap (optional)

2.6.3 *Development Cycle*

The Company employs an Agile methodology to the business. A key component in Agile is the creation of "Epics" encompassing broad portions of a development effort. Each Epic is comprised of "User Stories", each of which usually represents a specific development which can be completed in a stand-alone manner and incrementally add value as soon as it is completed. Accordingly, we have identified the following epics and stories.

2.6.3.1 Preparation Phase

Company Creation Epic

1.1. UREWPS™ Business Plan
  1.1.1. Articles of Incorporation
  1.1.2. Operating Agreement
  1.1.3. UREWPS™ Incorporation
  1.1.4. UREWPS™ Ownership Log
  1.1.5. Financial Model
1.2. C*u*Bit™ Whitepaper

DRA Epic

1.0. Select the DRA locale
1.1. Incorporate the DRA
  1.1.1. Articles of Incorporation
  1.1.2. Operating Agreement
  1.1.3. Filing with IRS
  1.1.4. Filing with Secretary of State
  1.1.5. Financial Accounts
1.2. DRA Private Placement Memorandum (PPM)
  1.2.1. Company Overview
  1.2.2. Risk Factors
  1.2.3. Terms of the Offering
  1.2.4. Use of Proceeds
  1.2.5. Management and Key Personnel
  1.2.6. Financials
  1.2.7. Legal Matters and Disclosures
  1.2.8. Summary of Material Agreements
  1.2.9. Subscription Agreement
  1.2.10. Relevant Appendices
  1.2.11. Executive Summary
  1.2.12. Appropriate Filings
1.3. Launch
  1.3.1. Initial staffing

1.3.2. Promotional Tour
1.4. Operations
1.4.1. Integration with UREWPS™ processes
1.4.2. Deal Flow Management
1.4.3. Financial Management
1.4.4. Operational Staffing

Deal Flow Automation Epic

1.0. Define the deal flow policies
1.1. Define the deal flow processes
1.2. Automate the deal flow processes

2.6.3.2 Pre-Launch Phase

Foundational Contracts Epic (to be done for each smart contract)

1.0. Define Contract Requirements Specifications
1.1. Approve contract specifications
1.2. Identify programming, testing, and implementation resources
1.3. On-board the resources
1.4. Identify the contract MVP
1.5. Identify MVP+ functions
1.6. Develop and deploy the MVP
1.7. Develop and deploy the MVP+
1.8. Transition the contract to maintenance and support

Donations Epic

1.0. Define Donations Exchange Requirements Specifications
1.1. Approve the Donations Exchange Requirements Specifications
1.2. Select the implementation resources
1.3. Develop and Deploy the Donations Exchange

Fiat Acceptance Epic

1.0. Define the fiat acceptance policies
1.1. Define fiat acceptance processes
1.2. Define fiat acceptance requirements specifications
1.3. Approve the fiat acceptance requirements specifications
1.4. Select the implementation resources
1.5. Develop and deploy the fiat acceptance Exchange

Operational Funding Epic

1.0. Raise Operating Capital for UREWPS Epic
1.0.1. Quantify the ask(s)
1.0.2. Quantify the concession(s)
1.0.3. Identify prospects
1.0.4. Build a pitch

1.0.5. Invite Prospects
1.0.6. Pitch prospects
1.0.7. Receive funds and deliver concessions
1.1. Continue to raise funds through NFT sales Epic
1.2. Sell shares of first DRA(s)

Compliance Epic

1.0. Define the AML processes
1.1. Define the KYC processes
1.2. Define other relevant compliance processes
1.3. Select vendor(s) for AML
1.4. Select vendor(s) for KYC
1.5. Select vendors(s) for other relevant compliance processes
1.6. Integrate the AML vendor(s) into UREWPS™ processes and systems
1.7. Integrate the KYC vendor(s) into UREWPS™ processes and systems
1.8. Integrate the other relevant vendor(s) into UREWPS™ processes and systems
1.9. Maintain and support integrations

DAO Epic

1.0. DAO Incorporation
1.1. DAO Contract Deployment
1.2. Implementation of DAO automated voting mechanisms
1.3. Implement DAO Member Communications Plan

2.6.3.2 Transition

Minting of C*u*Bit™ Epic

1.0. Define minting policies
1.1. Specify minting processes
1.2. Implement minting process

AML/KYC of Donors and Donations Epic

1.0. Execute the AML for all donations and record results
1.1. Notify Donors of AML results and next steps
1.2. Invite Donors to KYC and other relevant processes
1.3. Execute KYC and other relevant processes and notify Donors of results and next steps
1.4. Create list of approved conversions of Donors to Members and send to Air Drop

Air Drop Epic

1.0. Receive list of approved conversions of Donors to Members
1.1. Notify Donors of Target Wallet ID Need
1.2. AML the Target Wallet and notify the Donor of results and next steps
1.3. Suspend AML-ineligible transfers
1.4. Execute AML-eligible transfers
1.5. Send Air Drop Congratulations notice and files to all Donors who are now Members

2.6.3.2 Normal Operations Phase

- Establishment of Digital DRA and other DRA: Repeat the DRA Epic as needed
- Build the DRA governance smart contracts Epic(s)
- Build JV and Trust smart contracts Epic(s)

DAO Proposal Epic

1.0. Advisory Committee approves proposal
1.1. Administrator reviews proposal and accepts or rejects (vetoes) the proposal
1.2. Accepted proposal submitted to vote manager
1.3. Accepted proposal notification added to Asset Ledger
1.4. Votes validated by the vote manager
1.5. Votes tallied by vote manager at the expiry of the voting period
1.6. Results published by the Company and Asset Ledger updated
1.7. Accepted proposal(s) scheduled for implementation by the Administrator or the Company
1.8. DAO notified of scheduling and next steps

Fund Deals Epic

1.0. Create a viable deal
1.1. DRA vet the deal
1.2. DRA recommend deal and notify REI
1.3. DRA submit the deal to UREWPS™
1.4. UREWPS™ Deal Review
1.5. UREWPS™ Deal Notification
1.6. Deal Documentation Creation
1.7. Deal Acceptance
1.8. Deal Tokenization (JV and Trust)
1.9. Acquisition Closing
1.10. Deal Management and Support

Exit Deal Epic

1.0. Identify property to exit
1.1. Divest interest
1.2. Settle accounts
1.3. Retire associated NFT
1.4. Retire associated real-world documentation

TWPRR™ Epic

1.0. Define the requirements for the TWPRR™ blockchain
1.1. Create a marketing plan
1.2. Create on operational plan
1.3. Create TWPRR™
1.4. Staff to support TWPRR™
1.5. Begin Executing the Marketing Plan
1.6. Begin adding UREWPS™ property records (NFT) to TWPRR™

WRAP™ Epic

1.0. Define the requirements for the WRAP™ blockchain
1.1. Create a marketing plan
1.2. Create on operational plan
1.3. Create WRAP™
1.4. Staff to support WRAP™
1.5. Begin Executing the Marketing Plan

HOOPS™ Epic

1.0. Define the requirements for the HOOPS™ blockchain
1.1. Create a marketing plan
1.2. Create on operational plan
1.3. Create HOOPS™
1.4. Staff to support HOOPS™
1.5. Begin Executing the Marketing Plan

2.6.3.2 Medium Term Phase

- Mint Additional C*u*Bit™ within the current Approval Limit using the Minting Epic.
- TWPRR™ Rollout (see the TWPRR™ Whitepaper)
- WRAP™ Rollout (see the WRAP™ Whitepaper)
- HOOPS™ Rollout (see the HOOPS™ Whitepaper)
- Add DRAs (see the DRA Whitepaper)

2.6.3.2 Long Term Phase

- Expansion into Markets outside the USA.
- Metaverse Initiative (whitepaper pending).

2.6.4 *Risk Management*

Risk Management processes are established to ensure that all material risks are identified, measured, limited, controlled, mitigated, and reported on a timely and comprehensive basis. To facilitate our risk management efforts, we have created a Risk Log which is periodically updated and reviewed.

The Risk Log provides a list of identified risks. It qualifies their inherent risk probability and impact. Then, it notes our response and qualifies the residual risk probability and impact.

2.6.5 *Key Performance Indicators*

Key performance indicators (KPIs) are measures of performance which relate directly to the success and health of the enterprise. As such, they both report and encourage certain behaviors. Deciding what KPIs we should use helps define the focus of our efforts. The Asset Ledger is the location where the most important KPIs between the DAO and the Administrator are published.

2.6.5.1 The Asset Ledger

A key component of the administration of the DAO is the C*u*Bit™ Asset Ledger.

The Asset Ledger (the Ledger) is a subset of the UREWPS™ balance sheet. The Ledger is a combined view of analog and digital assets held by the Company to offset the liability owed to C*u*Bit™ depositors. A version of the Ledger is updated each month and displayed on the corporate website.

Once or twice each year UREWPS™ will submit to an outside audit which will include the Asset Ledger. Results of the audit which relate to the validity of the Ledger will be published along with the Ledger. This transparency and third-party validation provide C*u*Bit™ depositors with greater reasons for confidence in the value of C*u*Bit™ than they currently receive from any other option they have to protect and grow their wealth.

The elements of the Asset Ledger are the most visible and most important of our KPIs. There are two versions of the Asset Ledger: the public Asset Ledger and the private Asset Ledger.

The public Asset Ledger will be posted on the Company website and available for anyone to see. The private Asset Ledger will comprise a superset of the public Asset Ledger and is kept secure from hackers and other unauthorized viewers. The public Asset Ledger is updated each month after the monthly financial reconciliation. The private Asset Ledger is updated as transactions occur.

While the public Asset Ledger is designed to provide confidence in the delivery of promised value by the Company, **the private Asset Ledger** is to allow management to closely monitor the health of the Company. Unless the indicator is a percentage, or stated otherwise, values will be displayed in C*u*Bit™.

C*u*Bit™ does not have par value, which is an attribute of securities. The value of C*u*Bit™ is driven primarily by the real estate market and will change over time based on the value of real estate held in the Asset Ledger. Values on subsequent releases of C*u*Bit™ will be based on the Asset Ledger.

Table 2 - *Asset Ledger and Key Performance Indicators*

C*u*BitDAO™ Asset Ledger Indicators (updated monthly)	**Private Asset Ledger Indicators (updated daily)**	**Notes**
Current Ledger State	Current Ledger State	Asset Ledger State (Initializing, Balanced, Out-Real Estate, Out-Liquid Assets)
Coin Cap	Coin Cap	This KPI will remain static unless C*u*BitDAO™ votes to alter it.
Minting Authorization	Minting Authorization	This KPI will remain static until C*u*BitDAO™ votes to alter it.
Circulation	Circulation	C*u*Bit™ which has been minted.
C*u*Bit™ to USD Exchange Rate	C*u*Bit™ to USD Exchange Rate	The value one C*u*Bit™ to one USD
Asset Ledger Total Value	Asset Ledger Total Value	The sum of RE Investments Value and Liquid Assets Value
RE Investments Value	RE Investments Value	The fair market value of the Company portions of real estate investments
RE Investments % of Total	RE Investments % of Total	The RE Investments Value divided into the Asset Ledger Total Value

C*u*BitDAO™ Asset Ledger Indicators (updated monthly)	**Private Asset Ledger Indicators (updated daily)**	**Notes**
Liquid Assets Value	Liquid Assets Value	The total of all liquid assets held by the Company (Liquid Assets Total C*u*Bit™ + (Liquid Assets Total ETH x Exchange Rate C*u*Bit™ to ETH) + (Liquid Assets Total BTC x Exchange Rate C*u*Bit™ to BTC) + (Liquid Assets Total USD stablecoin x C*u*Bit™ to USD Exchange Rate) + (Liquid Assets Total USD * C*u*Bit™ to USD Exchange Rate))
Liquid Assets % of Total	Liquid Assets % of Total	The Liquid Assets Value divided into the Asset Ledger Total Value
Date of Last Update	Date of Last Update	Last month's date for the Public Asset Ledger, Yesterday's date for the Private Asset Ledger
Updated By	Updated By	The corporate identifier of the person who authorized the posting of the most recent update
	RE Investment Amount	The amount of capital invested in Real Estate without regard to the market value of the investments
	Liquid Assets Total C*u*Bit™	C*u*Bit™ held in the Company treasury
	Liquid Assets Total ETH	ETH held in the Company treasury
	Exchange Rate C*u*Bit™ to ETH	Value of one C*u*Bit™ to one ETH
	Liquid Assets Total BTC	BTC held in the Company treasury
	Exchange Rate C*u*Bit™ to BTC	Value of one C*u*Bit™ to one BTC
	Liquid Assets Total USD stablecoin	USD equivalent stablecoins held in the Company treasury
	Liquid Assets Total USD	USD held in the Company treasury.
	Annualized Volatility	The percent of change in the Asset Ledger Total Value from one update to the next, multiplied by the number of update periods in the year
	Annualized Real Estate Assets Trend	The percentage of change in the RE Investments Value from one update to the next, multiplied by the number of update periods in the year
	Annualized Liquid Assets Trend	The percentage of change in the Liquid Assets Value from one update to the next, multiplied by the number of update periods in the year

In addition to KPIs in the Asset Ledger, other standard financial performance indicators will be monitored and reported. For example:

- OER is a measure of how much had to be spent to earn each dollar of revenue received.
- Gross Revenues – the total amount of income received by the Company during a reporting period.

- Profits and Losses – the Gross Revenues minus the Expenses. Positive numbers are profits and negative numbers are losses.
- Monetary Turnover Rate – this measures the aggregate of how many times each year the CuBit™ provided by the Company to all Affiliates are reinvested in new deals.

2.6.5.2 Affiliate KPIs

Performance data will be gathered, monitored, and reported for each Affiliate. While some of these KPIs are standard financial measures, a few are specific to the Company Business Model:

- OER – mentioned above
- Gross Revenues – mentioned above
- Profits and Losses – mentioned above
- Earnings per Share – this is a standard financial measure dividing the profit of the company by the number of shares outstanding, providing an indicator of how quickly an owner recoups their investment in the Affiliate.
- Monetary Turnover Rate (Velocity of Capital) – measures how many times each year the CuBit™ provided to an Affiliate are reinvested in new deals.
- Monetary Deployment Rate – this is a measurement of how quickly an Affiliate can turn capital into real estate investments of equal or greater value than the capital provided.

2.7 Industry Analysis

When it comes to considering the industry, the Company must look at the cryptocurrency industry, the real estate investing industry, and the intersection of those two industries. Additionally, the Company must consider the real estate finance industry and the sovereign interests in real estate.

2.7.1 *Cryptocurrency*

In general, the market for cryptocurrencies is growing rapidly and expected to continue to pick up speed. At the same time, real estate values have increased and efforts with crowdsourcing and fractional ownership are being used to lower the capital barrier to entry into real estate investing. While competition in both of these spaces is increasing, we have not seen any other venture which binds the value of cryptocurrency and real estate like C*u*Bit™.

Cryptocurrency, in general, continues to draw in wealth based on digital tokens which have little or no inherent or utility value. This, and the inherent nature of many cryptocurrencies has led to significant volatility in cryptocurrencies. That volatility, in turn, is making many people stay away from blockchain investments.

2.7.2 *The Intersection Between Cryptocurrency and Real Estate*

Fractional Real Estate Ownership and Crypto

Efforts to combine cryptocurrency and real estate focus almost exclusively on using blockchain to increase the efficiency of managing fractional real estate ownership. The principal drawback in this effort is the fact that no sovereign power has yet recognized the validity of digital tokens of real estate ownership. Another drawback is that having a separate investment token for each real estate investment is necessary because of the inherent non-

fungibility of real estate. This makes it difficult to readily exchange digital ownership of one asset for another with any clear and reliable cross-valuation.

The C*u*Bit™ Difference

Issuance of C*u*Bit™ effectively creates a large real estate investment fund. Because this is done through true currency instead of a security the buying power of this fund is not diluted by expensive regulatory burdens, management fees, and other expenses which typically complicate the ability of ordinary people to understand how the fund operates and make it hard to get their money into and out of such an investment fund.

C*u*Bit™ purchases have no connections to any specific investment property and are therefore easily exchanged for other investments without complications created by direct ownership of real estate. Further, by backing C*u*Bit™ with the value of real-world assets, C*u*Bit™ stands to become a preferred medium of exchange and value preservation in the cryptocurrency world. The probability is that its performance will quickly create demand for easier means to shift wealth back and forth across the digital divide that currently separates cryptocurrency from all other currencies.

Crypto Acceptance Increases

In June of 2021 El Salvador formally adopted Bitcoin as a form of legal tender. In March of 2022 the Biden Administration announced efforts to move toward the creation of a sovereign cryptocurrency for the USA. At present, nearly a dozen countries around the world are exploring the creation of sovereign cryptocurrency. As those efforts come to fruition, the ability of people to move their wealth into reliable stores of value such as C*u*Bit™ will increase dramatically.

Countering Speculative Volatility

To prevent this anticipated demand from driving unreasonable, speculative valuations of C*u*Bit™ the Company will need to continue to issue more C*u*Bit™ over time. The deciding factor on how quickly and what quantity to release will be how promptly the Company can convert the wealth invested in C*u*Bit™ into sound real estate investments. The democratic nature of C*u*BitDAO™ will require the Company to persuade C*u*Bit™ buyers that increasing the monetary supply is in their own best interest. Failure to increase the supply relative to the demand will inevitably create a situation where the value of C*u*Bit™ is divorced from the value of the asset reserves. This will make C*u*Bit™ unstable and less desirable as a store of wealth.

The key to making large volumes of sound real estate investments is the ability to stand up and properly oversee Affiliates. Affiliates must be established in sufficiently dispersed markets and invest in diverse real estate types to reduce concentration risks while increasing investing capacity. Cryptocurrency industry – the short version of this (section) story is that it is large and growing larger every month. The key question is how much of the current market size does the C*u*Bit™ release represent? How much can we realistically expect the market to absorb quickly?

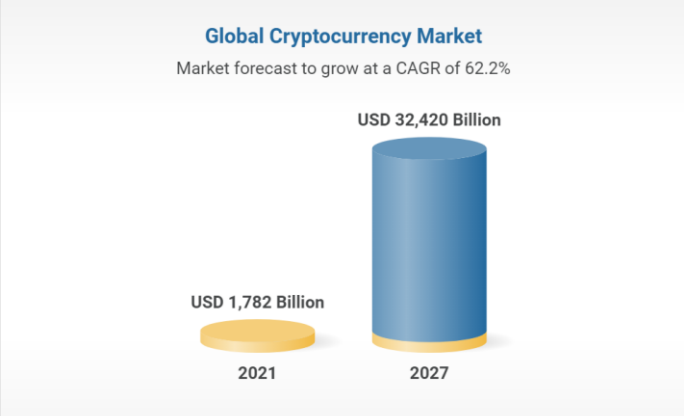

Figure 6 Global Cryptocurrency Market

Size of the Cryptoverse

In 2021 the cryptocurrency market was $1.8 billion. By 2027 it is expected to be $32 trillion (Yahoo Finance, 2022)

"We expect the number of global crypto owners to reach 1 billion by the end of 2022."

(Crypto.com, 2022)

Crypto ownership is growing by millions of people each month

Some of the biggest names in the hedge-fund world are betting on crypto.[12] Meanwhile, Mr. Jones has been buying cryptocurrencies to try to protect against rising inflation. (Zuckerman, 2022)

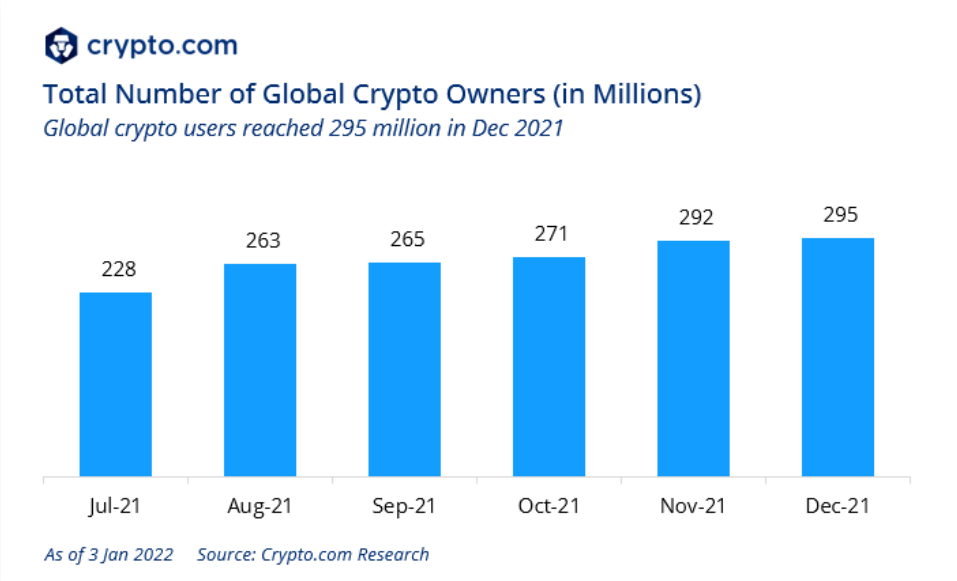

Figure 7 Total Number of Crypto Owners

"More funds see crypto as a fifth asset class," in addition to stocks, bonds, currencies, and commodities, says Robert Bogucki, co-head of global trading at Galaxy Digital Holdings Ltd., an early crypto investor. "It's big enough now."

Coinbase Global Inc., the largest U.S. crypto exchange, said institutional investors traded $1.14 trillion of cryptocurrencies in 2021, up from $120 billion the year before, and more than twice the $535 billion for individual investors.

It is a great asset to trade, he said, given the volatility and the wild swings, but it is much harder to justify as part of a stable portfolio. "When you talk to your clients about stocks or bonds, in almost all cases I can confidently say they're not going to zero," he said.

Not all the news on Crypto is good …

His biggest concern is that cryptocurrencies have the potential to lose most if not all of their value. "I have a hard time recommending it as an asset class," he said. (Vigna, 2022)

"Professional investors traded 10 times as much cryptocurrency in 2021 as they did in 2020 – over $1.1 trillion on the platform Coinbase. (Rabouin, Wall Street Has Been Betting Billions on Crypto. Here's Why (video), 2022)

[12] https://www.wsj.com/articles/mainstream-hedge-funds-pour-billions-of-dollars-into-crypto-11646808223?mod=Searchresults_pos17&page=1

2.7.3 *Real Estate Investing Industry*

The real estate investing industry is divided into two broad categories: Residential and Non-Residential. In this space we must think like a real estate investing company (REI). We must also find ways to enlist the intellectual capital of the REI in our markets.

2.7.3.1 *Residential Real Estate*

In general, real estate values are increasing. "The average U.S. home earned more last year than the average American worker." (Rabouin, U.S. Houses Earned More Than American Workers in 021. Here's Why. (video), 2022). This represented a 19.6% increase in value of US Median Home in 2021. Many people are seeking to buy homes.

Real estate investing industry –Within the residential real estate investing industry there are two sub-divisions: single-family residential (SFR) and multifamily housing (MFH).

2.7.3.1.1 *Single-Family Residence (SFR) Market*

This consists of housing with accommodation for 1 to 4 families (includes single-family, duplexes, triplexes, and fourplexes). It is a significantly underserved market from a commercial financing standpoint. According to Renters Warehouse (Renters Warehouse, 2021)

1) Values are climbing
2) Rents are increasing
3) Demand is increasing
4) Construction is increasing "with 50,000 new single-family rental homes added to the market this last year alone according to research from Trepp."
5) Homeownership rates are declining
6) "Walker & Dunlop puts the SFR market at around $3.4 trillion. For reference, the entire multifamily market is estimated to be $3.5 trillion."
7) Competition from institutional investors in this space will be strong. "More than $30 billion in capital is chasing the surging US rental housing market as bond yields remain at historic lows and inflation rises." (Pollack, 2021)
    a. Institutional investments in the SFR market tend to suck the air out of markets for the small REI who wants to buy and hold. It creates opportunities for the flipper and wholesaler. The institutional investors have deeper pockets and offer higher prices than most local REI can manage.
    b. Our approach of teaming up with local REI should be welcomed by many of them. It will put us with the local REI in direct competition with the institutional investors. The C*u*Bit™ money should help level the playing field.
    c. "Record demand sends rents, values soaring as more institutional players enter the space." (Arbor.com, 2021)

2.7.3.1.2 Multifamily *Housing (MFH) Market*

This consists of 5+ housing residences (distinct from hotels or motels which qualify as Commercial-Hospitality properties). Properties with valuations below $50 million are significantly underserved by

traditional lenders. The difficulties of lending in this space compared to the rewards quickly push lenders to leave this sector behind to focus on the >$50 million market.

1) Estimated at $3.5 trillion (Renters Warehouse, 2021)
2) According to Newmark (Newmark, 2022)
    a. Investment is increasing
    b. Rents are growing
    c. Capital set aside to invest is $249.2 billion and climbing
    d. Demand is pent up
    e. Absorption is outpacing new supply
    f. $832.5 billion in MFH mortgage maturities will come due over the next five years
3) Competition in this space, in general, will be strong. Again, the < $50 million market may be less competitive
4) The MFH mortgages coming due may represent an opportunity to shift owners away from traditional debt into our JV structure
5) Newmark (Newmark, 2022) data indicates that $40 million may be the floor for most investors in this space. The mean is $65.8 million
6) Cap Rates are declining because prices are rising
7) Mean price per unit was $237.7k

2.7.3.2 *Non-Residential Real Estate*

2.7.3.2.1 *Commercial Market* -

(IbisWorld.com, 2021) $1.1 trillion, 4% growth in 2022, industry decline of 0.5%

1. Commercial, Retail, and Office are often conflated
2. Consists of factories, warehouses, etc.
3. Needs a specialized view which excludes office and retail

2.7.3.2.2 *Hospitality Market* –

consists of hotels and motels

1. $93.07 billion in 2029, down from 210.74 billion in 2019. Forecast at 133 billion in 2021
2. Significant decline since 2019

Figure 8 Trend of Non-residential Real Estate Market (Statista.com, 2022)

2.7.3.2.3 *Retail Market* – the retail RE market has taken significant downturns as a result of the Pandemic. The shift toward delivery and online shopping versus in-store shopping has been significant. It may have created a glut of vacant properties. If we can come up with creative solutions in this space, it could represent the opportunity to buy devalued RE and flip it to create significant forced appreciation. This includes storefronts, shopping malls, big-box store locations, etc.

2.7.3.2.4 *Office Market* – The Pandemic has pushed many companies to embrace remote working solutions to a greater degree. This will likely decrease demand for office spaces and drive down values, in general. Like the retail market, this devaluation may be an opportunity if we can implement a good solution that can flip these properties into uses that create significant forced appreciation.

Many companies are trying to entice low dollar investors through fractional ownership, including crowdsourcing. They are trending toward using NFTs to lower the cost barrier to entry and to automate fractional ownership.

2.7.4 *Real Estate Finance Industry*

The real estate finance industry appears eager to find new sources of funding and to create new products.

Fractionalization is one way to get around institutional lenders and take advantage of private lending. As noted above, some companies are springing up which are focused solely on leveraging NFTs to automate and reduce the costs of sponsoring and managing fractional ownership.

Private lending appears to be gaining momentum as a source of funds. This is evident in both the fractional ownership schemes and the appearance of crowd-sourcing projects focused on small real estate deals. Changes in regulations have enabled peer-to-peer lending trends. Cryptocurrency has further enabled this trend.

Across the market, lending rates are headed up. The increase will pick up speed and size as the Federal Reserve increases its interbank rates to combat inflation. All downstream lenders will increase their rates by as more or more than the Fed and will maintain a profit spread above the Fed rate. When lending rates decrease lenders will maintain their spread, yet this will heat up the market by raising the value of the properties as purchasers or investors experience lower costs.

These changes in the real estate finance world tend to support the UREWPS™ business model.

2.7.5 *Sovereign Real Estate Interests*

No Legal Standing

At present, no jurisdiction recognizes property rights on the blockchain as enforceable and valid. TWPRR™ will change that by making it advantageous for governments to use this specialized blockchain. It will make their record keeping more accurate, easier to maintain, enhanced transparency, more secure against fraud, and allow governments to focus their resources on other benefits to their citizens by reducing the costs associated with these records today. Finally, it will make their records significantly more resilient in the face of catastrophes.

Clear Ownership

One of the legitimate purposes of government (the sovereign) is to protect the property rights of citizens against unlawful encroachments by others. The first step in this protection is to maintain accurate and accessible records of the ownership and ownership transfers for all real estate within the domain and authority of the sovereign.

Tax Collections

A secondary, more pecuniary interest sovereigns have in keeping these records is to collect all fees and taxes they are owed relative to real estate. This can include seizing and selling property to satisfy unpaid taxes and fees. Most of this activity occurs at the level of the county government or county equivalent.

The Sovereign Market

According to WorldAtlas.com (WorldAtlas.com, 2022) there are 3,142 counties and county equivalents in the USA. Typically, each county handles the administrative work of recording property rights ownership and liens against properties. County Recorders work closely with tax Collectors to ensure that appropriate taxes and fees are collected by the government whenever taxable events occur pertaining to property. Often, they also work with the county tax Collectors to update the taxable value of properties.

These Recorders and Collectors are the gatekeepers for recording and maintaining property rights in their jurisdiction. Among the liens they record are the tax liens that arise when a property owner owes taxes to the government. These sovereign liens have the potential to obliterate and override all other liens and ownership claims and revert the property rights to the local government.

Bundles of Rights

Although most people are familiar with ownership rights, there are many subcomponents to property rights. These include rights to the air above a property, the water below or on the property, minerals on or below the surface of the property, rights to use, to improve, to lease, to sell are all included in the broad panoply of the term property rights. Most of these rights can be severed from one another and owned by different parties.

Record Protection and Retention

When these property records become corrupted or destroyed, regardless of the cause, the results are chaos and conflict. Some unscrupulous parties take advantage of the information gap to assert ownership over properties they may not have owned. Other disputes may arise as neighbors are unable to settle property lines and rights because of the destruction of these records. In the US Civil War, Union troops deliberately destroyed courthouse records in the towns of Confederate States. This destruction created a subsequent turmoil of disputed ownership long after the war was ended. That was exactly the intent of the Union troops.

Blockchain technology offers an unprecedented opportunity for the creation of property records which are highly resilient to destruction and corruption. Blockchains store the same records on computers across the network, creating a level of redundancy that should be the envy of every archivist.

Fraud Deterrence

TWPRR™ records the ownership of all the rights associated with each property. What's more, it allows the owner to lock those rights so that no one, other than the sovereign, can change them without the cryptographic key of the owner. As county governments adopt using TWPRR™ property fraud will become a thing of the past.

Law Society (Law Society, 2021) lists eight different forms of property fraud, and that all of them are on the rise. The bottom line of these various schemes is that legitimate homeowners may find themselves owing money on their home for loans they did not receive, or even losing ownership of their home through no fault of their own. Having the property records for a home locked up with a cryptographic key that only the homeowner has would immediately thwart nearly all these schemes.

Sovereign Rights

As the name implies, the rights of the sovereign are built into TWPRR™.

The sovereign will have their own cryptographic key which will allow them to apply sovereign liens and even change ownership, when necessary. Of course, those actions are all subject to appropriate legal proceedings which vary by State and County.

Solved

Using the blockchain to manage the sovereign real estate interests will allow governments to leverage smart contracts to carry out a significant amount of administrative work which currently absorbs a lot of tax revenues which could be used for other benefits to the community.

TWPRR™ is designed to efficiently and securely meet the needs of all property owners. It will keep records of property rights correct and accessible, while keeping them secure from all unauthorized changes.

2.8 Customer Analysis

Understanding the customer base UREWPS™ is addressing requires definition of the customer. Identifying the target customer(s) also helps identify competitors and potential strategic partners. The Company is targeting only businesses, business owners, and other sophisticated buyers for our products and services.

1) Real estate investing businesses (REI)
2) Cryptocurrency investors
3) Sovereign authorities

2.8.1 *Real Estate Investing Companies*

Potential Strategic Partners

Nearly every weekend self-proclaimed real estate experts hold seminars to teach ordinary people to become real estate investors and form real estate investing companies (REI). While the instructions provided vary in quality and accuracy, few of them provide any substantive support for the capital needs of these real estate investors. In short, these seminars continue to create a pool of trained real estate investors who typically lack access to adequate capital to succeed in their investing endeavors.

In addition to the constant stream of new REI needing capital, many established REI can benefit from indirect access to the significant amounts of capital that are currently locked away in the cryptocurrency world.

Financing Gap

Many of these REI will seek to fund their efforts through traditional lending outlets such as banks and credit unions. Many will quickly discover that these institutions are aligned to meet the financing needs of consumers looking to buy a home to live in, rather than supporting a real estate investing business.

The lending products provided by these institutions are heavily weighted to loans which require the borrower to pledge their personal assets, in addition to offering the investment real estate as collateral for the loan. These consumer-focused real estate policies and products contrast sharply with those which are designed to meet the needs of businesses.

Unfortunately for most REI, they have little or no access to lending products suited for their business. This leaves many of them to fail early because of their lack of access to non-recourse loans such as those available for other businesses.

Blockchain Financing

In recent years there has been a surge in companies facilitating funding real estate projects using blockchain technology to facilitate fractionalized ownership. These efforts are rapidly gaining popularity in the USA and Europe.

Although these fractional ownership investments have many similarities with real estate investment trusts (REIT) and loan syndications and they allow REI with modest capital to participate in large investments, there are many serious legal issues around tokenized fractional ownership which have yet to be resolved. In fact, as of this writing tokenized ownership is not legally recognized by any government. The issues involved this extra-legal ownership resonate with some of the same ownership problems experienced with mortgage-backed-securities which dramatically increased the adverse impacts of the real estate value-contraction which occurred from 2008 through 2012.

Risky Business

Many lenders recognize the opportunity to satisfy the borrowing needs of REI but are deterred by the escalated risk inherent in REI inexperience and small scale of operations. The contraction of 2008-2012 taught many lenders that lending to inexperienced REI can quickly result in dramatic increases in their lending reserves. Because of their use of fractional lending, banks and credit unions can quickly incur serious liquidity issues as their need for reserves escalate dramatically with every non-performing loan and especially when they must foreclose and take ownership of real estate. This problem of real estate owned (REO) for fractional-reserve lenders is an opportunity for the Company.

Foreclosure Risks

Taking ownership of real estate where a loan default has occurred will not alter our liquidity because our loans are not based on fractional reserves. They are always 100% reserved. When our due diligence on the real estate is sound, for the Company, an REO is another opportunity to make money. We can choose to operate the property, sell it with owner-financing, or sell it outright. Therefore, the liability usually associated with the inexperience of small real estate investors which keeps banks and credit unions from servicing this community is not a hindrance for the Company. Our experts will perform their own due diligence on the real estate associated with every investment and use that to determine our investing, rather than being driven out of a market by the risk factor associated with inexperienced real estate investors.

Partnering

While our approach will have many characteristics of lending, rather than being a loan, each investment is a joint venture between the Company, the Affiliate, and the REI. The Company is the capital partner in the venture. The real estate ownership portion of the venture will collateralize our risk. If the venture fails to deliver the intended results the interests of the REI will be terminated. The Company will take control of the real estate and dispose of it according to our best judgement.

These joint ventures (JV) with REI will be implemented through smart contracts configured as legal trusts where the Company is the trustee and the JV is the beneficiary. Although the Company will be listed as the trustee, the smart contract constituting the JV will effectively carry out all the actions of the trustee. The risk of

the trustee engaging in self-dealing is eliminated by the function of the smart contract. The smart contract creates a "trustless" trust. Trustless operations are a key benefit of smart contracts. Because they are computer programs and use immutable blockchain transactions they don't require the trust of the parties to the agreement. The program executes the agreement based on the compliance or non-compliance of each party to the contract.

The ownership of the real estate involved will be held in the name of the trust. This means that if the investor fails to fulfill their part of the smart contract, the beneficial interest of the investor will be expunged without the need for the expenses and time delays associated with foreclosure proceedings. This will have the effect of eliminating delays and expenses normally associated with situations where a loan defaults and real estate is foreclosed.

2.8.2 *Investors and Savers*

Stormy Seas

Current research indicates that as of January 2022 the cryptocurrency investing community had a market cap of about $1.7 billion USD. This is down from a high of $3 billion in November of 2021. That represents approximately a 40% decline in just three months. This sharp market drop in such a short period of time highlights the critical need which cryptocurrency investors have for cryptocurrency investment which is relatively stable and hedges against inflation.

Because C*u*Bit™ is backed by the value of real estate assets they will provide both stability and a hedge against inflation.

If C*u*Bit™ had been in circulation in November of 2022 and just 10% of the lost market cap had been shifted from other cryptocurrencies to C*u*Bit™ the market cap of C*u*Bit™ would have surged by 130 million USD in just three months.

Ports in the Storm

So-called stablecoins have been introduced into the cryptocurrency market to provide a stable harbor for cryptocurrency investors. To date all the stablecoins introduced have mimicked the behaviors of the fiat currencies they are aligned with. This means that they have built in mechanisms to enable inflation to erode the buying power of stablecoins, just as it does with the fiat currencies they align with.

Because C*u*Bit™ is aligned with the value of real estate and real estate backed assets it aligns with the behavior of real estate values. Historically, real estate values appreciate with relative stability and tend to modestly outpace inflation. Although there are certain time periods and markets where this historical behavior has not held true, an analysis of US real estate values over the past 20 years (including the deflationary period from 2008 to 2012) shows an average appreciation of 3.9%. This compares with an inflation rate of 2.2% for the same period. Further, because the value of C*u*Bit™ is backed by real estate, there is no inherent design built into the currency, or its management, which will deliberately erode its value by inflation. To the contrary, projections indicate that the buying power of money invested in C*u*Bit™ will increase over time while that same money, held in a bank or wallet, will decrease over the same period. Projections using historical trends show that within about ten years the buying power of today's $100 bill will decline to the equivalent of $78 of today's dollars while the same money invested in C*u*Bit™ would have the buying power of $146 of today's dollars.

Living in the Cryptoverse

The inherent stability and value proposition of C*u*Bit™ make it very attractive. The fact that cryptocurrency investors can acquire it without having to convert their cryptocurrencies from blockchain into fiat currencies and then back makes it especially attractive to cryptocurrency investors.

2.8.3 *Sovereign Authorities*

Anti-Sovereigns

Cryptocurrencies currently have a taint of "piracy" as they appear to be inclined to evade or avoid regulation and compliance. Recently, regulatory agencies representing the interests of the sovereign have initiated aggressive and somewhat hostile approaches to bully the players into compliance.

Rather than doing anything to support this piratical attitude, the Company will take active measures to meet legitimate sovereign needs. This will be particularly true in the realm of public property record keeping and property taxes.

County Clerks

An internet search reveals that there are 3,006 counties in the USA. Each of these county offices is a potential client and beneficiary of the tokenization of real estate rights that the Company will conduct as a routine part of its operations.

County offices rely upon real estate closing agents and citizenry to report and provide documentation supporting the transfer of real estate as well as liens against real estate.

Processes for recording these transactions are labor intensive, requiring both the production of paper documents followed by the delivery, scanning, and indexing of those paper documents. The indexing of these documents is what is commonly referred to as "recording." In deference to the paper-based methods of the past, these documents are indexed by references to a "deed book" and deed-book-page.

Efficiencies and Effectiveness

Conversion of these processes to blockchain will immediately improve access to the records. Over time, it will result in significant efficiencies as the creation and scanning of paper documents and indexing them are eliminated and replaced with smart contracts which carry out the recording of the exchanges as they are finalized, without human intervention.

This automation will have a secondary benefit of eliminating the "race to the courthouse" problem where two transactions on a given piece of real estate may be recorded in an order which does not reflect the reality of when the transactions occurred simply because paperwork was delivered to the sovereign in a different order than the occurrence of the transactions. Such "races" have resulted in litigation and confusion about real estate ownership and are occasionally the result of active attempts to commit fraud.

Willing Compliance

Management believes that transparent compliance with all applicable regulations as well as active efforts to provide value to sovereign authorities will create goodwill with the sovereign which may be helpful to deflect some efforts we expect from competitors as they attempt to prevent the Company from achieving it objectives, in favor of their own efforts to protect their hegemonies.

3.0 URESC*u* C*u*Bit™ the Currency

A detailed explanation of the currency is deferred to the URESC*u*™ whitepaper at CuBitREvolution.com.

4.0 Distributed Regional Affiliates (DRA)

A detailed explanation of the DRA is deferred to the DRA Business Plan available through UREWPS.com.

5.0 Supplemental Materials

5.1 Competitive Analysis

True competitors to C*u*Bit™ do not exist today. Quasi-competitors are abundant. The Venn Diagram below (see

Figure 10- Competitive Landscape) attempts to convey the scope of our competitors.

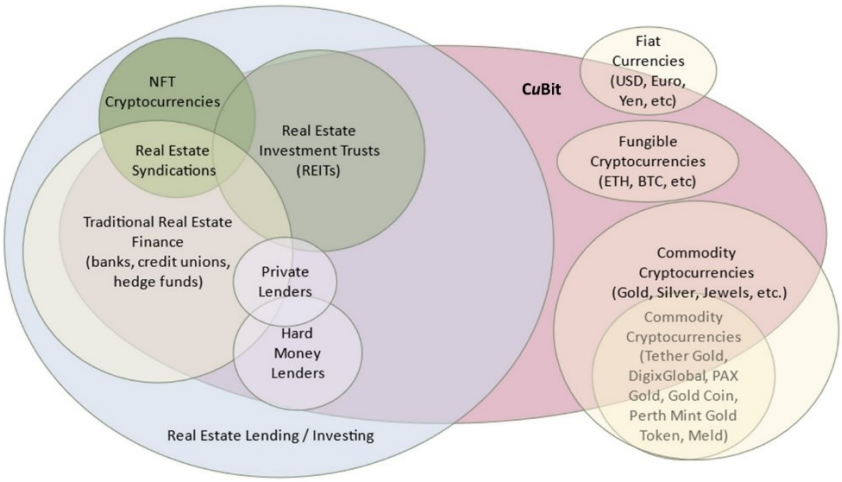

Figure 10- Competitive Landscape

5.1.1 *A True Currency*

C*u*Bit™ is a true currency[13] as are fiat currencies and the cryptocurrencies Bitcoin (BTC) and Ethereum (ETH) (for more on this see C*u*Bit™ and the Howey Test). The value of fiat currencies is backed by the faith people have in the governments which print those currencies. The value of BTC and ETH are based on the faith in the power of their algorithms to maintain utility and scarcity.

The value of C*u*Bit™ is backed by income producing real estate assets (real estate) similarly to the way the USD used to be backed by reserves of gold. Real estate is valuable because of its limited supply and immense utility.

[13] See https://cubitrevolution.com/cubit-and-the-howey-test/ for a full discussion of C*u*Bit™ and the Howey test.

It is a well understood concept in business that your balance sheet shows the assets and liabilities of a company and the two always equal one another. For the Company, the assets in the Asset Ledger are offset by the liability of the obligation to repay C*u*Bit™ buyers.

Linking the value of C*u*Bit™ to real estate makes it similar, in some ways, to commodity currencies which use the value of some underlying asset (e.g., gold, silver, gems, minerals, etc.) as the putative basis for their currency. Most commodity currencies today pretend to offer the ability to directly exchange their currency for the commodity. The reality is that no NFT holder will ever get a bar of gold bullion in exchange for their gold-backed Cryptocoin.

C*u*Bit™ is paired to the real estate and liquid assets in the Asset Ledger of UREWPS™ (the Company). We do not pretend that coin buyers have a direct claim on any piece of real estate. We explicitly state that they do not have any such claim on specific assets. In exchange for their investment, we grant them commensurate claim on the assets of the Company.

While some might mistake this for the equivalent of buying shares in the Company, or buying bonds from the Company, buying C*u*Bit™ is neither.

5.1.2 *Stocks and Bonds*

Buying shares in a company (stock) gives an ownership stake in that enterprise and may entitle shareholders to dividends and a voting control over the operational decisions or leadership of the enterprise.

Bonds are accompanied by a rate of return and repayment schedule, much like any other sort of loan (which is what a bond is, at its core). Bond holders also have legal claim to the assets of an enterprise, ahead of the claims of shareholders.

C*u*Bit™ is not a share of stock. Buyers have voting control over the monetary supply of C*u*Bit™ and the ability to sever their link with the Company and its assets. They have no other voting rights. They will not be paid dividends for their C*u*Bit™.

C*u*Bit™ is not a bond. Buyers will not receive dividends or interest payments. There is no schedule of repayment. Buyers do have a claim on the assets of the Company. If necessary, the Company will liquidate those assets and repurchase C*u*Bit™ from the buyers at 95% of the prevailing value of C*u*Bit™. However, it will be more advantageous to C*u*Bit™ buyers to sell their C*u*Bit™ to another buyer for its full market value. That is one of the advantages of being a fungible currency. One C*u*Bit™ can be exchanged for another without any loss of value (of course, there may be transaction costs for any exchange just as there are when you exchange USD for Euros, or any similar currency exchange).

5.1.3 *Typical Cryptocurrencies*

The value of most cryptocurrencies today is wholly perceptual. It is based on algorithms, scarcity, or utility.

The utility of many cryptocurrencies today is limited to a virtual realm of some game or virtual world and has no inherent value outside of the digital world.

The value of the most popular cryptocurrencies, Bitcoin (BTC) and Ethereum (ETH), rests a hope of their utility as a stored value (BTC) or utility to fund transactions (ETH). Both are inherently volatile and subject to significant value swings based on speculation and market manipulation.

It is a well-known problem that the value of most cryptocurrencies is readily manipulated by bad actors seeking to drive up, or drive down, prices for their own ends. Even the so-called Stablecoins have suffered from these manipulations.

For many, the volatility of values in cryptocurrencies is an opportunity, even while it decimates others.

Linking the value of C*u*Bit™ to the publicly viewable Asset Ledger of the Company provides a tangible anchor for the market value of C*u*Bit™. In the same stroke it destroys the opportunity and profit motive for manipulators and speculators to seek to drive the price up, or down.

When the Asset Ledger shows 100,000 C*u*Bit™ is backed by $10,000,000 worth of real estate, no one in their right mind would trade one C*u*Bit™ for more or less than $100. Likewise, knowing that the Asset Ledger expressly mitigates volatility, it would be insane for anyone to speculate that the Company was going to make some purchase or sale that would dramatically alter the value of a C*u*Bit™ when the linkage between the Asset Ledger and the C*u*Bit™ expressly mitigates such volatility.

5.1.4 *Why Use CuBit™?*

C*u*Bit™ does not pay dividends and does not offer the opportunity for dramatic investment growth associated with highly volatile and risky stocks and cryptocurrencies. It does not pay interest or a payment schedule like bonds. Nor does it offer other cash flows or tax breaks that come from direct investment in real estate. Some look at this and question why they would buy it. The answer is to look at what C*u*Bit™ does provide.

Refuge from Volatility and Inflation. C*u*Bit™ provides Members a refuge where they can park their wealth and have it protected from the ravages of dramatic volatility and from the creeping erosion of inflation.

Liquidity and Buyback. Anytime a Member wants to move their wealth out of C*u*Bit™ and into some other investment, they can. They can either exchange their C*u*Bit™ to someone else or redeem it from the DAO. In most cases, the DAO redeems C*u*Bit™ for its full, current market value. Under the terms of the Deposit and Redemption Agreement, the DAO reserves the right to reduce that from 100% to as little as 95% to allow us to cover costs related to the exchange. Liquidity like this is available with currencies like C*u*Bit™ but not so much with investments in stocks, bonds, and real estate (fractional or otherwise).

Slow Growth. The value of C*u*Bit™ will change over time as the value of the real estate assets in the Asset Ledger change. Growing wealth with C*u*Bit™ is both less risky and less dramatic than with most cryptocurrencies and with many other types of investments.

Low Entry Cost. In contrast with directly buying real estate the cost of entry is very low. C*u*Bit™ is available in denominations both large and small. It is true that buying C*u*Bit™ from the Company requires a purchase of at least one C*u*Bit™ the value of that C*u*Bit™ is approximately $120 USD. However, as C*u*Bit™ expands across digital exchanges, smaller denominations are available for purchase and use. Buying real estate, on the other hand, requires tens and hundreds of thousands of dollars.

Low Risk. While direct investment in real estate is undeniably a proven way to protect and grow your wealth, doing it successfully requires an appetite for substantial risks and a commitment of time that is often equivalent to taking on a part-time job. C*u*Bit™ buyers offload all the risky and time intensive work of buying and managing income-producing real estate to the Company, its Affiliates, and REI partners.

5.1.5 *Competitive Relationships*

Buying real estate puts the Company in direct competition with REITs, institutional investors, and countless independent real estate investors (REI) as we pursue properties to add to our portfolio.

Providing financing to buy real estate puts us in direct competition with banks, credit unions, insurance companies, and hedge funds. It also puts us in competition with hard money lenders and other private lenders.

Fortunately, the Company does not come into markets as a direct buyer or a lender. We enter markets as a finance partner, not a lender. This also means we are not buying inventory away from the local REI. Instead, we are giving them opportunities to do more deals than would otherwise be possible with traditional funding sources. This converts some, but not all, key competitors into assets.

5.1.6 *Win-Win Through Partnering*

Positioning ourselves to be a financial partner for REIs puts us in collaboration with REIs. It puts us in direct competition with the lenders currently serving REIs (banks, credit unions, private lenders, hard money lenders, and syndicators). Teaming up with REIs, as we do, helps to level the playing field for them when competing with REITs, hedge funds, and syndicators to buy real estate.

Inviting successful hard money lenders and private lenders (who tend to be REI themselves) to participate in ownership of our regional investing companies (Affiliates) gives them the opportunity to grow their earnings by using other people's money (OPM) without owning all the risks associated with doing that on their own. We give them access to a pool of money and products that are typically much larger and deeper than what they can assemble with their independent efforts.

5.1.7 *Competitors*

In the end, we compete directly with fiat currencies, cryptocurrencies, commodity currencies, NFTs, syndicators, institutional real estate investors (including REITs, hedge funds, and insurance companies), and with traditional lenders such as banks and credit unions.

5.1.7.1 *Real Estate Investing Competitors*

Successful REI – in each locality there are some REI who have managed to build their businesses to the next level. They are capable of handling multiple projects and funding deals for others. Although we hope to engage these REI as members of the Affiliate, some will remain outside the organization and will compete with us and our Affiliate for deals. In most cases, the depth of their funding is much more constrained than it will be for the Affiliate, so competition from these will be nominal.

New or less successful REI – these REI may compete with us for some deals. However, we will focus on converting these competitors into collaborators. We want them to come to rely on the Company and its Affiliate to give them the funding and connections they need to build themselves into successful, experienced REI.

5.1.7.2 *Real Estate Finance Companies*

We anticipate that our efforts to provide real estate financing to investors will, in many cases, compete directly with the efforts of banks, finance companies, and private lenders. The Company intends to create operational

efficiencies in these processes through the use of smart contracts and other NFTs. These efficiencies will likely allow the Company to offer terms in our joint ventures which are more advantageous than those of many of our competitors. Further, we anticipate that our approach as funding partners rather than lenders may prove effective at bringing in deals even when the terms are comparable with those of a lender.

Banks, credit unions, and finance companies – these traditional lending institutions have not served REI very well, apart from community banks. For risk management, regulatory compliance, and laziness they consistently pushed REI into the same sort of loans they make available to owner occupants. Although these loans often have rates and terms more favorable than commercial loans, they nearly always require personal recourse and restrict the number of properties they will fund with one REI. This latter point has two effects: 1) it forces REI to establish additional financing avenues, and 2) it limits the size of their business.

5.1.7.3 *Fiat Currencies*

Fiat currencies want people to spend, invest, and save using their currency. At the same time, this powers their national economic engines, it allows their central banks to inject inflation into the currency and remove buying power to suit the ends of the sovereign. While C*u*Bit™ competes with these, at best, we might supplant a modest portion of their market share, and then only if C*u*Bit™ becomes available for use with consumer purchases. That is possible, but not an integral part of the plans of the Company.

5.1.7.4 *Cryptocurrency and Stablecoin Competitors*

Cryptocurrencies and stablecoins may be discommoded by C*u*Bit™.

Cryptocurrencies will be directly disadvantaged in some measure by C*u*Bit™. However, for speculators in those currencies C*u*Bit™ will become a wonderful haven where they can park their gains while looking for another opportunity to jump in and enjoy, or suffer, the impacts of a volatile investment.

The ostensible value proposition of Stablecoins is that they provide a cryptocurrency aligned with the value of specific fiat currencies. This is based on the relatively correct assumption that fiat currencies are far less volatile than most investments - a premise that drives cautious investors to move their wealth into cash and cash equivalents when faced with bearish markets.

To achieve this alignment with fiat they must deliberately incorporate the pernicious inflationary features of fiat which devalue the currency over time. Because of this, in the absence of interest payments in excess of inflation, these harbors are fraught with their own problem which erodes the wealth parked there.

C*u*Bit™ provides stability through its reliance on real estate values. It does not attempt to align with fiat currency therefore the value (buying power) of wealth invested in C*u*Bit™ tends to increase over time while the same wealth invested in fiat cash or stablecoins will decrease in buying power.

Syndicators using NFTs, REITs (and other institutional investors), hard money lenders, private lenders, and real estate crowdfunding sites are most likely to be adversely impacted by C*u*Bit™. Below are links to several of these latter competitors.

5.1.7.5 *Fractional Ownership NFTs and Syndicators*

Syndications and NFTs provide fractional ownership. While traditional syndications are well established in business and law, fractional ownership through NFTs is totally new.

Because syndication is generally difficult and expensive, syndicators typically focus their attention on deals worth $50 million or more. The economic space below $50 million has been sparsely served with a few players who had the knowledge and courage to create private placements. Often costing $15k just to do the paperwork and securities filing, these are not cost effective for most deals which REI pursue.

In recent years crowdfunding and NFT fractional offerings have begun to penetrate this space, even appearing at the level of funding deals for purchase and rehab of individual homes.

Fractional Ownership Offerings – much like the crowd funding efforts, fractional ownership as a financing vehicle is growing. While its use is typically aligned with larger deals, there is not much to impede its use in almost any sized deal. We expect that this approach will increase over time.

The fundamental problems with fractionalized ownership are two-fold. 1) NFTs have no legal standing relative to ownership interests. No sovereign authority in the world currently recognizes an NFT as a valid ownership claim. 2) All fractional ownerships, both syndications and NFTs, are largely illiquid and non-fungible. It is hard to get your money back out of the investment if you want to withdraw (illiquid). Even when exchange markets exist a $10,000 share of Trump Tower in NYC isn't comparable to a $10,000 share of a Red Lion Motel in Billings, Montana (non-fungible).

- https://cryptorealestate.cc/ - Facilitates using crypto to buy real estate.
- https://cryptoslate.com/cryptos/real-estate/ A site showing a host of NFTs tied to specific real estate projects.
    - https://cryptoslate.com/coins/iht-real-estate-protocol/ A good example of the basic operation of fractional ownership NFTs. "…large real estate can be split and distributed to multiple financial institutions. In this way, users can get the opportunity to invest in real estate with small amounts of money and enjoy high security and low risk investment."
- https://www.mrmarvinallen.com/crypto-real-estate-investment/ This blog post explains how fractional ownership NFTs are working and cites a couple of them specifically.
- https://fundrise.com/ An online investment platform.

5.1.7.6 *Real Estate Investment Trusts (REITs) and Institutional Investors*

Institutional real estate investors (e.g., REITs, and others) – Since the financial crisis of 2008 institutional investors (such as real estate investment trusts, and others) have been aggressively buying up properties in markets across the USA. They have deep pockets and a strong structure to successfully carry out real estate deals. These will be our direct competition for many deals.

REITs are well regulated investment pools which have many superficial similarities to the Company. Both pool money from many investors and use it to invest in real estate. REITs pass through a portion of the cash flow from their investing to the REIT shareholders, providing them with direct returns on their investment. The Company does not pay dividends to C*u*Bit™ buyers.

- https://www.reit.com/
- https://www.nerdwallet.com/article/investing/reit-investing
- https://money.usnews.com/investing/real-estate-investments/slideshows/best-reit-etfs-to-buy

5.1.7.7 *Hard Money Lenders*

Hard money lenders will find us as direct competition for most of their deals. We are hopeful that many will realize that they can grow their wealth more reliably and with less risk by teaming with the Company and becoming part of our Affiliate. However, some will be unwilling to take a smaller part of the deal than they want. They are likely to find that our joint-venture approach will squeeze them out of the market, or to significantly change their lending process.

- https://hardmoola.com/north-carolina/
- https://www.bridgewellcapital.com/north-carolina/
- https://newsilver.com/hard-money-lending/north-carolina/
- https://realestatebees.com/resources/hard-money/nc/
- https://housemaxfunding.com/charlotte/

5.1.7.8 *Private Lenders (and Crowdfunding for Real Estate)*

Private lenders – Private lenders often take the form of seller financing. At other times, they are hard money lenders. Sometimes, they are the sources of funding for crowdfunding and fractional ownership offers. They are accustomed to managing the risks of real estate lending and like the returns. Legislative trends in many states are forcing them into tighter regulations and making them register as lenders for regulation by the state. We are hopeful that the appeal of C*u*Bit™ will draw in many of these competitors and convert them into coin holders to protect their wealth. However, C*u*Bit™ does not directly offer any opportunities to grow their wealth.

Crowd-funded RE offerings – This avenue is increasing in usage by small, medium, and large REI. It provides a cost-effective and rapid access to capital with a modicum of hurdles.

- https://seashinefinancial.com/for-buyers These folks make a private loan with a 2-year term and call it "leasing money to real estate buyers" instead of lending. They appear to be aimed at retail home buyers rather than REI.
- https://www.fortunebuilders.com/how-to-find-a-private-lender/
- https://www.investopedia.com/best-real-estate-crowdfunding-sites-5070790
- https://www.crowdstreet.com/
- https://fundrise.com/
- https://www.rocketmortgage.com/learn/real-estate-crowdfunding

5.1.8 *Conclusion*

Under each category of competitor there are hundreds or thousands of entries. Having invested many hours of research it is clear there is currently no other product on the market which has the same value proposition found in C*u*Bit™.

C*u*Bit™ certainly is not the best investment option for everyone. It is the best solution for anyone who wants to protect their wealth from inflation and volatility while enjoying slow, steady growth, and liquidity.

Table 3 Competitor Matrix

Competitor	What product(s) and service(s) are offered & Pricing	Strength or Weakness from Customer Perspective	Our Solution (How do we rate?) Are we faster, better, cheaper, more secure?
Fiat and stablecoins	• Fungible • Low volatility relative to other investments • Low cost of entry • Liquidity	• The erosion of buying power from inflation is built in • Invisible reserves	• Fungible • Low cost of entry • Low volatility • Value appreciation • Inflation resistant • Liquidity • Public Asset Ledger
Cryptocurrencies	• Fungible • Low cost of entry	• Volatile • Limited liquidity	• Fungible • Low cost of entry • Low volatility • Value appreciation • Inflation resistant • Liquidity
Fractional ownership Investments	• Low cost of entry • Income and tax benefits • Value appreciation • Inflation resistant	• Low Liquidity	• Fungible • Low cost of entry • Low volatility • Value appreciation • Inflation resistant • Liquidity
REI	• Local market familiarity • Partnership	• Limited capital	• Lots of capital • Partnerships
Traditional Lenders (banks and credit unions)	• Lots of capital • Familiar	• Full recourse loans • Inflexible • Regulator driven decisions	• Lots of capital • Non-recourse • Flexible • Partnership
Institutional Investors	• Lots of capital • Flexible decision making	• Pushing REI out of the market	• Lots of capital • Partnership
Hard Money Lenders / Venture Capitalists	• Risk takers • Non-recourse	• Limited capital • Unfamiliar • Often predatory	• Lots of capital • Non-recourse • Partnership

5.2 Suppliers Analysis

The DAO is concerned with two key supply considerations: Capital and real estate.

5.2.1 *Capital Supplies*

The offering of C*u*Bit™ secured by the Asset Ledger of the Company will supply the initial capital needs of the DAO. Revenue streams from the real estate will provide ongoing operational capital to the Company.

C*u*Bit™ will have a total authorized supply of 10 billion. The Company will be initially authorized to mint and circulate no more than 3% of the total potential supply. When C*u*Bit™ is minted, it will be deposited directly into the treasury and Asset Ledger of the Company as Reserves.

The Company has created a plan which mints and releases the initial 3% of the Coin Cap incrementally over the course of the first five years of operation. The pace and volume of these releases is designed to allow the Company to effectively meet investment objectives with each wave of funding before engaging in a subsequent funding tranche.

When the initial 3% has been issued in receipt of deposits, from time to time the Company will seek increased Minting Authorization from the C*u*BitDAO™ to mint more C*u*Bit™ to grow deposits and invest in more real estate.

Because C*u*Bit™ is a currency, not a security, the Company is able to offer it deposit receipts directly to the public. As C*u*Bit™ is issued, deposits become liquid assets in the DAO treasury and Asset Ledger. The Company then converts a portion of those liquid assets into real estate assets by acquiring real estate through its Affiliate business model.

5.2.2 *Real Estate Supplies*

5.2.2.1 *REI and Affiliates*

The second key supply issue for the Company is the conversion of liquid assets into real estate assets. The Company meets this need by establishing Affiliates in major real estate markets across the USA.

Partnering

Rather than competing with local REI for deals, the Company and its Affiliates are engaging local REI as partners in joint ventures with them to enable them to successfully and reliably complete their deals.

The members/owners of each Affiliate are recruited from the local population of the most successful REI. These successful REI are often attempting to build on their prior successes to begin funding deals for others. They are often trying to build their business as “hard money” lenders to other REI in their area.

Hard money lenders face a constant struggle to raise capital for lending and service it properly. As members of the Affiliate, they will now have access to the capital from DAO deposits, allowing them to realize their business ambitions.

Risk Mitigation

Under the Affiliate structure, the experience of the members significantly mitigates many of the risks facing the Company. By providing a reliable source of capital, the interests of the Company, the Affiliate, and the REI are aligned to find, fund, and successfully execute a continuous stream of real estate deals in their area.

DRA Rollouts

The National Real Estate Investors Association (NREIA) website (NREIA, 2022) lists 120 local chapters and Local Associations with 40,000 members across the USA. While the National REIA provides a conduit for our message to these local associations, they do not control access or restrict interaction with these local chapters.

The Company will send one or more Directors to targeted markets to work with local REI to establish the Affiliates. The objective is to establish an adequate number of Affiliates to efficiently convert the targeted portion of the Company’s liquid assets into real estate assets. This will require balancing the capacity of the Affiliates with the capital resources of the Company.

Cash flows from the real estate deals and real estate assets will be shared between the REI, the Affiliate, and the Company. Those cash flows will first be used to fund ongoing operational expenses of the joint ventures and second, provided to the joint venture partners as profits for their respective businesses.

The successful execution of this strategy to convert liquid wealth into real estate will provide profits for the REI, the Affiliate, and the Company while providing C*u*Bit™ buyers with the opportunity to protect their wealth from the ravages of inflation and extreme volatility.

See more on DRA Rollouts at Distributed Regional Affiliates.

5.2.2.2 *REOs*

Problems for Bankers

Real estate owned (REO) are a significant problem for traditional lending institutions. They are a liability which requires 100% reserves. This fully reserved position is significantly higher than the 1% to 10% which they are typically required to hold. For every dollar held in reserves for an REO the bank is unable to lend and make money on $10 to $100 dollars.

Problems Solved

With the pool of capital, the Company has from DAO deposits the Company can successfully purchase REO in bulk and at significant discounts from Federal and State chartered lenders.

This will rapidly and reliably reduce the financial strain on those institutions and quickly turn the Company into a preferred buyer for bank REO.

When the Company buys an REO it can then use REI and Affiliates to liquidate the REO. This can be done in several ways:

1) The REO can be marked up a few points above the purchase price and sold into the market as a wholesale deal (as-is, where-is).
2) The REO can be contributed into a JV with an REI and Affiliate at a marked-up basis price and the Company can participate in the equity on the sale.
3) The REO can be fixed and converted into a rental property for retention in the Company portfolio.

5.3 Marketing

The purposes of marketing are to generate deposits for the DAO, funding for the Company, and deals for the DRA. This will be achieved by:

1) Driving deposits in the DAO treasury
2) Attracting real estate deals to Affiliates
3) Migrating sovereigns toward blockchain to manage real estate records

The Company will execute a combination of related and independent strategies intended to achieve these three primary objectives. As the business matures the tactics will change to adapt to the changing profile of C*u*Bit™ and the Company. The third objective is a long-term strategic goal and will not be achieved without first accomplishing the two preceding objectives.

5.3.1 *Building the DAO Treasury and Funding Operations*

5.3.1.1 Publishing the CuBit™ white paper

Publishing a white paper has become the standard way of announcing to the world the introduction of a new cryptocurrency. White paper publication preceded the launch of both BitCoin (BTC) and Ethereum (ETH). In both cases the white paper provided the world with the basic information of how the specified blockchain technology would work, what problems it would solve, how the currency would function, and how it would be governed.

Many companies have shifted from a whitepaper to an initial coin offering (ICO). This is partly in response to regulatory pressures and in imitation of initial public offerings (IPO) for companies seeking buyers for their stock. The need for an ICO depends upon whether the offering is categorized as a security using the "Howey Test." Although these ICOs serve regulatory purposes, they also serve marketing purposes.

Because C*u*Bit™ does not qualify as a security under the Howey Test we will not be creating or promoting any ICO, instead, we will publish and promote a C*u*Bit™ White Paper (the White Paper).

This White Paper is published on the primary Company website, *CuBitREvolution*.com, with the Company initiating a social media campaign and publishing press releases to attract attention to the White Paper.

5.3.1.2 Initial Minting and Collectibles Auction

The first 15,000,000 C*u*Bit will be minted by the Company as one of the final steps in our Pre-Launch Phase. While designing and defining C*u*Bit™ the Company, as the sole member of the DAO, set the Coin Cap, the initial minting limit (Minting Authorization), and other related fundamentals of C*u*Bit™.

5.3.1.3 Commemorative CuBit™ NFT and Freebies

As a part of our marketing and fundraising efforts we are creating and marketing a variety of non-fungible tokens (NFT) as collectors items. These NFT retain "creator rights" which allow for revenue to be generated both by the initial sale and subsequent resale each NFT.

Some NFT may be provided with a "Free C*u*Bit™." To prevent dilution of the value of the currency, the sale price of each such NFT is grossed up to cover the value of the C*u*Bit™.

Other informational materials may be jointly marketed by the Company to promote C*u*Bit™. Anytime a free CuBit is offered the value of the C*u*Bit™ must be covered by the price charged to either the buyer or the marketing entity.

5.3.1.4 Expanding Available CuBit™

Subsequent C*u*Bit™ releases may follow a similar strategy of collectibles auctions and sales direct to the public along with other special offers. In all cases the integrity of the value of C*u*Bit™ will be protected from dilution.

As the Company makes subsequent C*u*Bit™ releases, when the Asset Ledger transitions from one state to another, if a new Minting Authorization is set, or the Coin Cap altered, the Company will use press releases and social media to drive attention and interest in the purchase of C*u*Bit™.

5.3.1.5 CuBit™ Exchange Channels

The Company will issue C*u*Bit™ directly to the public through a captive exchange (the Exchange) on the Company website and, where possible, through reputable digital exchanges. During the Pre-Launch Phase, all monies received are treated as donations, although Donors do receive a receipt indicating the value of their donations in C*u*Bit™.

At the end of the Pre-Launch Phase Donations will be converted into Deposits and commensurate amounts of C*u*Bit™ will be airdropped to the wallets of Donors, converting them to DAO Members. After the end of the Pre-Launch phase the Exchange will deliver CuBit™ directly to the wallet of DAO Members.

C*u*Bit™ in the hands of Members may be freely exchanged directly between other parties without interaction with the Exchange or the Company.

Redemptions of C*u*Bit™ occur when a Member exchanges their CuBit™ for some other currency through the Exchange. When that happens, the redeemed C*u*Bit™ is added to the C*u*Bit™ Reserves and is removed from Circulation. This is not the same as burning it. Every C*u*Bit™ in the reserves can be reissued as a receipt for subsequent deposits.

Beyond the needs of initial KYC/AML requirements and customer fulfillment, the Company will not provide any mechanism to routinely track C*u*Bit™ ownership. Doing so would be intrusive surveillance and be analogous to the US Government tracking the ownership of dollar bills as they circulate.

5.3.1.6 Acceptable Currencies

Through the Company websites, buyers will be able to exchange deposits for C*u*Bit™. Deposits must be made in an acceptable currency, as defined by the Company. Initially, the list of acceptable currencies is planned to include USD, USDT, DAI, and ETH. Plans to add BTC to the list are moving forward, however they require the creation of a wrapped C*u*Bit™ (see below). Each deposit will create a record on the Ethereum blockchain. The fees for creating this record is paid by the depositor and deducted from their gross deposit before determining the amount of C*u*Bit™ to be issued. Each deposit transaction will show the depositor an estimate before they finalize their deposit.

From the moment the deposit is accepted, the value of the deposit is denoted wholly and exclusively in C*u*Bit™. The depositor does not retain any rights to any amount of the particular currency deposited.

5.3.1.6.1 A Note on Treasury Management

The Company will maintain liquidity pools to support ready exchanges of C*u*Bit™ and the acceptable currencies.

All liquidity pools and liquid assets will be dynamically managed using treasury management techniques which are already proven and acceptable to outside auditors and government regulators.

Because of the inflationary nature of fiat currencies and stablecoins tied to fiat currencies, such as USDT and DAI, the amount fiat and fiat adjacent currencies kept in the treasury will be minimal. Sufficient amounts are needed to fund liquidity pools for exchange. Some may be required for other operational purposes.

Despite their volatility, ETH and other cryptocurrencies (e.g., BTC) must be kept in the treasury to fund liquidity pools and may also function as cash reserves for the DAO.

5.3.1.6.2 Wrapped CuBit™

Because C*u*Bit™ is built on the Ethereum blockchain, before the Exchange can accept BTC for C*u*Bit™ the Company will need to create a wrapped C*u*Bit™ which can be used on the bitcoin blockchain. Every wrapped C*u*Bit™ issued will be backed one-for-one with a C*u*Bit™ moved from reserves to circulation.

5.3.1.7 Required Depositor Wallets

After the Pre-Launch, neither the DAO nor the Company will maintain any accounts to track the possession of C*u*Bit™. C*u*Bit™ is a non-custodial currency. All who receive C*u*Bit™ must have, or establish, their own private cryptocurrency wallet(s) to hold their C*u*Bit™.

It is the responsibility of the depositor to ensure their wallet to receive C*u*Bit™ is compatible with the currency.

5.3.1.8 KYC/AML Compliance

All prospective depositors must comply with USA regulatory requirements known as "Know Your Customer" (KYC) and "Anti-Money Laundering" (AML) before they are able to receive C*u*Bit™ as receipt for their deposit in the DAO.

KYC/AML is used in the document as a shorthand to refer to all applicable financial regulations that are established under the laws of the USA.

The Company will contract with third-party providers to use their KYC and AML tools for all C*u*Bit™ exchanges managed by the Company. The deposit and redemptions processes will integrate these third-party tools and processes within our own to make the processes as efficient and effective as feasible.

Until a prospective depositor and their deposit have completed the requisite regulatory hurdles, their prospective deposit is treated as a donation rather than a deposit.

5.3.1.8.1 USD Depositor Provisions

If a prospective depositor wants to exchange USD for C*u*Bit™ the Company website will accept their payment from a bankcard, credit card, checking account, and potentially from such payment services as PayPal, Venmo, or Zelle. Each of these sources has their own AML KYC provisions in place and do not require any special compliance measures by the Company.

When the USD payment from an approved payment provider has been accepted (cleared the bank of the Company) and the three-day "buyer's remorse" period has expired, the Company will make arrangements with the depositor to transfer the appropriate amount of C*u*Bit™ from the Company treasury to the buyer's cryptocurrency wallet, converting them from a depositor into a DAO Member.

Because many of the vehicles to pay in USD charge merchant fees, when a prospective depositor opts for one of these payment methods, an appropriate transfer fee is calculated as part of the exchange process and called out explicitly for the buyer to see as a deduction from their deposit amount before the transaction is approved by the depositor.

5.3.2 Attracting Real Estate Deals to the Company

The second major marketing thrust is to attract real estate deals to the Company. Because this is aimed at REI the marketing messages and channels will avoid themes and forums which might inadvertently make consumers

believe that the Company is interested in buying their home or lending them money to buy a home. The Company maintains a strict policy prohibiting funding owner-occupied homes.

To attract REI the company uses a two-pronged approach. One part leverages the marketing activities of recognized real estate gurus across the USA. The second part will leverage the many real estate investor associations (REIA) which exist all across the USA.

Working With Real Estate Gurus

One part of the strategy will be to place representatives of the Company in front of REI audiences which have been gathered by real estate gurus for the purposes of selling or delivering REI training.

Nearly every weekend in major markets across the USA real estate gurus are holding seminars for free or for fee where they purport to train people how to make money by investing in real estate. With the pandemic, many of these have become virtual events.

The strategy used by these gurus is to get the REI to pay for group training and special access to the guru. Most of these gurus collaborate with one another and present their specialized messages to the students of other gurus. For instance, a guru specializing in teaching people how to invest in storage facilities might be recruiting students from the stage of a guru who is training REI how to buy single family homes with little or no money down.

This practice is embodied in the advice of internet marketing guru Jeff Vacek when he said, “Find a parade of customers who are already buying a product like yours and get in front of it.”

Typically, the visiting guru pays the host a portion of the signing fees paid as a result of the sales presentation. We anticipate that the Company would need to pay these gurus for access to their students.

Working With REIAs

In communities large and small across the USA there are non-profit groups of REI who come together to support each other in their real estate investing activities. Sometimes they sponsor events where many gurus pay to pitch their products to the assembled REI. These are referred to, somewhat derisively within the REI community, as a sale-a-palooza. Regardless of the derision, these events are a source of funds for the REIA, a source of additional REIA members, and often provide valuable training and networking opportunities for new and old members.

In addition to the periodic sale-a-palooza, most REIA meet at least monthly. At their periodic meetings they engage in networking and training. Often these meetings provide opportunities for members to present deals they have for which they need funding, or to let other members know that they have funds available to invest in deals.

If the Company participates in a sale-a-palooza we will have to pay a fee for the opportunity. If we are given a chance to make a short presentation at a regular meeting it is probable that no fee would be involved.

The approach in these meetings will be to let REIA members know that C*u*Bit™ has money set aside to partner with them in their real estate deals. However, not all REI have the same needs. Because of that, these presentations will enable the REI to self-categorize themselves in one of the following three REI types:

A. Relatively new to real estate investing, needing money to fund their deals and perhaps some guidance in selecting and structuring their deals.

B. Experienced REI with modest success, needing access to reliable funding sources to achieve their deal volume goals.
C. Seasoned REI that is able and willing to fund others' deals as well as their own, wanting significant capital to grow their business into a reliable and sizable operation.

The Company is looking to recruit all three of these REI types and to partner with them. Our key component in this local environment is the Affiliate.

The Affiliate is a regional company (the Affiliate) which the Company will establish and will recruit shareholders from "C" REI. Most of these REI are sophisticated investors with their own businesses.

One, or more, of the Company Directors will be a founding member of each Affiliate. This Director will recruit and train the Affiliate owners on how the Company will partner with REI in their community.

"C" and "B" REI will be paid to validate certain deal checkpoints. The owners of the Affiliate will vet each deal presented to the Affiliate and recommend purchase or rejection, along with the terms of the deal. They will oversee the successful execution of the deal.

"A" REI will be encouraged to bring their deals to Affiliate where the owners will evaluate their deal and fund acceptable deals through a partnership arrangement as specified by the Company.

The Company will provide the funding for these deals and partner with the Affiliate to act as the funding partner while the REI will be the primary equity partner.

A short slide presentation has been drafted and scripted which can be used by the designated Director to present the funding opportunity to any REIA. The discussions about becoming members of the Affiliate are subject to regulatory restrictions because membership shares in Affiliate does constitute a security. It will be managed to ensure it qualifies as a private security offering.

5.3.3 *Migrating real estate markets toward blockchain*

Presentations to associations of county clerks & recorders – In the USA, most sovereign interests in taxing and regulating real estate ownership reside at the county level. Most cities and towns have a significant reliance on county functions to provide the authoritative source of record for ownership of real estate. Additionally, they often derive their taxation assessments directly from the values assessed by county tax assessors. As stated elsewhere in this memorandum, the Company will find it helpful to attain the goodwill of sovereign authorities as we tokenize real estate ownership records.

Through its wholly owned subsidiary, TWPRR.com, the Company will tokenize all the real estate assets that it handles. Additionally, TWPRR™ will be set up to offer title services to all US markets.

TWPRR™ will own and operate a secure blockchain dedicated to real estate tokens. They will charge UREWPS™ a fee for each token they create and each update to the secure TWPRR™ blockchain. This blockchain will have "nation-state" level security in place to protect against hacker exploits.

TWPRR™ will engage in a marketing campaign targeted at county governments across the USA. Their strategy will be to partner with these city and county governments to tokenize all their deed books transactions from a date certain going forward.

TWPRR™ will provide the sovereign with a smart-contract solution to maintain property records and sovereign liens, in addition to recording all typical liens against real estate.

5.3.4 *Products*

1) Presentations to investors in real estate and investors in cryptocurrency.
2) Crowdfunding.

5.3.5 *Product and Price*

Table 4 - Products and Prices

Target Customer	Product / Service Options	Pricing
Individuals & Institutional Investors	CuBit™ the basic unit of sale is the CuBit™ which has a value near $100 USD.	~ $120 USD per C*u*Bit
Sovereign Authorities, Real Estate Owners (individual & institutional)	Real estate tokens - Another service or product which may prove to be a substantial source of value to the Company will be tokenizing real estate ownership information. Conversion of real estate ownership into blockchains offers many improvements in information accessibility, reliability, and efficiency which are significantly superior to current practices. This includes tokenization of all the various rights associated with real estate. This sub-tokenization allows for easier management of sales and leasing of distinct rights associated with real estate.	$1,500 USD per property on the TWPRR blockchain.
Real Estate Investors (REI)	Real estate financial joint venture partnering for real estate investors. • Short-term (<= 18 months) and long-term (> 18 months) funding to acquire revenue-producing real estate. May require an equity stake. • Short-term (<= 18 months) funding to rehabilitate revenue producing real estate. May require an equity stake. • Construction funding to build revenue producing real estate. Requires an equity stake. • Refinance funding to stabilize cash flows for revenue producing real estate. Requires an equity stake. • Cash out refinancing to give REI some cash out of the deal while stabilizing cash flows. Requires an equity stake. • Tax Lien Purchase Partnering	Variations by Deal Type, Market, and Prevailing Competitive Rates. Includes, but is not limited to origination fees, interest, retirement fees, etc. This may also include an equity interest in the property, an owner's portion of rents, and tax breaks. Short-term funding will be priced between the high rates of hard money lenders and above the much lower rates of conventional residential and commercial property lenders.

Target Customer	Product / Service Options	Pricing
	• Private Note Buying	Long-term funding will require periodic renewals with potential changes to the financing terms.
REI	Property management – initially, we will likely outsource this. When our rental portfolio reaches an economy of scale where it makes sense, we may buy or build a property management company and offer these services to other rental property owners.	5% to 15% of the gross rents
Sovereign Authorities	Blockchain consulting services to help them improve efficiency, reliability, and resilience of the management of their property interests by migrating to blockchain-based processes.	Contracts may be time and materials or fixed price, depending upon the engagement.
REI, Affiliates, and the Company	**Tokenization** A key element for both our long-term strategy and keeping personnel costs at a minimum hinge on our efforts to streamline the tokenization into smart contracts of nearly every aspect of the business, especially the real estate assets. As we establish the fields and forms common for each different type of token, we will create a tool which will allow us to feed the key information into a computer program which will automatically create appropriate smart contracts (tokens). This will eliminate the need to individually author each token. The token operations themselves will automate many tasks which would otherwise require staff to perform. As an example, every loan agreement the Company makes can be encoded into a smart contract which then operates automatically through the life of the contract. It could request loan payments, record loan payments as they were received electronically, initiate the production of loan documents including, but not limited to annual tax documents around interest expenses. This should significantly reduce or eliminate lock box and accounting staff.	Includes NFT of: • The Property: $750 per property, charged to the REI. • The JV: $500 charged to the REI • Storing of key documents using FileCoin: Passthru fee paid by the REI.

5.3.6 Promotion

Table 5 Targeted Promotions

Target Customer	Promotion Options
C*u*Bit™ Depositors - Individuals & Institutional Investors	Pre-sale donations: • Time-Specific Exchange Rate Guarantee • Reduced Fees • Other?
REI	1st Deal Bonus or Discount 2nd Deal Bonus or Discount 3rd Deal Bonus or Discount 1st Refi Bonus (not cash-out) 1st Cash-out Refi Bonus

5.3.7 Networking

Real Estate Industry Experts

Members of our management team have relationships with several prominent real estate investment experts, coaches, and mentors who host training seminars all over the world. Through our team we can reach out to these individuals, get our message in front of them, and through them to their audiences. These include, but are not limited to the following:

- **Raymond Aaron** – "One of the world's top success coaches." The author of 146 books, including Branding Small Business For Dummies, Double Your Income Doing What You Love and the New York Times best-seller Chicken Soup for the Parents Soul and the Canadian best-seller, Chicken Soup for the Canadian Soul. http://aaron.com/home/

- **Phill and Shenoah Grove** – Owners of Love Homes. Leaders of the largest REIA in Texas.
  - Owns: > $15+M of Texas Real Estate
  - Invested in: > $50M in Commercial Properties in Texas
  - Involved in: > $200,000,000 in real estate transactions
  - Negotiated: > 1,200 Real Estate Deals
  - Sold: > $60M of Info Products (real estate investing)
  - https://phillgroveofficial.com/phill-grove-bio

- **Dr. Nido Qubein** - Dr. Nido Qubein came to the United States as a teenager with little knowledge of English and only $50 in his pocket. His journey has been an amazing success story. The Biography Channel and CNBC aired his life story titled "A Life of Success and Significance."

  As an educator, he is president of High Point University, an undergraduate and graduate institution with 4,300 students from 40 countries. He has authored two dozen books and audio programs distributed worldwide.

As a business leader, he is chairman of the Great Harvest Bread Company with 220 stores in 43 states. He serves on the boards of several national organizations including BB&T (a Fortune 500 company with $185 billion in assets), the La-Z-Boy Corporation (one of the largest and most recognized furniture brands worldwide), and Dots Stores (a chain of fashion boutiques with more than 400 locations across the country).

As a professional speaker, Dr. Qubein has received many distinctions including the Golden Gavel Medal, induction into the International Speaker Hall of Fame, and as the founder of the NSA Foundation in Arizona.

He has been the recipient of many honors including The Ellis Island Medal of Honor (along with four U.S. presidents), The Horatio Alger Award for Distinguished Americans (along with Oprah Winfrey and Supreme Court Justice Clarence Thomas), the DAR Americanism Medal, the Order of the Long Leaf Pine, Sales and Marketing International's Ambassador of Free Enterprise, Leadership North Carolina Governor's Award, and Citizen of the Year and Philanthropist of the Year in his home city of High Point, North Carolina. https://www.nidoqubein.com/

- **Marko Rubel** – Owner of Real Estate Money, LLC and Turn-key Systems, Inc. "Master Investor, Speaker, Author, Business Coach." https://www.markorubel.com/

- **Marco Koslowski** - Marco has led real estate investment trainings all over the world — from Australia to Singapore to North America and Europe. https://www.marcokozlowskimentor.com/

- **Alan Cowgill** - Alan has created innovative systems, tools, and personal training that put him squarely on the cutting edge of real estate investing education. E. Alan Cowgill is the owner of Colby Properties, LLC. and President of Integrity Home Buyers, Inc. Alan invests in single-family and small multi-family properties in Springfield, Ohio, where he and his wife raised their three children.

  Since 1995, Alan has done hundreds of real estate transactions. Alan uses private lenders to fund his real estate purchases. Alan looks for "win-win" situations, where the seller, the lender, and the eventual homeowner can all win. He is not a realtor, but a private investor.

  Alan has served as an elected official on the Board of Directors for the Clark County Property Management Association. He is an author, consultant and national speaker. He has been asked to speak on the topics of investing for the beginning investor and finding private lenders.

  His home study system, "Private Lending Made Easy", teaches both new and seasoned real estate investors how to find private lenders for their own real estate businesses.

  In addition, Alan:

  - Holds a BS Degree in Business Management.
  - Has appeared in real estate infomercials shown nationwide.
  - Was featured in the Business Section of the Springfield News-Sun newspaper in an article on real estate investing.
  - Was interviewed for the book "Walking With The Wise Real Estate Investor" (by Mentors Magazine), which includes contributions by Donald Trump.

- Adjunct professor for five years at Clark State University.
- Is a published author not only for Real Estate but also in American Industry.
- Has over a quarter century of experience in business management.
- Business trainer and consultant.
- Speaking Engagements include: Yovel, England; Dallas, Texas; Fort Collins, Colorado; Atlanta, Ga.; Jacksonville, Florida; Cashiers, NC.; Las Vegas, Nevada and Springfield, Ohio.

Cryptocurrency Experts

- We are building contacts in the crypto and RE investing world to make them aware of what we are offering, giving them a chance to sign up
- We currently have marketing efforts underway to reach noteworthy bloggers and websites

Real Estate Investor Associations

The National Real Estate Investors Association (NREIA) website (NREIA, 2022) lists 120 local chapters and Local Associations with 40,000 members across the USA. While the National REIA provides a conduit for our message to these local associations, they do not control access or restrict interaction with these local chapters.

Each chapter typically provides a public announcement of their various meetings and everyone is welcome. Sometimes a small fee is required if the attendee is not a member of the association.

These associations provide speaking and marketing opportunities for members and guests, often free of charge. They are comprised of a mixture of both novice and seasoned real estate entrepreneurs. The individual real estate investors (REI) are a primary target of our services.

Representatives of the Company can attend and join these associations and secure opportunities to present our offerings to the members with very little cost beyond the time invested to join and make the presentation(s).

5.3.8 Advertising

- Crowdfunding
- Advertising in industry directed content
- Partnering with applicable websites
- Social media marketing
- Pay per click advertising
- Reaching out to local bloggers and websites
- Flyers
- Website marketing
- Banner ads
- Real estate investment seminars
- Real Estate Investing Associations
- Cryptocurrency publications
- Podcasts
- Our website
- Press Releases
- Articles on Social Media Sites (e.g., LinkedIn)
- Memes on social media sites

- FB Ads
- LI Ads
- WSJ Ads
- Sponsorship ads on sites promoting financial liberty

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7.0 Appendix

7.1 Appendix A: Real Estate Valuation

Understanding how real estate values are determined is an essential consideration when determining the value of real estate for acquisition, retention and liquidation. Having a reliable, reputable, accurate, consistent, and reproducible model for valuing real estate is required for ensuring that the Real Estate Assets Value published in the C*u*BitDAO™ Asset Ledger correctly reflects this crucial element of the value of C*u*Bit™.

Processes for valuing real estate can be standardized across markets. However, the values themselves will vary from one market to another and even from one sub-market to another. During the periodic outside audits of the Asset Ledger auditors will look closely at how the C*u*Bit™ real estate portfolio is valued, both in part and in whole. Auditors will need to have confidence in our valuation approach and be able to reproduce its results to validate the values we assert.

Let Me Count the Ways

Real estate value is determined through a variety of methods that account for factors such as market conditions, property characteristics, and future income potential. These methods help assess the worth of a property, whether for sale, investment, taxation, or financing purposes. Below are the primary approaches used to determine real estate value:

1. Market Comparison Approach (Sales Comparison Approach)
2. Tax valuation
3. Economic valuation

In addition to these three primary approaches, insurance companies often use a cost approach which is based on what it would cost to replace or reproduce a property. We are disregarding that approach as being designed by insurers specifically to minimize their financial exposure while maximizing the profitability of the insurance company.

Finally, there are automated valuation models (AVM) which show up on websites such as Redfin.com, Zillow.com and others. These models are typically employed by online real estate platforms, lenders, and investors to quickly provide value estimates. Automated Valuation Models (AVMs) use algorithms and large datasets to estimate a property's value. However, they rely heavily on data inputs and are not as precise as professional appraisals. We reject using AVM on two grounds 1) the underlying models are proprietary code so the value formula is opaque and, 2) experience has shown that AVM models consistently overstate property values.

We don't call out professional appraisals here as a distinct method of valuation because professional appraisers may use one or more of the above methods to determine a property's fair market value. Appraisers are a reliable provider, not a distinct approach. We anticipate that independent appraisers will play a significant role in determining the value of real estate held in the C*u*Bit™ portfolio.

Comparable Market Analysis

Market comparison approach is what most people are familiar with. Market comparison determines the value of a property by comparing it to similar properties that have recently sold in the same area. Adjustments are made for differences in features, such as location, size, and condition. This method is widely used for residential

real estate, as it reflects current market trends. The process is often referred to as Comparable (or Competitive) Market Analysis (CMA) and the result is called the Fair Market Value (FMV). After all adjustments are made for condition, amenities, location, and some other factors the result is an assertion of a price per square foot, multiplied by the square footage of the property. This form of valuation is what most home buyers and home sellers see when a real estate agent or a home appraiser analyzes the value of a property.

> *"The sales comparison approach is typically regarded as the most reliable and accurate method for determining the value of single-family homes" (Geltner et al., 2007, p. 74).*

Tax Valuation

Tax valuation is based on the judgement of a government employee of the value of real estate relative to its highest and best usage, and sometimes relative to the prevailing market rates. The tax assessor considers improvements on the property, the path of growth, market trends, and recent sales of similar properties. In most jurisdictions the tax value is a significantly lower assertion of value than what the market is willing to pay. For practical purposes, the tax value is used primarily by taxing authorities to determine how much property taxes are owed by property owners. These tax assessments tend to act as a practical floor to support market valuations of property.

Economic Valuation

Economic valuation is the only valuation method standardized across all markets, because it is based on the mathematics of renting or leasing a property. Despite this potential for standardization, optimal economic valuation may vary considerably from one market to another and there are competing economic models.

The **income capitalization approach** values a property based on the income it generates. This method is commonly used for commercial real estate, apartment buildings, and rental properties. The net income a property generates (after expenses) is divided by the capitalization rate (cap rate), which reflects the expected return on investment, to arrive at the property's value.

$$\text{Property Value} = \frac{\text{Net Operating Income (NOI)}}{\text{Capitalization Rate}}$$

> *"The income approach is the method of choice for properties where income is the primary motivation for ownership, such as office buildings, apartments, or shopping centers" (Brueggeman & Fisher, 2011, p. 205).*

For a fixed NOI, the lower the expected Capitalization Rate (Cap Rate) the higher the price you can afford to pay for the property. Unless the expected return involves the sale of the property, market valuation doesn't typically factor into the economic valuation of a property. Tax value is factored in only because it determines how much real estate taxes may need to be taken out of the gross income to help in the ultimate determination of the NOI.

Cap Rate Abuses

Cap Rate is perhaps one of the most abused terms in commercial real estate. Buyers base their Cap Rate calculations on NOI, while sellers and unscrupulous or uneducated agents often base it on Gross Rental Income (see below).

Occasionally, an agent or seller will promote a Cap Rate that is based on pro forma (Latin for "the form it will take") cash flows, which are fictional. Experienced investors never accept others' calculation of the Cap Rate, instead, they run the numbers themselves and base them on the actual, verifiable income and expense numbers.

A simplified version of the income approach, the **gross rent multiplier (GRM)**, is often used for small rental properties. It calculates the property's value by multiplying the gross rental income by a multiplier derived from market conditions. GRM is quick but less detailed than the full income approach because it doesn't factor in operating expenses.

$$\text{Property Value} = \text{Gross Rental Income} \times \text{GRM}$$

Our Approach

The Company will typically use economic valuation as its primary driver to determine real estate value. This is appropriate since the focus is on the acquisition and management of revenue producing real estate. We will also rely heavily on professional appraisers and local real estate experts.

Increasing Economic Values

PropertyMangement.com reports that since 2000 rental rates have risen an average of 3.1% per year. This compares favorably to average real estate appreciation of 3.9% and inflation of 2.2% for the same periods. This implies that the Company's economic models for returns generated are conservative and the actual results may outstrip projections.

If you hold expenses constant as a percentage of rent and maintain the same before tax Cap Rate expectations of the current model (4.2%), by the time you reach year 10 the $100k property now has an economic value of $136k.

The SFR Exception

Single family residential (SFR) properties, in contrast with other revenue producing real estate, may be valued using comparable market values. Where this occurs, it is the general policy of the Company to ensure that no superior lien is present and total capital for acquisition, rehab, and sale of a property will not exceed 70% of the FMV of a property. These two policies significantly mitigate many risks associated with buying, managing, and selling SFR.

Not all of the Company's real estate deals will be based on acquisition and management of real estate. Some may be linked to lending operations secured by real estate. These efforts may produce one-time, or ongoing, revenues specific to real estate finance.

Avoiding Consumers

Financial partnering operations of the Company will be primarily business-to-business and avoid entanglements with consumers. This policy of partnering rather than lending and excluding consumer-based efforts avoids substantial risks and regulations associated with providing loans and lending to consumers. The costs of compliance with those regulations and measures to mitigate those risks would drive up our expenses and significantly dilute our financial returns.

The Whole Story

The policies and approaches described in this section do not stand alone. The Company maintains many other policies, standards, and procedures designed to mitigate risks and deliver optimal returns.

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7.3 Appendix B: Potential Products

The UREWPS™ team considered a wide variety of potential products we might use as real estate equivalents in the DAO treasury as well as tangentially related products. Any reader that is reasonably well acquainted with the real estate investing industry knows that there are a wide variety of financial instruments which often qualify as real estate equivalents. After considering all of these possibilities, the team narrowed our acceptable instruments to deeds (and deed equivalents) and tax liens (sovereign liens) as the only real estate equivalents for inclusion in the DAO treasury, for now.

This does not prevent us from acquiring properties through foreclosure sales or note sales. However, such acquisitions must comply with the policy to ensure that no liens against the property are in place when our acquisition concludes.

HOOPS™ and WRAP™

One of the most prominent and common real estate equivalents used by real estate holding companies are notes secured by real estate, i.e., mortgage lending. Without question, offering financing is a profitable way to expand a real estate portfolio. However, both commercial and consumer lending are accompanied by what can only be described as onerous levels of regulations. Compliance with these regulations is both complicated and expensive. Additionally, every regulation represents additional risk(s) which can harm the financial worth of any real estate portfolio.

UREWPS™ management has implemented the policy that we will not engage in consumer lending. We will not make purchase money loans (or improvement loans) for owner-occupants who are natural persons. If we opt to engage in real estate lending, we will confine ourselves to lending only to businesses.

While we eschew dealing with consumer finance, we believe that homeownership is desirable both for society at-large, and for individuals. We recognize that, given that the DAO portfolio contains multifamily properties we have a ready pool of consumers who are currently renters. Among them will be many who aspire to homeownership. The Worthy Renter Assistance Program™ and Home Ownership Opportunity Pathway System are designed to help them achieve their homeownership goals.

Worthy Renter Assistance Program™

The Worthy Renter Assistance Program™ (WRAP™) is a renter loyalty program available to tenancts in DAO portfolio properties. A white-label version may be made available to other landlords. For a full description of this program, please refer to the WRAP™ Whitepaper.

WRAP™ reduces costs to our JVs from tenant misbehavior by rewarding desired tenant behaviors. As an added benefit, WRAP™ allows qualifying tenants to accrue credits toward a downpayment on a home through the Home Ownership Opportunity Pathway System™.

Home Ownership Opportunity Pathway System™

Home Ownership Opportunity Pathway System™ (HOOPS™) is a non-profit organization UREWPS™ establishes in many areas to help worthy tenants convert into homeowners. The non-profit buys properties from UREWPS™ (sustaining our business to business only policy) and finances them to owner occupants through rent-to-own, lease-option, and contract-for-deed mechanisms. The non-profit bears the associated regulatory and compliance burdens and risks that accompany consumer lending.

The intent of HOOPS™ is to provide non-traditional avenues for homeownership for people who may not be able to qualify for traditional home loans from a bank. For a full description of this program, please refer to the HOOPS™ Whitepaper.

Converting Borrowers into Businesses

Because UREWPS™ operates only on a business-to-business (B2B) basis some potentially desirable joint ventures might be ineligible. Establishing and promoting a process that enables individuals to establish legally recognized corporations is to our advantage. Our current working name for this effort is B2B Conversions.

B2B Conversions will teach individuals all about incorporation and guide them through all the steps so that they make informed decisions and establish a business legally and correctly. For UREWPS™, ensuring that every REI bringing a deal to a DRA is a legally recognized business entity mitigates potential consumer protection risks.

Rather than building this from nothing, we may form a strategic alliance with an existing incorporation business or create a captive subsidiary for this purpose. We will direct our would-be partners to these organizations, if they are not already incorporated in some form.

Consumer Education

An endeavor complementary to B2B Conversions is our C2B Conversions which is intended to teach consumers how to become businesses as well as the benefits, rights, and obligations of being a business. This can be part of their transition to becoming a successful REI, or just to help them achieve more economic liberty.

7.4 Appendix C: Using Trusts and Joint Ventures

Using Trusts and JVs for Buying, Funding, and Holding Properties

UREWPS™ (the Company) is not a lender. We are a funding partner. Because we are a partner, along with the REI and the DRA, the assets of each deal will be invested in a joint venture (JV) between the three partners. On the public record the ownership of the subject property will be held in a trust with the JV as the sole beneficiary with the Company as the Trustee. This arrangement will keep the trust simple and allow for ownership interests within the JV to be altered, if needed, without any changes to the public record.

Within the JV, the legal constructs of partnership terms will exist along with all provisions of default, etc. This will allow the Company to take possession of a property in the case of REI default without reliance upon foreclosure proceedings.

Bringing every deal into a trust facilitates tokenization of all property interests.

Table 6 Fix and Flip Traditional Funding v CuBitDeals™

Traditional Funding	C*u*BitDeals™
Fix and Flip	
REI finds and negotiates a purchase agreement,	REI finds and negotiates a purchase agreement Affiliate vets the property, the REI, and the deal and recommends purchase
REI obtains funding	Company agrees to fund the deal
REI closes the purchase generating a promissory note and deed of trust for the lender.	Affiliate closes the purchase, buying the property into a trust which is managed by the Company, and which is specific to that property. The property and associated rights are tokenized. The funding associated with the property is tokenized into a smart contract inside of the JV.
REI gets a hard money loan for purchase and rehab of a property. The note and deed of trust specifies all terms • fees • points to be paid up front • interest only payments during the construction period • payouts during the construction period according to proof of work • and a payment of principal and interest once construction is complete • amortization, interest rates, amortization, repayment term, etc. • conditions of default • recourse	The smart contract spells out the obligations of all three partners. The JV specifies all terms which the REI, Affiliate, and the Company must meet to maintain or alter the disposition of beneficial interests of the JV. • fees • points to be paid up front • interest only payments during the construction period • payouts during the construction period according to proof of work • and a payment of principal and interest once construction is complete • amortization, interest rates, amortization, repayment term, etc. • conditions of default • recourse
REI holds title to the property on the public record.	Trust has title to the property
Lender gets a deed of trust / mortgage.	No deed of trust needed.
When rehab is complete REI either sells the property and repays the lender or refinances and repays the lender.	When the conditions of the rehab have been fulfilled the REI will have opportunity to either buy out the beneficial

Traditional Funding	CuBitDeals™
	interests of the Company and the Affiliate, or to negotiate a new JV smart contract that is equivalent to a refinance.
Lender relinquishes rights.	If the REI buys out the interests of the Company and the Affiliate, the REI can decide whether to keep the property titled to the Trust (while changing the Trustee), or to take title in another name.
REI gets a new loan. New lender obtains deed of trust / mortgage.	No changes will occur in the public record until the property comes out of the trust. This will occur only if: • The REI fulfills the smart contract. As the sole beneficiary of the JV at that point, the REI can request to have the property title changed out of the trust. • At the direction of the JV, the Trustee sells the property out of the trust. • Beneficial interests in the JV will routinely be constructed so that if the property is sold at a loss, the loss comes first out of the beneficial interest of the REI, then out of the beneficial interest of the Affiliate, and finally out of the interests of the Company.

Table 7 Real Estate Investor (REI) Loan (without rehab) v CuBitDeals

Traditional REI Deal	CuBitDeals
REI finds and negotiates a purchase agreement.	REI finds and negotiates a purchase agreement Affiliate vets the property, the REI, and the deal and recommends purchase.
REI obtains funding.	Company agrees to fund the deal.
REI closes the purchase while generating a promissory note and deed of trust for the lender.	Affiliate closes the purchase, buying the property into a trust which is managed by the Company, and which is specific to that property. The property and associated rights are tokenized. The funding associated with the property is tokenized into a smart contract inside of the trust.
REI gets a hard money loan for purchase and rehab of a property. The note and deed specify all terms • fees • points to be paid up front • payment of principal and interest • amortization, interest rates, amortization, repayment term, etc. • conditions of default • recourse	The trust and JV smart contract spells out the beneficial interests of the REI, the Affiliate, and the Company. The JV specifies all terms which the Borrower must meet to maintain or alter the disposition of beneficial interests. • fees • points to be paid up front • payment of principal and interest • amortization, interest rates, amortization, repayment term, etc. • conditions of default • recourse
REI gets title to the property.	Trust has title to the property.
Lender gets a deed of trust / mortgage.	No deed of trust is needed. No mortgage is filed.
When REI decides, REI either sells the property and repays the lender or refinances and repays the lender.	As the conditions of the smart contract are met the beneficial interests of the JV may be adjusted. The REI will have opportunity to either buy out the beneficial interests of the

Traditional REI Deal	CuBitDeals
	Company and the Affiliate, or to negotiate a new smart contract that is equivalent to a refinance. Revenues from the property (if rented or leased) will flow into the JV through the trust. The JV (smart contract) will disburse the revenues according to the terms of the JV. Typically, this will mean payment of principal and interest to the Company happens first. Then payments of operating expenses. Lastly, the remainder will be paid out to the partners according to their equity interests in the JV.
Lender relinquishes rights.	
REI obtains new loan. New lender obtains promissory note secured by a deed of trust / mortgage.	No changes will occur in the public record until the property comes out of the trust. This will occur only if: • The REI fulfills the smart contract. As the sole beneficiary of the trust at that point, the Borrower can request to have the property title changed out of the trust. • At the direction of the beneficiaries, the trustee sells the property out of the trust. • Beneficial interests in the trust will routinely be constructed so that if the property is sold at a loss, the loss comes first out of the beneficial interest of the REI, then out of the beneficial interest of the Company.

The trusts will be set up so that when the beneficial interests are materially changed, the sovereign authority is notified, and transfer taxes are paid. The JV will also address how insurance and property taxes are to be handled. Those will be embedded in the JV smart contract. The REI may have the responsibility to keep insurance in force with a forced-placed option available to the JV if they lapse. Likewise, the REI will be responsible for payment of taxes and sovereign liens with the option for the Company to pay them and take the sole beneficial interest in the property. This latter will have nearly the same effect as a tax foreclosure or other form of foreclosure, only without all the expense of courts and attorneys.
While it is expected that such a foreclosure action within the JV could result in a legal challenge, we anticipate that our requirement that all borrowers be a business will ensure that all actions remain as commercial contracts between legally sophisticated participants, so no consumer protection laws come into play.

All of this will have the effect of significantly mitigating legal risks, schedule risks, and costs associated with foreclosures when an REI fails to meet the obligations associated with acceptance of funds from the Company.

7.5 Appendix D: Informal Consultants

The Company gratefully acknowledges the advice and instruction provided to the Directors from the following real estate industry experts:

- **Alan Cowgill** (Colby Properties, LLC) – Private lending, real estate acquisition, real estate management, back-office operations
- **Phill and Shenoah Grove** (Love American Homes) – Real estate acquisition, risk identification, and real estate management
- **Carlton Sheets** – Real estate acquisition, management, and syndication
- **Robert Shemin** – Real estate acquisition and management
- **Marko Rubel** – Marketing, real estate acquisition
- **Marco Koslowski** – Marketing, real estate sales
- **JT Foxx** – Networking and negotiation
- **Raymond Aaron** - Negotiation
- **Jay Abraham** – Marketing, strategic management
- **The American Cash Flow Institute** – Creative finance, seller finance
- **Anthony Vettese** – Internet and Social Media Marketing
- **Kyle Lindemann** – Cryptocurrency Models
- **James Smith** (National Real Estate Institute) – Real estate acquisition, advertising, financing, sales, and marketing
- **Nathan Brown** – Billboards as easement carveouts in real estate
- **Darcie Newton** – Chattel Depreciation
- **Legal Protection Group, LLC** – Tax liens and tax deeds
- **Charles J. Givens** – Creative finance
- **Jay W. Mitton, MBA, JD** – Trusts, corporate structures, and wealth protection
- **The Short Sale Service, Inc** – Real estate acquisition and negotiation, foreclosures, short sales
- **Preston Ely** – Real estate acquisition through probates
- **Dr. Nido Qubein** - Leadership
- **Stacy Kellams** – Probate Power Profits
- **Scott Scheel** – Commercial and MFH Real Estate Investing
- **Scott Meyers, CSSP** – Self-Storage Investing

7.6 Appendix E: Financials

Revenue Generation and Flow

There are several potential revenue streams for UREWPS. Only the few listed below were included in the financial projections for UREWPS™ and the affiliates.

1. Equity realized from property sales: All equity realized from property sales is retained by the C*u*BitDAO
2. Funding fees and interest payments
3. Rental and leasing income
4. Sales of ownership shares of affiliates
5. Income from liquid asset investments

All revenues will, of course, affect the balance sheet and cash flows of UREWPS™. Of the revenue sources listed above, only #1 flows to the Asset Ledger and contributes to the value of C*u*Bit™. Strictly limiting C*u*Bit™ value changes so that they are derived from changes in real estate equity is necessary to maintain the status of C*u*Bit™ as a currency.

The first three sources listed may also be shared between UREWPS™ and the relevant DRA. The additional revenue sources listed above, and others that may be created, flow to the UREWPS™ balance sheet, but do not affect the C*u*Bit™ Asset Ledger. They are used to fund on-going operations of UREWPS.

Key Assumptions

Table 8 Key Financial Assumptions

Item	Assumption	Item	Assumption
Coin Cap	10 billion C*u*Bit™	**Initial USD Value of 1 C*u*Bit™**	~$120
Initial Minting	15 million C*u*Bit™	**C*u*Bit™ Annual Value Growth**	~3.9%
Second Minting	50 million C*u*Bit™	**Average C*u*Bit™ Deposit**	~$500
Third Minting	50 million C*u*Bit™		
Fourth Minting	75 million C*u*Bit™		
Fifth Minting	100 million C*u*Bit™		

C*u*BitDAO™ Asset Ledger Forecast

Table 9 Asset Ledger 5 Year Forecast

	Year 1		Year 2		Year 3		Year 4		Year 5	
	C*u*Bit™	USD	C*u*Bit™	USD	C*u*Bit™	USD	C*u*Bit™	USD	C*u*Bit™	USD
Circulation	15,000,000	$1,787,550,000	65,000,000	$9,061,565,526	115,000,000	$20,364,084,648	190,000,000	$35,449,029,923	290,000,000	$59,448,440,574
Total Assets Value	16,641,332	1,983,147,555	73,184,776	9,061,565,526	158,294,877	20,364,084,648	265,210,536	35,449,029,923	428,066,594	59,448,440,574
RE Assets	11,391,332	1,357,505,055	50,434,776	6,244,714,444	118,044,877	15,186,062,316	198,710,536	26,560,391,761	317,092,020	44,036,667,144
RE %	68%		69%		75%		75%		74%	
Liquid Assets	5,250,000	625,642,500	22,750,000	2,816,851,083	40,250,000	5,178,022,332	66,500,000	8,888,638,162	110,974,574	15,411,773,430
LA %	32%		31%		25%		25%		26%	
C*u*Bit™ EOY USD Value		$132.21		$139.41		$177.08		$186.57		$204.99

Company Forecast

Table 10 UREWPS™ 5 Year Forecast

UREWPS™ Rollup of Funding Revenues from All DRA Operations							
		Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Totals
UREWPS™ Founders		5	5	5	5	5	5
DRA Count		6	12	24	36	54	54
Gross Funding Revenues		$116,190,750	$601,969,704	$1,469,698,050	$2,577,201,619	$4,279,334,493	$9,044,394,616
Gross Rental Revenues		$7,016,977	$36,354,079	$88,757,821	$155,642,038	$258,437,034	$546,207,949
Affiliate Share Sales Revenue	$100,000	$60,000,000	$60,000,000	$120,000,000	$120,000,000	$180,000,000	$540,000,000
Total Gross Corporate Revenues		$183,207,727	$698,323,783	$1,678,455,871	$2,852,843,656	$4,717,771,527	$10,130,602,565
Interest Paid	8%	$14,443,404	$57,092,619	$81,211,159	$88,420,936	$112,212,307	$353,380,426
Operations Expense Ratio (OI	40%	$73,283,091	$279,329,513	$671,382,348	$1,141,137,463	$1,887,108,611	$4,052,241,026
Net Available After Expenses		$95,481,232	$361,901,651	$925,862,363	$1,623,285,258	$2,718,450,610	$5,724,981,113
Hostage Cu Bit™ Debt Retirement		$95,481,232	$361,901,651	$925,862,363	$1,623,285,258	$1,402,653,835	$4,409,184,338
NIBT		**$0**	**$0**	**$0**	**$0**	**$1,315,796,775**	**$1,315,796,775**
Hostage Cu Bit™ Interest		$14,443,404	$57,092,619	$81,211,159	$88,420,936	$112,212,307	$353,380,426
Hostage Cu Bit™ Buy Back		$95,481,232	$361,901,651	$925,862,363	$1,623,285,258	$1,402,653,835	$4,409,184,338
Profit Share		$0	$0	$0	$0	$1,315,796,775	$1,315,796,775
		$109,924,636	$418,994,270	$1,007,073,523	$1,711,706,194	$2,830,662,916	$6,078,361,539
Hostage Cu Bit™ Interest		$14,443,404	$57,092,619	$81,211,159	$88,420,936	$112,212,307	$353,380,426
Founders' Cu Bit™ Minting Sha	10.1%	$1,458,784	$5,766,355	$8,202,327	$8,930,515	$11,333,443	
Performance Pool	1.01%	$145,878	$576,635	$820,233	$893,051	$1,133,344	
Residual Founders' CuBit™ M	9.0900%	$12,984,620	$51,326,265	$73,008,832	$79,490,422	$100,878,864	
Hostage Cu Bit™ Redemption		$95,481,232	$361,901,651	$925,862,363	$1,623,285,258	$1,402,653,835	
Performance Pool Portion		$964,360	$3,655,207	$9,351,210	$16,395,181	$14,166,804	
Per Founder Share of NIBT		$0	$0	$0	$0	$263,159,355	$263,159,355
Interest Paid per Founder		$2,859,505	$11,418,524	$16,242,232	$17,684,187	$22,442,461	$70,646,909
Hostage Cu Bit™ Buy Backs Per Founder		$18,903,374	$71,649,289	$183,302,231	$321,378,015	$277,697,406	$872,930,315
Total Returns Per Founder		**$21,762,880**	**$83,067,813**	**$199,544,463**	**$339,062,203**	**$563,299,223**	**$1,206,736,580**

7.7 Appendix F: Risk Analysis

From the inception of this endeavor, we have diligently and aggressively identified risks associated with every aspect of this effort. Our risk analysis evaluates the inherent probability and impact of each identified risk. We target where in this effort a risk is likely to exist. For each risk we decide on a strategy: Accept, Avoid, Mitigate, or Transfer. Then, we formulate our proactive risk responses and evaluate the residual risk. Based on the residual risk, we establish countermeasures as appropriate. On an ongoing basis we review and revise our risk analysis.

The risk log (the Log) enumerates 164 distinct risks. We have identified 13 categories and 61 subcategories of risk. Of the 164 identified risks, we have opted to Avoid four, Transfer five, Accept eleven, and Mitigate sixty-seven risks.

The total score for Inherent Risk is 5,170. The total score for Residual Risk is 1,189. This scoring indicates that our risk management approach reduces our cumulative inherent risk by 77%. While this risk reduction is impressive, investors should understand that despite the best efforts of the officers and employees of UREWPS™ and its Affiliates, no investment is guaranteed to succeed and any money invested may be lost.

Disclosures and Disclaimers

This document does not constitute an offer to buy or sell any security. Any such offer must be accompanied by the appropriate materials, disclosures, and disclaimers as required by the US Securities and Exchange Commission.

This document does not offer either legal, financial, tax, or investment advice. Before acting on the contents of this document the reader should consult with appropriate professionals in the those fields.

C*u*Bit™ is not a bank product. C*u*Bit™ is not insured by the FDIC. C*u*Bit™ may lose value.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
1	Real Estate	Property Acquisition	Sales agreement / contract errors or omissions	Contracts may have flaws which result in invalidation of part or all of a contract. This may result in financial losses.	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Provide REIs with a fully vetted contract template for their use when presenting or submitting deals (dApps) Vet each submitted contract for all Risk factors Include severability clauses in the contracts so that if one clause is subsequently deemed illegal or unenforceable the other clauses may remain in force Acquire E&O Insurance for all key executives
2	Real Estate	Property Acquisition	Exclusive right to purchase, or sell	Competing contracts with different parties create legal risks	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Require each deal submitted to have an exclusivity clause Require each wholesaler to execute an exclusivity agreement that precludes them from submitting the same deal to multiple buyers while submitting to us
3	Real Estate	Property Acquisition	Deferred maintenance and physical defects	If a subject property has undisclosed or undiscovered defects these may required	Mitigate	Y	Y	N	100%	100%	100%	50%	50%	25%	Require professional appraisal, property inspection, or both for all deals unless waived in writing, on a case-by-case basis Contract template will include buyer releases for unacceptable inspection or appraisal results

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
4	Real Estate	Property Acquisition	Validity and completeness of repair estimates	If repair estimates are incomplete, invalid, or inaccurately priced it may required additional capital after the acquisition and may adversely affect the value of the property and ability to carry out the intended exit strategy.	Mitigate	Y	Y	N	100%	100%	100%	50%	50%	25%	Completeness of repair estimates can be mitigated by comparing bids against the list of identified repairs Validity of the bids depends upon: Price of materials Price of labor Ability of the contractor to meet the schedule and quality constraints Maintaining a vetting and rating database of contractors can mitigate risk by avoiding providers who fail to perform properly. Use of 3rd party ratings from providers such as Angie's List™ can partially transfer this risk Maintaining a tracker showing bids versus actual costs would allow us to calculate the variance of bids by each provider

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
5	Real Estate	Property Acquisition	Accurate estimation of current condition value (CCV) and after repair value (ARV) or fair market value (FMV)	Significant variances in the CCV, ARV, FMV from those identified prior to acquisition may require additional capital after acquisition and may adversely affect the value of the property or the ability to execute the intended exit strategy.	Mitigate	Y	Y	N	100%	100%	100%	50%	50%	25%	Accuracy of property values depends on correct understanding of the as-is and after repair value of each property in its geographic context. This is the job of professional property appraisers, real estate agents, and real estate investors Reliance on professional appraisers who have no conflict of interests regarding the property or parties involved is the least risky way to mitigate this risk because it transfers some risk for bad appraisals onto the appraisers We could also admit estimates from real estate agents, wholesalers, and other real estate investors and track them for variances to determine their respective accuracy and relative reliability. We could maintain tracking of ARV appraisal values and actual sales values for each appraiser to calculate their respective accuracy

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
6	Real Estate	Property Acquisition	Title risk – is the seller the valid owner?	The addition of a previously unknown claimant on the subject property could obliterate part or all of the value proposition of the deal.	Transfer	Y	Y	N	50%	50%	25%	25%	25%	6%	This is essentially Risk which is mitigated through a title search and is transferred through title insurance Requiring title insurance to protect the buyer / lender is the most well-proven approach for handling this risk. As a property gets tied to an NFT the title insurance needs to be embedded and remain to protect the owner of the NFT, the interested parties of the NFT, or both. This way the title insurance never needs to be re-issued unless the property is taken out of the NFT

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
7	Regulatory	Property Acquisition	Consumer Protection Regulations	In the USA consumers enjoy significant protection, recourse, and protective regulations. The underlying assumption of this legal and regulatory regimen is the premise that a consumer is not on an equal level of sophistication with a business. This puts the consumer at a significant disadvantage and could result in rapacious practices by businesses vis a vis the consumer. To level this playing field, the Federal and State governments have created volumes of consumer regulations and swarms	Avoid	Y	Y	N	100%	100%	100%	5%	5%	0%	All partnering will only be allowed for businesses and sophisticated investors. This means any potential partner must be an established corporate entity prior to entering into any contracts with the Company. We will not fund owner-occupied non-business property. JV agreement will default these types of ventures.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
8	Currency Exchange	Consumer Lending	Real estate appreciation is independent of the fiat currency value	The rate at which real estate appreciates in value is independent of the value of the currency in which the property value is denominated.	Accept	Y	Y	Y	100%	100%	100%	100%	50%	50%	There is no explicit mechanism to adjust the value of property relative to the value of a fiat currency such as USD. The introduction of CuBit whose value is backed by the value of real estate introduces a third variable into this calculation. At least annually, the Company will revalue all real estate holdings and adjust our recorded valuations accordingly.
9	Real Estate	Property Management	Non-payment of rents	The failure of tenants to pay rent is a common risk with all rental properties. The processes to manage and mitigate these risks are	Transfer	Y	Y	N	100%	25%	25%	25%	25%	6%	The general structure of deals which the company uses involves one of the parties (not typically the Company) to exercise operational control over the asset. The party maintaining operational control will also retain Risk associated with non-payment of rents.
10	Real Estate	Capital Deployment	Repayment of Capital	If the capital investment in a given deal is not repaid as planned the financial results of the Company are put at risk.	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	The general structure of deals which the company uses and the terms of the underlying smart contract will expunge the beneficial interests of the operational partner with minimal expense if they fail to make scheduled capital repayments. The Company will then choose to either liquidate to asset to exit the position, or bring in a new operational partner into the JV to take on that responsibility.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
11	Cryptocurrency	Smart Contract Risk	Smart contracts are vulnerable to hackers	Smart contract risk can take the form of a logic error in the code or an economic exploit in which an attacker can withdraw funds from the platform beyond the intended functionality.	Mitigate	Y	Y	Y	100%	100%	100%	25%	25%	6%	The Company will employ skilled smart contract programmers and market-tested smart contract structures for all smart contracts. The Company may employ auditing firms such ast Peckshield, Trail Bits, or Quantstamp which specialize in auditing smart contracts to help bolster their defenses against hackers and employ other best practices for smart contracts.
12	Cryptocurrency	Governance Risk	Activist investors might take control of UREWPS or DRA	In traditional companies, activist investors can buy shares and vote to tilt the company's direction as they desire. DeFi protocols with governance tokens are similar, except governance systems are	Mitigate	Y	Y	Y	50%	100%	50%	25%	25%	6%	The Company and affiliates are closely held companies. The smart contract for the governance tokens prohibits single entity ownership or control of more than 14 tokens. For activists to gain control would require a conspiracy of several Directors or a change in the smart contract rules.

13	Cryptocurrency	Oracle Risk	Oracle risks unsolved	Oracles are one of the last unsolved problems in DeFi and are required by most DeFi protocols to function correctly. Fundamentally, oracles aim to answer the simple question: How can off-chain data be securely reported on chain? Without oracles, blockchains are completely self-encapsulated and have no knowledge of the outside world other than the transactions added to the native blockchain. Many DeFi protocols require access to secure, tamper-resistant asset prices to ensure that routine actions such as liquidations and prediction market resolutions function correctly. Protocol reliance on these data feeds introduces oracle risk.	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	To date, three types of oracle solutions have been introduced, developed, and used. The first is a Schelling-point oracle, which relies on the owners of a fixed-supply token to vote on the outcome of an event or report the price of an asset. Examples of this type of oracle include Augur and UMA.12 While Schelling-point oracles preserve the decentralization components of protocols that rely on them, they suffer from slow times to resolution. Second is an API oracle a centralized entity that responds asynchronously to requests for data or prices. Examples include Provable, Oraclize, and Chainlink.13 All systems relying on API-based oracles must trust the data provider to respond accurately to all queries. The third type of oracle is a custom, application-specific oracle service used by Maker and Compound. Perhaps the most important oracle for CuBit is the UREWPS Asset Ledger. The values in this ledger drive coin value and money supply decisions. This oracle will be readily viewable by all parties. To thwart the effects of a hack of this ledger, when the CuBitDAO detects the ledger is out of tolerances, before it calls a vote it will handshake with a private copy of the ledger to confirm the apparent ledger state. If the two don't align, then the CuBitDAO will notify of the error and refuse to call a vote. Both the public and private versions of the Asset Ledger are controlled by UREWPS. Write access to the public ledger will be tightly restricted. Write access to the private ledger will be done routinely by most of the smart contracts executed by UREWPS. The private ledger may be maintained off-chain or side-chain. making it less vulnerable to unauthorized changes.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
14	Cryptocurrency	Scaling Risk	Scaling risks unsolved	The current version of Ethereum is currently limited to a maximum of 30 transactions per second (TPS), yet almost all of DeFi today resides on this blockchain. Compared with Visa, which can handle upward of 65,000 TPS, Ethereum is capable of handling less than 0.1 percent of the throughput. Ethereum's lack of scalability places DeFi at risk of being unable to meet requisite demand.	Mitigate	Y	Y	Y	100%	25%	25%	100%	25%	25%	CuBitDAO is expected to be a "slow DAO", meaning its transactions are not especially time sensitive and may be carried out over a relatively large window of tiime. Additionally, at this point the daily volume of transactions relative to CuBit, UREWPS, and DRA are not expected to be noteworthy. The exception might be in the event of a CuBitDAO vote. Because such a vote would likely have a 30-calendar day window the daily traffic volume would be smoothed. Exchange activity related to people trading CuBit is outside the scope of either CuBitDAO, UREWPS, or DRA and rests wholly with whatever exchanges include CuBit as a currency for exchange. Additionally, the extremely limited number of governance tokens for UREWPS and DRA are unlikely to drive any frenzy of transactions which would collide with scaling concerns. When the real estate NFTs created by UREWPS are positioned to become widely accepted by sovereigns for trading, scaling risk may become a real concern. If the underlying blockchain on which CuBit, UREWPS, and DRA are built update to address their own scaling risk, those entities will likely convert to the new protocol.

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15	Cryptocurrency	DEX (Digital Exchange)	DEX risks are unsolved	DEXs are able to eliminate counterparty risk while offering traders a non-custodial and trustless exchange platform. Several decentralized exchanges use an entirely off-chain order book, retaining the benefits of a non-custodial DEX while circumventing the market making and scaling problems posed by on-chain order-book DEXs. These exchanges function by settling all position entries and exits on chain while maintaining a limit-order book entirely off chain. This allows the DEX	Transfer	Y	Y	Y	100%	100%	100%	25%	25%	6%	The Company will not operate an exchange. Instead, we will rely upon exchanges established by others. We will state the expected value of certain assets and allow the exchange market to make appropriate adjustments to ensure a proper exchange of value. The Company may employ the services of market makers for the initial CuBit launch. These market makers would buy large amounts of CuBit at some discount price and then encourage demand to push up the exchange rate for their own profit. Subsequent coin releases would likely not need such market makers. The Company may establish an initial baseline of exchange when CuBit is introduced. However, after that point exchange rates will be wholly dependent upon the markets and the exchanges themselves.

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16	Cryptocurrency	Custodial Risk	Custody of accounts for others	There are three types of custody: self, partial, and third party. With self-custody, users develop their own solution, which might be a flash drive not connected to the Internet, a hard copy, or a vaulting device. Partial	Transfer	Y	N	N	100%	100%	100%	25%	25%	6%	The Company will not offer custodial services and will manage our own custodial risk.
17	Financial	Custodial Risk	Custody of Company Accounts	If the private keys of the Company accounts or wallets	Accept	Y	Y	N	100%	100%	100%	100%	100%	100%	The Treasurer and CFO will have access to the private keys used to establish and alter the company wallets and bank accounts.
18	Cryptocurrency	Environmental Risk	Blockchain activities consume large amounts of electricity.	It is likely that national regulatory authorities will make it difficult for miners to operate in areas powered by fossil fuels. This does, however, create opportunities for countries with	Transfer	Y	Y	Y	100%	50%	50%	50%	25%	13%	At present, there are no plans for the Company to maintain server farms. The Company will keep as much traffic off-chain or on side-chains as feasible. CuBit itself will likely be on a main chain and will incur expenses for votes and trades. The Company may implement policies for commercial properties that encourage the placement of solar and wind power generation on rooftops where ever feasible.

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19	Cryptocurrency	Regulatory Risk	Securities laws and emerging regulations	Blockchain is an emerging technology which has the potential to be very disruptive. As such it is often viewed with suspicion by the sovereign. At any time regulators or legislators at the Federal, State, or local levels may enact such laws or regulations which have the effect of prohibiting a part or all of the activities and organization	Mitigate	Y	Y	Y	100%	100%	100%	100%	25%	25%	1) CuBit will maintain status as a commodity currency by not allowing any payment of dividends. 2) UREWPS and DRA will be organized and funded in accordance with US Securities Act of 1933 (and amendments) and the laws of the State of Wyoming. 3) The Company will not promote derivatives or any other security which might incur commodities trading regulations 4) Securitizations of any NFTs will only be done in compliance with the Securities Act of 1933 and any amendments 5) The Company will actively engage in a campaign to provide value to sovereigns through means for monitoring, compliance, and efficiency for the sovereign
20	Regulatory	Securities Law	Federal Securities Registratio		Mitigate	Y	Y	Y	100%	100%	100%	100%	25%	25%	The Company will employ a law firm specializing in private placements to ensure full compliance with all applicable Federal and state securities laws.
21	Regulatory	Commodity Laws	Federal Commodities Regulation		Mitigate	Y	Y	Y	100%	100%	100%	100%	25%	25%	The Company will not allow any actions which would prevent CuBit from being categorized as a commodity currency. The Company will not offer any derivatives contracts for CuBit.

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22	Regulatory	Geographical Risk	Crazy state regulations	Some states (e.g., New York, California, etc.) within the USA and some foreign countries have specific regulations which could impact us.	Mitigate	Y	Y	Y	100%	100%	100%	100%	10%	10%	We will either need to exclude people in those localities from purchase eligibility, or ensure our compliance with those regulations. The establishment of regional DRA may insulate UREWPS from some of this, but that is doubtful. The MD will evaluate DRs for specific states like California and NYC....huge returns or not? Texas
23	Regulatory	Geographical Risk	Outside the USA	Some foreign countries have specific regulation	Avoid	Y	Y	Y	100%	100%	100%	25%	25%	6%	The Company will not engage in real estate activities outside of the USA.
24	General Business	New Enterprise	Not an established business	We do not have an established business and there Can Be No	Accept	Y	Y	Y	100%	100%	100%	100%	100%	100%	There is no inherent way to mitigate this except by succeeding.
25	Financial	New Enterprise	Management team experience	We may be unable to effectively manage our growth and new initiatives, which	Mitigate	Y	Y	Y	100%	100%	100%	50%	50%	25%	Succession Planning: The Directors plan to augment management expertise through the use of consultants in the short term. In the longer term, more experienced managers will be hired. The originators will become Board of Directors not the management team.

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26	Financial	Model Risk	Rental risks	Rental rates and leasing rates vary over time, by locality, competition, property conditions, and other external	Accept	Y	Y	N	100%	25%	25%	25%	25%	6%	While history is not predictive, it is indicative. our research found that for the past 20 years, although rents in the USA have gone up and down, on average rents have increased 3.1% per year. Employing the skills of the DRA will bring local expertise to bear for each property deal.
27	Information Technology	Information Technology Capacity	Physical systems capacity and protection	System disruptions, vulnerability from security risks to our networks, databases, and an inability to expand and upgrade our systems	Mitigate	Y	Y	Y	50%	75%	38%	25%	25%	6%	We will work in the cloud for uniform protection and a variable capacity as well as using blockchain where feasible to create highly resilient data structures.
28	Information Technology	Business Continuity	System interruptions or data loss	Any significant interruption in the operations of our data centers could cause a loss of data and disrupt our ability to manage our	Mitigate	Y	Y	Y	50%	100%	50%	25%	100%	25%	Although we will need our own BCP, we will also rely on the BCP of our cloud computing provider and transfer some of this risk to them. Given what Alphabet did to Parler, we should consider hosting our cloud operations with a company which values liberty and is not co-opted into fascist enforcement regimens.
29	Marketing	Reputational Risk	Brand Management	If we are unable to maintain and enhance our CuBit	Mitigate	Y	Y	Y	50%	100%	50%	25%	100%	25%	By fulfilling our commitments to keep the Asset Ledger public and in balance, we should protect and improve our reputation. Ongoing marketing will also help with this.

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30	Operational Risk	Brand Management	Reputational Risk	The continued development of our CuBit brand identity is important to our business. Failure to protect CuBit from hacking exploits or 3rd party scams could tarnish the reputation of CuBits.	Mitigate	Y	Y	Y	100%	100%	100%	50%	25%	13%	We will maintain a Reputation Rating for each Affiliate. This rating will be updated based on the performance of the Affiliate. However, this does not directly address the reputational risk to UREWPS or CuBit. Using a Bruce Buffer approach to brand encroachment may also help us unearth frauds early.

31	Marketing	Marketing Effectiveness	Growth may depend on marketing	Our future growth and profitability may depend in large part upon the effectiveness and efficiency of our marketing expenditures in recruiting new investors, real estate deals, and professional businesses.	Mitigate	Y	Y	Y	50%	50%	25%	25%	25%	6%	We cannot provide assurances that our sales and marketing efforts will be successful in further promoting CuBits in a competitive and cost-effective manner. If we are unable to maintain and enhance CuBit brand recognition and increase awareness of our products and services, or if we incur excessive sales and marketing expense, our business and results of operations could be materially adversely affected. Our future growth and profitability will depend in large part upon the effectiveness and efficiency of our marketing expenditures, including our ability to: (i) create greater awareness of CuBits; (ii) select the right market, media and specific media vehicles in which to advertise; (iii) identify the most effective and efficient level of spending in each market, media and specific media vehicle; (iv) determine the appropriate creative message and media mix for advertising, marketing and promotional expenditures; (v) effectively manage marketing costs, including creative and media expense in order to generate and maintain acceptable consumer acquisition costs; (vi) generate leads for sales, including obtaining lists of businesses in a cost-effective manner; (vii) drive traffic to our website; and (viii) convert consumer and business inquiries into actual attendance at seminars. We will create alliances with key figures in real estate investor education and large Real Estate Investor groups across the country. Our planned marketing expenditures may not result in increased revenue or generate sufficient levels of Motivating the masses Programs and brand awareness, and we may not be able to increase our net sales at the same rate as we increase our advertising expenditures.

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32	Operational Risk	Change Management	Volatile market place	We operate in a market which is subject to rapid technological and other changes, and increasing competition could lead to pricing pressures, reduced operating margins, loss of market share and increased capital expenditures.	Accept	Y	Y	Y	100%	100%	100%	100%	100%	100%	We will continually monitor and assess changes in the technology, legislation, and marketplace and reassess our approaches to the market based on our extrapolation of trends and reaction to realized changes.

33	Marketing	Reputational Risk	Brand Management	Protection of our intellectual property is limited, and any misuse of our intellectual property by others could harm our business, reputation and competitive position.	Mitigate	Y	Y	Y	100%	50%	50%	25%	25%	6%	Our trademarks, copyrights, trade secrets, trade dress and designs are valuable and integral to our success and competitive position. However, we cannot assure you that we will be able to adequately protect our proprietary rights through reliance on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual provisions and technical measures from outside influences. Protection of trade secrets and other intellectual property rights in the markets in which we operate and compete is highly uncertain and may involve complex legal questions. we cannot completely prevent the unauthorized use or infringement of our intellectual property rights, as such prevention is inherently difficult. We also expect that the more successful we are, the more likely that competitors will try to illegally use our proprietary information and develop products that are similar to ours, which may infringe on our proprietary rights. In addition, we could potentially lose future trade secret protection for our source code if any unauthorized disclosure of such code occurs. The loss of future trade secret protection could make it easier for third parties to compete with our products by copying functionality. Any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our confidential information and trade secret protection. If we are unable to protect our proprietary rights or if third parties independently develop or gain access to our or similar technologies, our business, service

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															revenue, reputation and competitive position could be materially adversely affected.

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34	Legal Risk		NDAs may be inadequate	The confidentiality, non-disclosure and other agreements we use to protect our products, trade secrets and proprietary information may prove unenforceable or inadequate.	Mitigate	Y	Y	N	50%	100%	50%	25%	50%	13%	We protect our products, trade secrets and proprietary information, in part, by requiring all of our employees and consultants to enter into agreements providing for the maintenance of confidentiality. we also enter into non-disclosure agreements with our technical consultants to protect our confidential and proprietary information. we cannot assure you that our confidentiality agreements with our employees, consultants and other third parties will not be breached, that we will be able to effectively enforce these agreements, that we will have adequate remedies for any breach, or that our trade secrets and other proprietary information will not be disclosed or will otherwise be protected.

35	Legal Risk	Contract Risk	Unenforceable agreements	Other than securing protection for our trademarks, we do not have protection of any of our other intellectual property and any misuse of our intellectual property by others could harm our business, reputation and competitive position.	Accept	Y	Y	N	50%	50%	25%	50%	50%	25%	Our trademarks, copyrights, trade secrets and designs are valuable and integral to our success and competitive position. Other than the protection afford our trademarks as referenced by the U.S. Patent, Copyright and Trademark Office, we have not filed for any further protection with the U.S. Patent, Copyright and Trademark Office regarding our intellectual property. And, we cannot assure you that we will be able to adequately protect our proprietary rights through reliance on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual provisions and technical measures from outside influences. Protection of trade secrets and other intellectual property rights in the markets in which we operate and compete is highly uncertain and may involve complex legal questions. we cannot completely prevent the unauthorized use or infringement of our intellectual property rights, as such prevention is inherently difficult. We also expect that the more successful we are, the more likely that competitors will try to illegally use our proprietary information and develop products that are similar to ours, which may infringe on our proprietary rights. In addition, we could potentially lose future trade secret protection for our source code if any unauthorized disclosure of such code occurs. The loss of future trade secret protection could make it easier for third parties to compete with our products by copying functionality. Any changes in, or unexpected interpretations of, the trade secret and other intellectual property laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our

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															confidential information and trade secret protection. If we are unable to protect our proprietary rights or if third parties independently develop or gain access to our or similar technologies, our business, service revenue, reputation and competitive position could be materially adversely affected.

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36	Legal Risk		Failure to register trademarks	Although we have obtained protection for certain of our trademarks, we have not registered copyrights for all of our Company Programs and products, which may limit our ability to enforce them.	Mitigate	Y	Y	Y	50%	50%	25%	15%	15%	2%	We have registered specific trademarks. We have not registered our copyrights in all of our materials, website information, designs or other copyrightable works. The United States Copyright Act automatically protects all of our copyrightable works, but without registration we cannot enforce those copyrights against infringers or seek certain statutory remedies for any such infringement. Preventing others from copying our products, written materials and other copyrightable works is important to our overall success in the marketplace. In the event we decide to enforce any of our copyrights against infringers, we will first be required to register the relevant copyrights, and we cannot be sure that all of the material for which we seek copyright registration would be registrable in whole or in part, or that once registered, we would be successful in bringing a copyright claim against any such infringers.

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37	Legal Risk	Reputational Risk	Brand Management	We must monitor and protect our internet domain name to preserve its value. we may be unable to prevent third parties from acquiring a domain name that is similar to, infringe on or otherwise decrease the value of our trademarks.	Mitigate	Y	Y	Y	100%	50%	50%	50%	25%	13%	We have purchased a variety of internet domain names and reserved selected social media identities to support and protect our intellectual property. However, not all the domain names and social media identities we desired were available. As a result, we may not be able to maintain exclusive rights to all potentially relevant domain names and social media identities. If relevant domain names and social media identities were exploited by our competitors or bad actors it could result in harm to our business and reputation. The Company will create a formal rewards mechanism to incentivize people to notify us whenever they see our intellectual property rights being violated. As we successfully use the courts to penalize and terminate these infringements the program will protect our brand.

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38	Operational Risk	Human Resource	Employee Retention	Our future success depends on our ability to retain our key employees and business partners.	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Our initial business model requires significant service from the original Directors to provide key expertise and efforts to operate the Company. Over time, we will deliberately hire qualified employees or contract with qualified providers to ensure the skill sets needed to provide ongoing support and growth of the Company are available and not dependent upon key individuals. All Directors have been required to sign non-disclosure and non-compete agreements. Key managers will be asked to do the same. Key personnel and business partners will be compensated generously. Whenever feasible we will pay using CuBit. This will incent participants to promote the value of the coin.

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39	Operational Risk	Human Resource	Employee Recruitment	We may be unable to attract and retain the skilled employees and business partners needed to sustain and grow our business	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Whenever possible we will rely upon contract labor to supply our needs. we believe this will enable us to bid for skilled labor and employ it only as needed. Thus we will keep a significant portion of our payroll expenses on a variable basis, tied directly to specific initiatives. Certain corporate officers may need to established as employees, rather than contract labor. Employees, contractors, and business partners will be compensated generously. Whenever feasible we will pay using CuBit. This will incent participants to promote the value of the coin
40	Foreign Markets		Foreign market expansion will increase risks	Although we do not currently transact a material amount of business in foreign countries, we intend to expand into international	Avoid	Y	Y	Y	100%	100%	100%	25%	25%	6%	Any expansion into a foreign market would be done through the creation of a regional DAO which will be required to conform to the securities laws of that region. The members of that DAO will be limited primarily to citizens of that region. This will contain all Risks associated with this regional effort to that region.

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41	Financial		Additional capital may not be available	We may need additional capital in the future, but there is no assurance that funds will be available on acceptable terms, or at all.	Mitigate	Y	Y	Y	25%	100%	25%	25%	25%	6%	As the real estate portfolio of the Company approaches or surpasses our 65% reserve mark we will move to issue additional CuBits. The CuBit DAO (CuBit token holders) will have the opportunity to vote against or in favor of such an expansion of the coin supply. Their favor towards expanding the supply represents a common consensus that the market will respond favorably to having more coins available for use. This collective wisdom and self-interest is one of the inherent advantages of a DAO. We envision that each minting of CuBits will be distributed through one or more “crowd funding” channel.

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42	Financial		No current market for the governance tokens	There is no market for our cryptocurrency tokens and we may never develop a market which would render investors' investment illiquid.	Accept	Y	Y	N	100%	25%	25%	100%	25%	25%	In this case the investment is in the Governance non-fungible token (NFT) which represents a portion of ownership of the Company, which is a LLC. LLC ownership shares are habitually illiquid and difficult to sell or buy, being subject to many regulatory and company specific restrictions. Every investor should plan for the illiquidity of this investment. The cryptocurrency world is rapidly developing many marketplaces for the sale or exchange of NFTs, both wholly and fractionally. It is probable that such facilities will continue to develop and make the marketing and sale of the NFT governance tokens much easier than the traditionally built ownership shares of other closely held companies.
43	Operational Risk	Financial Management	Management fiduciary duty	Our management has broad discretion over the use of proceeds from this Offering, and the failure of management to apply these funds effectively could seriously harm our	Mitigate	Y	Y	Y	100%	100%	100%	25%	25%	6%	At startup, Management consists of governance token holders. This generally aligns their interests with those of other governance token holders. There is not sure-fire way to insure against damage from a trusted employee. Implementing appropriate and proven audit controls on key processes and resources is the best available way to mitigate against this risk.

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44	Operational Risk	Financial Management	Management operational authority	Our management will have broad discretion as to how we spend the proceeds from this Private Placement Offering, and token holders may not agree with how we use the proceeds. You will not have the opportunity to evaluate the economic, financial or other information on which we base	Mitigate	Y	Y	N	100%	100%	100%	25%	50%	13%	Those investors who own or hold proxies for at least 7 governance tokens are Directors of the Company and, under the rules of the smart contract which comprises the governance tokens have the right to vote on material matters related to which investments to pursue or to disregard. Although this does not eliminate Risk that our efforts might not produce the desired results, it does give investors a voice in the material actions taken by Management. Implementing appropriate and proven audit controls on key processes and resources is the best available way to mitigate against this risk.
45	Financial		Offering prices of coins and tokens	The offering price of the governance tokens and CuBits has been arbitrarily determined by the Company and such offering should not be used by an investor as an indicator of	Mitigate	Y	Y	Y	100%	100%	100%	25%	25%	6%	Currently there is no public market for the Company's governance tokens or CuBit. The offering price for the governance token has been arbitrarily determined by the Company and does not necessarily bear any direct relationship to the assets, operations, book or other established criteria of value of the Company. Thus, an investor should be aware that the offering price does not reflect the fair market price of the Shares.
46	Financial		Governance token prices	Any future market price for our governance tokens	Accept	Y	Y	N	50%	50%	25%	50%	50%	25%	Any future market price for our governance tokens and CuBit may be volatile.

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47	Operational Risk		Management operational control	Purchasers in this offering will have limited control over decision making because Tom Sheppard, Patrick Martin, Daryl O' Bryant, Sue Bennett, and Alan S Curtis, our current	Accept	Y	Y	N	100%	100%	100%	100%	100%	100%	Regardless of this current level of control, certain decision-making mechanisms, as well as some specific decision points, are encoded into the smart contract which constitutes the governance token. This smart contract is automatically enforced and will adhere to certain pre-defined rules and criteria. As additional Directorships are added, the control of this group will be diluted.

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48	Litigation Risk	Director Liability	Owner and Director Liabilities are limited	Governance token holders may become targets of litigation by those who disagree with the actions of the Company.	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Wyoming law and our Articles of Incorporation may protect our directors from certain types of lawsuits. Wyoming law provides that our officers and directors will not be liable to us or our token holders for monetary damages for all but certain types of conduct as officers and directors. our Bylaws permit us broad indemnification powers to all persons against all damages incurred in connection with our business to the fullest extent provided or allowed by law. The exculpation provisions may have the effect of preventing token holders from recovering damages against our officers and directors caused by their negligence, poor judgment, or other circumstances. The indemnification provisions may require us to use our limited assets to defend our officers and directors against claims, including claims arising out of their negligence, poor judgment, or other circumstances. The Company will maintain Errors and Omissions insurance for each Director and C-level Corporate Officer.

49	Financial		Governance token prices could go down	Sales of our tokens relying upon Rule 144 may depress prices in the market for our governance tokens by a material amount.	Accept	Y	Y	Y	25%	25%	6%	25%	25%	6%	As of the date of this Private Placement Memorandum, all of our governance tokens are being issued in a registered offer for sale or exchange or has been issued and outstanding beyond applicable holding periods imposed by Rule 144 under the Securities Act of 1933, as amended. Thus, certain of the tokens may be freely tradeable. There is a significant risk that sales under Rule 144 or under any other exemption from the Securities Act, if available, or pursuant to registration of governance tokens or cryptocurrency tokens of present token holders, may have a depressive effect upon the price of our governance tokens in the over-the-counter market, especially in situations where a large volume of tokens is offered for sale at the same time. Securities saleable pursuant to the Rule 144 exemption from registration may only be resold, however, if all of the requirements of Rule 144 have been met, including, but not limited to, the requirement that the issuer of the securities have made available all required public information. However, there is no limit on the amount of restricted securities that may be sold by a non-affiliate (i.e., a token holder who has not been an officer, director or control person for at least 90 consecutive days) after the restricted securities have been held by the owner for a period of at least six months and the other requirements of Rule 144 have been satisfied. Presently restricted tokens held by non-affiliates of the Company may be sold, subject to compliance with Rule 144, six months after issuance, provided that our Exchange Act registration remains in effect, and we are current in our disclosure reporting obligations.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
50	Regulatory	Compliance Risk	Anti-Money Laundering	Anti-money laundering (AML) risk is the likelihood of a customer using a financial institution's products or services for money laundering or other criminal activities. AML risk	Mitigate	Y	Y	Y	100%	100%	100%	25%	25%	6%	The Company will engage appropriate providers to manage AML compliance requirements. We will identify and respond to deposits which appear to be AML attempts. We will also identify and respond to redemptions or receipts of CuBit from our Exchange into wallets that appear to be link to questionable activities. Automated AML processes are embedded into our deposits, redemptions, and receipts processes.
51	Regulatory	Compliance Risk	Know Your Customer	KYC (Know Your Customer) risk is the process of confirming a customer's	Mitigate	Y	Y	Y	100%	100%	100%	25%	25%	6%	The Company will engage appropriate providers to manage KYC compliance requirements. Automated KYC processes are embedded in our Deposits, Redemptions, and Receipts processes.
52	Financial	Concentration Risk	Too much real estate in one locality	If a significant portion of the real estate assets are located in one market	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	To mitigate against geographic concentration risk, DRA will be located in various regions around the USA. As they proliferate and add assets to the ledger, concentration risk will steadily decrease.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
53	Financial	Counterparty Risk	Trustless Trusts and JVs	Every contract contains an element of counterparty risk. If the any of the parties to the contract fail to meet their obligation it can harm the other parties. Financing real estate deals creates a significant counterparty risk on the party which owns and operates the real estate. If	Mitigate	Y	Y	N	100%	100%	100%	25%	25%	6%	Instead of acting as a lender, UREWPS will act as a capital partner. The terms of the joint ventures and property ownership will be encoded into smart contracts. The ownership interests of the JV in the property will be encoded into a trust inside the smart contract. Any party that fails to meets it obligations in the JV may forfeit their beneficial interest in the trust. This eliminates the need for any foreclosure proceedings to protect the interests of the other parties. Because it is embedded in the smart contract it will be carried out swiftly and according to the agreed upon contract terms without delay or intervention by any human agent.
54	Financial	Payment Processing	Smart contracts automate payment processing	In a typical joint venture, the disbursement of capital inflows can be complicated and often require constant oversight and reporting.	Mitigate	Y	Y	N	100%	50%	50%	25%	25%	6%	Encoding the JV into a smart contract and submitting capital flows to and through the smart contract enables the programming of the smart contract to distribute capital flows correctly and efficiently without human intervention. Details of the transactions can be transmitted to a reporting database which can then automatically generate any required tracking, reporting, accounting, or regulatory reports.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
55	Cryptocurrency	Governance Risk	Activist investors might take control of CuBit	In traditional companies, activist investors can buy shares and vote to tilt the company's direction as they desire. DeFi protocols with governance tokens are similar, except governance systems are launched much earlier into a protocol's life, which can create greater risks. Furthermore, in traditional companies.	Mitigate	Y	Y	Y	50%	100%	50%	25%	25%	6%	Consistent with the size of the USA real estate market, CuBit will have a high coin cap and large quantity coin releases (in the billions). The coins themselves will have a significant cumulative value. These large quantities and high values will drive up the costs to any party attempting to gain control of more than 50% of the coins to manipulate the voting of the coins. The smart contract that embodies CuBit has voting abilities for a very limited set of activities, most of which relate to the coins supply to sustain the value of the coin. Warping the contract, or modifying the contract to add initiatives would require control of a majority of CuBit or control of a majority of UREWPS.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
56	Cryptocurrency	Governance Risk	Attackers might try to mint CuBit for themselves.	In traditional companies, activist investors can buy shares and vote to tilt the company's direction as they desire. DeFi protocols with governance tokens are similar, except governance systems are launched much earlier into a protocol's life, which can create greater risks. Furthermore, in traditional companies, even activist investors are bound by a legally enforceable fiduciary" duty of loyalty" to minority shareholders, whereas in DeFi this does not exist.	Mitigate	Y	Y	Y	50%	100%	50%	25%	25%	6%	UREWPS and CuBitDAO employ a dual authorization approach to minting coins. This is roughly analogous to a bank account where two partners must each sign a check for it to be valid. The terms of the smart contracts governing CuBit allows the CuBitDAO to authorize only UREWPS to mint CuBit. The authorization to mint coin is not a mandate forcing UREWPS to mint coin, rather it caps the amounts of coins UREWPS can mint under the existing coin cap. This means to force the minting of new UREWPS would require the attackers to control both CuBitDAO and UREWPS. In addition to this explicit protection, the triggering of votes to authorize minting of coins is programmatically triggered based on the state of Asset Ledger of UREWPS. This provides a logical check against an irrational effort to increase the money supply without proper cause and enlightened self-interest for all involved.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
57	General Business	Vampirism	Others may imitate our work and draw away market share	As CuBit becomes successful others will look at what we have done and attempt to imitate it, creating their own currency and companies in direct competition with us.	Accept	Y	Y	Y	50%	50%	25%	50%	50%	25%	If our execution of this effort is sufficiently successful and well done that will be sufficient to deter many imitators because they won't have a unique value proposition. However, some will not be deterred. The Company will need to watch and learn from competitors. They may introduce innovations which will also better serve our clients and affiliates. We should look for ways to incorporate those innovations which appear beneficial. An important mitigant to this risk may turn out to be our Sovereign Interests Initiative which will ally us with municipal governments across the USA. That alliance may prove to be a significant barrier to entry for competitors. Another mitigant will be keeping the smart contracts for our JVs on a side chain which is not public. Eventually, the terms and methods will get out, but keeping that on a side chain provides a degree of security for this element of our "secret sauce."

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
58	Financial		Inexperienced or unscrupulous REI might produce deals that lose	Providing funds to less experienced, or unscrupulous, REI may result in poor performance or losses.	Mitigate	Y	Y	Y	100%	50%	50%	25%	25%	6%	Requiring the Affiliate to have one or more owners oversee each deal will provide some mentoring to the inexperienced and a check on the unscrupulous. Noting that owners can lose their ownership shares if they attempt to defraud the Company, and the generous cash flows from the enterprise should keep owners interests aligned properly.
59	Financial	Fraud	USD Credit Card buyers may rescind purchases	When a sale uses a credit card or bank card the buyer can exercise buyer's remorse and	Mitigate	Y	N	Y	100%	100%	100%	100%	10%	10%	Require a 5 day settlement period for all fiat acquisitions of CuBit™ before the funds are credited as a deposit and the relevant CuBit™ is released to the Member.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
60	Business	Business Disruption	Business Disruption Due to Natural Disaster.	Risk of losses due to disruption of business (e.g., process, people, facilities, etc.) due to a natural or human-induced disaster.	Mitigate	Y	Y	Y	100%	50%	50%	100%	10%	10%	CuBit uses the Ethereum blockchain. A blockchain is a distributed ledger. It distributes its entries across computers all over the world. Because of this, it is inherently resilient in the face of natural disasters. The offsite data storage is spread all over the world and the entire data base can be rebuilt from just one verified instance. Ethereum has one of the most well-built security infrastructures to prevent the success of intentional efforts to corrupt entries. The CuBit contract itself will be security-audited by a reliable 3rd party before being deployed into production.
61	Business	Capital/Financial	Regulatory non-conforman	Risk of losses due to nonconformance with accounting.	Mitigate	Y	N	N	100%	100%	100%	10%	25%	3%	The Company is subject to outside audits once, or twice each year. Additionally, an internal audit function ensures compliance with all relevant regulations.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
62	Business	Collateral Management Failure (Loans and Lines)	Collateral Recovery Process Failure	Risk of losses due to an inability, in the event of borrower default, to recover the full collateral due to operational or policy failures in collateral management processes (e.g., letting insurance lapse, untimely release of collateral). Loans/lines and counterparty/repos are considered separately.	Mitigate	Y	N	N	5%	25%	1%	5%	5%	0%	The JV business structure used for all real estate deals includes a provision that holds the assets (the collateral) in a trust and makes the JV the trust beneficiary. In the event of default, the defaulting party is removed from the JV. This allows for prompt transfers of control. The smart contract used for the JV also includes measures to monitor the placement of insurance. We will use 3rd party monitors to ensure we are aware of any liens placed against the assets.
63	Business	Conduct	Unethical Employees	Risk of financial losses, regulatory scrutiny, or reputational damage due to employees acting unethically, in a manner inconsistent to the company's principles as described in the Code of Conduct or violating laws,policies, or	Mitigate	Y	N	N	50%	100%	50%	50%	50%	25%	Risk of financial losses, regulatory scrutiny, or reputational damage due to employees acting unethically, in a manner inconsistent to the company's principles as described in the Code of Conduct or violating laws, policies, or regulatory requirements. The Company will apply standard practices for segregation of duties as well as a combination of internal and external audits.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
64	Business	Counterparty Credit	Transaction Default	Risk of losses due to a counterparty to a transaction defaulting or deteriorating in	Mitigate	Y	Y	N	5%	50%	3%	5%	10%	1%	The joint ventures used to carry out the core work of the company include provisions to remove JV partners in the event of default. The creditworthiness of the other partners is not relevant to the deal because their credit is not a factor.
65	Business	Country/Sovereign Exposure - Loan Book	Deteriorating Economic Condition in a Country the Company does	Risk of losses due to economic, social and political conditions and events that might adversely affect the company's interests in a	Mitigate	Y	Y	N	100%	100%	100%	10%	100%	10%	Until further notice, we are only doing business in the USA. As one of the most stable nations in the world, this insulates us from these concerns.
66	Business	Credit Concentration	Pool Transaction Risk	Risk of losses due to a pool of transactions (including both loans/lines and securities) failing simultaneously because of a common underlying characteristic.	Mitigate	Y	Y	N	50%	25%	13%	15%	10%	2%	The geographic diversity of where our assets are helps when we consider common physical characteristics. Regarding the common business contracts we use, it is another matter. We will have all our contracts reviewed by legal experts before use. We will use the same contracts in every deal. We will have our common contracts reviewed once each year to ensure they are adjusted for changing legal conditions.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
67	Business	Credit Risk	Obligor Failure to Meet Terms	Risk of losses due to an obligor's failure to meet the terms of any contract with the Company or	Mitigate	Y	Y	N	5%	25%	1%	5%	5%	0%	The joint ventures used to carry out the core work of the company include provisions to remove JV partners in the event of default. The role of the affiliates is to validate that the REI is performing the work in a timely and quality manner.
68	Business	Credit Risk of Held Securities	Owned Asset Rating Downgrade	Risk of losses due to rating downgrade of owned assets.	Mitigate	Y	Y	N	100%	35%	35%	10%	35%	4%	Our policy is to not pay more than 70%, less the cost of repairs, for any real estate asset. This provides a significant safety margin for potential devaluations. As a part of our internal audit processes, we will review and update the market value of real estate assets every six months. The results will flow to the Asset Ledger. Our liquid assets will be vulnerable to this to the extent they are held in volatile currencies.
69	Business	Cyber Risk	Data Misuse	Risk of adverse impacts to the confidentiality , integrity and availability of	Mitigate	Y	Y	N	25%	100%	25%	5%	100%	5%	The Company complies with privacy regulations and implement rigorous information security.
70	Business	Cybersecu rity	Strong, Current Cybersecu	Risk of loss due to the lack of a defined cybersecurit y	Mitigate	Y	Y	Y	100%	100%	100%	25%	10%	3%	The Company applies security recommendations from industry leading infosec consultants.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
71	Business	Damage to Physical Assets	Asset Loss to Natural Disaster	Risk of losses due to damage to physical assets from natural disaster or other events.	Mitigate	Y	Y	N	100%	20%	20%	100%	5%	5%	Hazard insurance and liability insurance are required to be in place for every property we are dealing with. Additionally, our strategy of geographic diversity should mitigate the impact of any natural disasters on our assets.
72	Business	Data Managem	Reporting Analytics Inaccurac	Risk of loss due to incomplete or inaccurate data leading	Mitigate	Y	Y	N	100%	25%	25%	50%	25%	13%	All models are reviewed by individuals and groups within the company.
73	Business	Data Security and Information	Inadequate Data Security	Risk of loss due to inadequate data security of non-public customer or proprietary information.	Mitigate	Y	Y	N	50%	100%	50%	10%	10%	1%	The Company applies security recommendations from industry leading infosec consultants. Additionally, the Company applies gradient levels of infosec restrictions based upon the type of data and the role of individuals with access to that data.
74	Business	Exposure to Litigation	Legal Action	Risk of losses due to legal action resulting from actual or perceived conduct/misconduct, services, or other	Mitigate	Y	Y	N	15%	100%	15%	5%	15%	1%	Maintaining liability insurance on each property and umbrella liability is mandatory. Additionally, errors and omissions insurance will be required for key personnel. The LLC structure limits the financial extent of legal actions.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
75	Business	Foreign Currency Liquidity	Liquidity Shortage due to Foreign Market Exchange	Risk of a liquidity shortage due to the inability to raise funds in foreign currency markets and to transfer a liquidity	Mitigate	Y	Y	Y	50%	50%	25%	5%	5%	0%	The Company will maintain a balance of 20% to 50% of all assets as liquid assets. While we don't deal in foreign currencies, we may deal in several different crypto currencies. We are limiting routine currency usage to ETH, BTC, CuBit, and USD. Blockchain technology does not explicitly recognize sovereign borders.
76	Business	Foreign Exchange	Foreign Exchange Rate Fluctuations	Risk of losses due to unfavorable fluctuations in exchange rates.	Mitigate	Y	Y	Y	75%	50%	38%	25%	25%	6%	The Company maintains and enforces policies which limit our exposure to volatile currencies such as BTC and ETH. CuBit value is updated for the market each month through the Asset Ledger. This will serve to keep CuBit value relatively stable.
77	Business	Fraud	Fraud	Risk of loss due to unauthorized or illegal acts by persons	Mitigate	Y	Y	Y	50%	25%	13%	25%	10%	3%	The use of Affiliates and REI provide counterweights, or checks, on each party. They will help keep each other honest.
78	Business	Legal/Compliance	Non-conformance	Risk of losses due to violations of, or nonconformance with,	Mitigate	Y	Y	Y	25%	100%	25%	5%	25%	1%	The Company is subject to outside audits once, or twice each year. Additionally, an internal audit function will ensure compliance with all relevant regulations.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
79	Business	Liquidity Risk	Liquidity Risk to Earnings or Capital	Risk to current or anticipated earnings or capital arising from an inability (or perceived inability) to meet obligations when they come due as a result of a shortage in liquid assets.	Mitigate	Y	Y	Y	25%	80%	20%	5%	5%	0%	The Company will maintain a balance of 20% to 50% of all assets as liquid assets. While we don't deal in foreign currencies, we may deal in several different crypto currencies. We are limiting routine currency usage to ETH, BTC, CuBit, and USD. The Company does not carry debt on real estate, thus reducing obligations. The Company funds each deal for both acquisition and go-to-market at the inception of deal.
80	Business	Model	Poor Decisions Based	Risk of losses or other adverse consequences resulting	Mitigate	Y	Y	N	20%	50%	10%	10%	10%	1%	Model outputs are reviewed for accuracy and decisions examined by multiple members of the management team to ensure that models and modelling data is applied appropriately.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
81	Business	Reputational Risk	Capital or Earnings Reduction	Risk of material damage to the Company's reputation, resulting in a reduction of earnings or capital.	Mitigate	Y	Y	Y	25%	50%	13%	10%	50%	5%	We disclose to all those who acquire CuBit™ that it may lose value. Regarding investments in the companies, those are accompanied with an appropriate PPM which contains disclosures that investments may lose value. Specifically regarding earnings, we will close our books every month and review the results then project trends and evaluate prospective earnings. Those will be communicated to shareholders and Members as appropriate. When we see downward trends we will take corrective actions, or move to accept the downturn as it comes.
82	Business	Residual Value of	Decreased Value of Leased	Risk of losses due to the residual value of leasing	Avoid	N	N	N	25%	25%	6%	10%	5%	1%	At present, leasing of assets is not part of our business model.
83	Business	Technology Risk	Limited or Denied Availability to Technology	Risk of adverse impact to business operations or customers due to reduced or denied availability or	Mitigate	Y	Y	Y	25%	25%	6%	10%	10%	1%	The Company uses a variety of access channels to provide the widest possible access while maintaining infosec standards.

									Inherent Risk			Residual Risk			
ID	Category	Sub-Category	Title	Risk	Strategy	UREWPS	Affiliates	CuBit Coin	Probability (H M L)	Impact (H M L)	Score	Probability (H M L)	Impact (H M L)	Score	Response
84	Business	Third Party Cybersecurity	Third Party Breach	Risk of loss from breach or cyber event of third-parties.	Mitigate	Y	Y	Y	50%	50%	25%	15%	15%	2%	Third party providers are audited regularly and are required to maintain liability insurance as well as errors and omissions insurance to protect the Company against losses incurred as a result of third-party actions or inactions.
85	Business	Unforeseen Financial Setbacks	Performance Failure to Meet Expectations	Risk of material damage to the company's reputation due to failure to meet market	Mitigate	Y	Y	Y	25%	25%	6%	15%	15%	2%	The Company cannot guarantee that it will fulfill every expectation. Management will actively manage expectations of the interested parties and maintain a level of transparency which will help build confidence in the actions, behaviors, and outcomes of the Company.
86	Business	Vendors and Suppliers	Vendor / Supplier Mismanageme	Risk of losses due to contracts with vendors which impair the Company's	Mitigate	Y	Y	N	50%	25%	13%	25%	10%	3%	Third party providers are audited regularly and are required to maintain liability insurance as well as errors and omissions insurance to protect the Company against losses incurred as a result of third-party actions or inactions.
87	Business	Operational Risk	Process Failure or Human Error	Risk of losses due to inadequate or failed internal processes or systems, human errors / misconduct	Mitigate	Y	Y	N	100%	15%	15%	100%	5%	5%	Human failure is inevitable. Segregation of duties and other operational risk management controls are implemented throughout the company to allow for prompt identification of errors and enable rapid remediation of the effects of such errors.

7.8 Appendix Y: Glossary of Terms

Why is this "Appendix Y?" Because when the terms below appear in the text above, some readers will ask, "Why did they use that term, and what does it mean?" If you're reading this appendix, you are definitely one of us word geeks. Enjoy. -- *Sudato*

Term	Definition	Source
Accredited Investor	An accredited investor is an individual who has a net worth higher than $1 million, excluding the value of their primary residence. Or they may qualify if they have annual income in the previous two years higher than $200,000 or, if married, $300,000 in combined spousal income, and expects to maintain that level for the following year. A director, executive officer or general partner of the company issuing the securities is also considered an accredited investor.	(Bank, 2022)
Address	The identifier where a transaction is sent. Derived from a user's public key, which originates from the private key by asymmetric key cryptography. In Ethereum, the public key is 512 bits, or 128 hexadecimal characters, and is hashed (i.e., uniquely represented) with a Keccak-256 algorithm, which transforms it into 256 bits or 64 hexadecimal characters. The last 40 hexadecimal characters are the public address, which usually carries the prefix "Ox."	(Harvey, Rmachandran, & Sandoro, 2021)
After Repair Value (ARV)	After-repair value (ARV) is an estimate of the value of a property after it's repaired. This serves as a proxy for the market value of the price. The most common use of ARV is in house flipping, when an investor buys a distressed house, fixes it up then sells it, typically within a year. ARV is the sum of the purchase price plus the value of the renovations. If the property hasn't traded recently, an appraiser can still estimate a market value by benchmarking it against peers with similar locations, structures and lot characteristics.	(Sharestates.com, 2022)
Airdrop	A free distribution of tokens into wallets. For example, Uniswap governance airdropped 400 tokens into every Ethereum address that had used its platform.	(Harvey, Rmachandran, & Sandoro, 2021)
Anti-Money Laundering (AML)	A common compliance regulation designed to detect and report suspicious activity related to illegally concealing the origins of money.	(Harvey, Rmachandran, & Sandoro, 2021)
Appreciation	An increase in value of an asset over time. Appreciation may be driven by changes in the market or may be forced by improving the underlying asset.	(Streetman, 2021)
As-is, where-is	The "as is where is" clause stems from an English legal doctrine known as the "caveat emptor" rule which is now part of Singapore law. In Latin, "caveat emptor" means "let the buyer beware". This principle puts the risks and burdens of a transaction on the buyer, and it is the buyer's duty to do his due diligence and checks when deciding whether to go ahead with the transaction. Therefore, if a property is being sold on an "as is where is" basis, this means that it is being sold in its current condition, whatever this condition happens to be. As the buyer, you are deemed to have checked the property	(Ying, 2018)

Term	Definition	Source
	for defects of quality (even if you haven't actually done so) and have found the property acceptable.	
Asymmetric Key Cryptography	A means to secure communication. Cryptocurrencies have two keys: public (everyone can see) and private (secret and only for the owner). The two keys are connected mathematically in that the private key is used to derive the public key: With current technology, it is not feasible to derive the private key from the public key (hence, the description "asymmetric"). Users can receive a payment to their public address and spend it with their private key. Also see symmetric key cryptography.	(Harvey, Rmachandran, & Sandoro, 2021)
Atomic	A provision that causes contract terms to revert as if tokens never left the starting point, if any contract condition is not met. An important feature of a smart contract.	(Harvey, Rmachandran, & Sandoro, 2021)
Automated Market Maker (AMM)	A smart contract that holds assets on both sides of a trading pair and continuously quotes a price for buying and for selling. Based on executed purchases and sales, the contract updates the asset size behind both the bid and the ask and uses this ratio to define a pricing function.	(Harvey, Rmachandran, & Sandoro, 2021)
Bad Debt Buying	Debts which someone holds and they are unable, or unwilling to collect are usually purchased at a fraction of the face value. The buyer then attempts collection through all lawful means and approaches the debtor with a willingness to initiate a payment plan, settle for less than the face value, or both. Although some debts purchased this way will be uncollectable, those which do collect usually yield anywhere from two to ten times the amount invested.	
Bargain and Sale Deed	This type of real estate deed is used in the sale or transfer of residential real estate; however, it offers no guarantee that the property is free of debts or liens. It only states that the grantor is the titleholder, and little else. As with a quitclaim deed, the grantee would acquire any lien in place against the property along with the title.	(Freer, 2022)
Barter	A peer-to-peer exchange mechanism in which two parties are exactly matched. For example, A has two pigs and needs a cow. B has a cow and needs two pigs. There is some debate as to whether barter was the first method of exchange. For example, David Graeber argues that the earliest form of trade was in the form of debit-credit. People living in the same village gave each other "gifts," which by social consensus had to be returned in future by another gift that is usually a little more valuable (interest). People kept track of exchanges in their minds as it was only natural and convenient to do so since there is only a handful sharing the same village. Coinage comes into play many, many years later with the rise of migration and war, with war tax being one of the very first use cases.	(Harvey, Rmachandran, & Sandoro, 2021)
Barter currency / Barter cryptocurrency	A unique type of cryptocurrency focused on trading for assets rather than exchanging on a cryptocurrency exchange. The first barter currency was TROPTIONS, but there are several related tokens currently available.	(Streetman, 2021)
Basis	The cost of acquiring and/or developing an asset. The basis is used as your original cost of an asset when assessing taxable gains.	(Streetman, 2021)
Basis Point	One basis point is one tenth of 1% or .0001	
Bitcoin	The original and most popular cryptocurrency. It has by far the greatest market value and the best liquidity of any cryptocurrency.	(Streetman, 2021)

Term	Definition	Source
Blockchain	A decentralized ledger invented in 1991 by Haber and Stornetta, in which every node has a copy. Can be added to through consensus protocol, but its history is immutable. Also visible to anyone.	(Harvey, Rmachandran, & Sandoro, 2021)
Blockchain	A blockchain is a distributed database that is shared among the nodes of a computer network. As a database, a blockchain stores information electronically in digital format. Blockchains are best known for their crucial role in cryptocurrency systems, such as Bitcoin, for maintaining a secure and decentralized record of transactions. The innovation with a blockchain is that it guarantees the fidelity and security of a record of data and generates trust without the need for a trusted third party. One key difference between a typical database and a blockchain is how the data is structured. A blockchain collects information together in groups, known as blocks, that hold sets of information. Blocks have certain storage capacities and, when filled, are closed and linked to the previously filled block, forming a chain of data known as the blockchain. All new information that follows that freshly added block is compiled into a newly formed block that will then also be added to the chain once filled.	(Hayes, Blockchain Facts: What Is It, How It Works, and How It Can Be Used, 2022)
Blockchain	A growing list of records, called blocks, that are linked using cryptography. Each block contains a cryptographic hash of the previous block, a timestamp, and transaction data. The blockchain is where records of cryptocurrency transactions are stored. When properly implemented and independently maintained, the records on the blockchain are immutable.	(Streetman, 2021)
Bonding Curve	A smart contract that allows users to buy or sell a token using a fixed mathematical model. For example, consider a simple linear function in which the token equals supply: In this case, the first token would cost 1 ETH and the second token 2 ETH, thereby rewarding early participants. It is possible to have different bonding curves for buying and selling. A common functional form is a logistic curve.	(Harvey, Rmachandran, & Sandoro, 2021)
Bricked Funds	Funds trapped in a smart contract due to a bug in the contract.	(Harvey, Rmachandran, & Sandoro, 2021)
Bridge Loan	A bridge loan is a short-term loan used until a person or company secures permanent financing or removes an existing obligation. ... Bridge loans are short term, up to one year, have relatively high interest rates, and are usually backed by some form of collateral, such as real estate or inventory.	(Kagan, 2022)
Burn	The removal of a token from circulation, which thereby reduces the supply of the token. Achieved by sending the token to an unowned Ethereum address or to a contract that is incapable of spending. An important part of many smart contracts, for example, occurs when someone exits a pool and redeems the underlying assets.	(Harvey, Rmachandran, & Sandoro, 2021)
Cashflow / Cash-on-cash return	A type of return from an asset that represents the actual cash received within a year. Cashflow is usually measured as the amount of net cash divided by the original investment amount. When calculated this way, it is also call the cash-on-cash return.	(Streetman, 2021)
Closely Held	See Private Offering	
Coin	For the purposes of this document coin refers to a cryptocurrency.	

Term	Definition	Source
Collateralized Currency	Paper currency backed by collateral such as gold, silver, or other assets.	(Harvey, Rmachandran, & Sandoro, 2021)
Collateralized Debt Obligation	In traditional finance, a debt instrument such as a mortgage. In DeFi, an example would be a stablecoin overcollateralized with a crypto-asset.	(Harvey, Rmachandran, & Sandoro, 2021)
Consensus Protocol	The mechanism whereby parties agree to add a new block to the existing blockchain. Both Ethereum and Bitcoin use proof of work, but many other mechanisms exist, such as proof of stake.	(Harvey, Rmachandran, & Sandoro, 2021)
Contract Account	A type of account in Ethereum controlled by a smart contract.	(Harvey, Rmachandran, & Sandoro, 2021)
Control	For the purposes of this book, the method by which an investor 'owns' an asset. Types of control are through a deed (also known as fee simple control), a lease, an option, or a contract.	(Streetman, 2021)
Credit delegation	A feature whereby users can allocate collateral to potential borrowers who can use the collateral to borrow the desired asset.	(Harvey, Rmachandran, & Sandoro, 2021)
Cryptocurrency	A digital token that is cryptographically secured and transferred using blockchain technology. Leading examples are Bitcoin and Ethereum. Many different types of cryptocurrencies exist, such as stablecoin and tokens that represent digital and non-digital assets.	(Harvey, Rmachandran, & Sandoro, 2021)
Cryptocurrency	A cryptocurrency is a digital or virtual currency that is secured by cryptography, which makes it nearly impossible to counterfeit or double-spend. Many cryptocurrencies are decentralized networks based on blockchain technology—a distributed ledger enforced by a disparate network of computers. A defining feature of cryptocurrencies is that they are generally not issued by any central authority, rendering them theoretically immune to government interference or manipulation.	(Frankenfield, Cryptocurrency Explained With Pros and Cons for Investment, 2022)
Cryptocurrency/Crypto / Crypto-asset	A digital asset design to work as medium of exchange that uses cryptography to secure its transactions, to control the creation of additional units, and to verify the transfer of assets.	(Streetman, 2021)
Cryptographic Hash	A one-way function that uniquely represents the input data. Can be thought of as a unique digital fingerprint. The output is a fixed size even though the input can be arbitrarily large. Not encryption because it does not allow recovery of the original message. A popular hashing algorithm is the SHA-256, which returns 256 bits or 64 hexadecimal characters. The Bitcoin blockchain uses the SHA-256. Ethereum uses the Keccak-256. Also known as a hash or message digest.	(Harvey, Rmachandran, & Sandoro, 2021)
Crypto exchange	A website where cryptocurrency can be exchanged for other cryptocurrency or for fiat currency. In the future there may be exchanges where cryptocurrency can be exchanged for other products or assets.	(Streetman, 2021)
Current Condition Value (CCV)	The value of a property in its current condition, without any improvements, relocation, or alteration. This is implied with contracts that stipulate a property is offered or purchased "as-is, where-is."	
dApp	A decentralized application that allows direct interactions between peers (i.e., removing the central clearing). Permissionless and censorship resistant, anyone can use them, and no central organization controls them.	(Harvey, Rmachandran, & Sandoro, 2021)
Debt	Refers to loans that are secured by an asset and must be repaid to a lender.	(Streetman, 2021)

Term	Definition	Source
Decentralized Autonomous Organization (DAO)	An algorithmic organization with a set of rules encoded in a smart contract that stipulates who can execute what behavior or upgrade. Commonly includes a governance token.	(Harvey, Rmachandran, & Sandoro, 2021)
Decentralized Autonomous Organization (DAO)	A decentralized autonomous organization (DAO), sometimes called a decentralized autonomous corporation (DAC), is an organization represented by rules encoded as a computer program that is transparent, controlled by the organization members and not influenced by a central government. A DAO's financial transaction record and program rules are maintained on a blockchain. The precise legal status of this type of business organization is unclear.	(Wikipedia.org, 2022)
Decentralized Exchange (DEX)	A platform that facilitates token swaps in a non-custodial fashion. The two mechanisms for DEX liquidity are order book matching and automated market maker.	(Harvey, Rmachandran, & Sandoro, 2021)
Decentralized Finance (DeFi)	A financial infrastructure that does not rely on a centralized institution such as a bank Exchange, lending, borrowing, and trading are conducted on a peer-to-peer basis using blockchain technology and smart contracts.	(Harvey, Rmachandran, & Sandoro, 2021)
Deed	A deed is a signed legal document that transfers ownership of an asset to a new owner. Deeds are most commonly used to transfer ownership of property or vehicles between two parties. The purpose of a deed is to transfer a title, the legal ownership of a property or asset, from one person or company to another.	(Liberto, 2021)
Deed of Trust (DOT)	A Deed of Trust is a type of secured real-estate transaction that some states use instead of mortgages. A deed of trust involves three parties: a lender, a borrower, and a trustee. The lender gives the borrower money. In exchange, the borrower gives the lender one or more promissory notes. As security for the promissory notes, the borrower transfers a real property interest to a third-party trustee. Should the borrower default on the terms of her loan, the trustee may take full control of the property to correct the borrower's default. Usually, the trustee is a title company. In most states, the borrower actually transfers legal title to the trustee, who holds the property in trust for the use and benefit of the borrower. In other states, the trustee merely holds a lien on the property. Deeds of trust almost always include a power-of-sale clause, which allows the trustee to conduct a non-judicial foreclosure - that is, sell the property without first getting a court order.	(Cornell Law School, 2022)
DeFi	Decentralized Finance. In this framework, peers interact with peers via a common ledger not controlled by any centralized organization.	(Harvey, Rmachandran, & Sandoro, 2021)
DeFi Legos	The idea that combining protocols to build a new protocol is possible. Sometimes referred to as DeFi money legos or composability.	(Harvey, Rmachandran, & Sandoro, 2021)
Depreciation	A tax concept where the cost of an asset is deducted from income over time. Depreciation refers to phantom losses that allow an investor to offset income for calculating income taxes.	(Streetman, 2021)
Digest	Also known as message digest. See cryptographic hash.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Direct Incentive	A payment or fee associated with a specific user action intended to be a reward for positive behavior. For example, suppose a collateralized debt obligation becomes undercollateralized. The condition does not automatically trigger liquidation; rather, an externally owned account must trigger it, and then a reward (direct incentive) is given.	(Harvey, Rmachandran, & Sandoro, 2021)
Double Spend	A problem that plagued digital currency initiatives in the 1980s and 1990s: perfect copies can be made of a digital asset, so it can be spent multiple times. The Satoshi Nakamoto white paper in 2008 solved this problem using a combination of blockchain technology and proof of work.	(Harvey, Rmachandran, & Sandoro, 2021)
Due Diligence	Reasonable steps taken by a person in order to satisfy a legal requirement, especially in buying or selling something.	(Oxford Languages, 2022)
Dutch Auction	A Dutch auction is a market structure in which the price of something offered is determined after taking in all bids to arrive at the highest price at which the total offering can be sold. In this type of auction, investors place a bid for the amount they are willing to buy in terms of quantity and price. A Dutch auction also refers to a type of auction in which the price of an item is lowered until it gets a bid. The first bid made is the winning bid and results in a sale, assuming that the price is above the reserve price. This is in contrast to typical auction markets, where the price starts low and then rises as bidders compete among one another to be the successful buyer.	(Chen, Dutch Auction, 2021)
Equity	The value of the owned portion of an asset. Equity is usually calculated as market value minus debt. In this book, equity is the portion of a real estate exchange that is in complete control of the seller and/or buyer for the assets they are exchanging.	(Streetman, 2021)
Equity token	A type of cryptocurrency that represents ownership of an underlying asset or a pool of assets.	(Harvey, Rmachandran, & Sandoro, 2021)
ERC-1155	Ethereum Request for Comments (ERC) related to defining a multi-token model, in which a contract can hold balances of a number of tokens, either fungible or non-fungible.	(Harvey, Rmachandran, & Sandoro, 2021)
ERC-20	Ethereum Request for Comments (ERC) related to defining the interface for fungible tokens, which are identical in utility and functionality. The U.S. dollar is fungible currency in that all $20 bills are identical in value and 20 $1 bills are equal in value to the $20 bill.	(Harvey, Rmachandran, & Sandoro, 2021)
ERC-721	Ethereum Request for Comments (ERC) related to defining the interface for non-fungible tokens, which are unique and are often used for collectibles or specific assets, such as a loan.	(Harvey, Rmachandran, & Sandoro, 2021)
Escrow	Escrow is a legal arrangement in which a third party temporarily holds large sums of money or property until a particular condition has been met (such as the fulfillment of a purchase agreement). It is used in real estate transactions to protect both the buyer and the seller throughout the home buying process.	(Dehan, 2022)
Ethereum	The second most popular cryptocurrency. Ethereum was the genesis of smart contracts and digital applications.	(Streetman, 2021)
Ethereum (ETH)	In existence since 2015, the second largest cryptocurrency or blockchain. Its native cryptocurrency is known as ether (ETH). Ethereum's blockchain has the capability of running computer programs known as smart contracts. It is considered a distributed computational platform and sometimes referred to as the Ethereum Virtual Machine.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Ethereum 2.0	A proposed improvement on the Ethereum blockchain that uses horizontal scaling, proof-of-stake consensus and other enhancements.	(Harvey, Rmachandran, & Sandoro, 2021)
Externally Owned Account (EOA)	An Ethereum account controlled by a specific user.	(Harvey, Rmachandran, & Sandoro, 2021)
Factoring	A form of asset-based lending against accounts receivable.	
Fair Market Value (FMV)	Fair market value (FMV) is the price that an arm's-length buyer would pay in the open market for an asset. FMV is often used by government organizations and financial institutions to value assets to be used as collateral or taxed.	(Price, 2022)
Fiat Currency	Uncollateralized paper currency, which is essentially an IOU issued by a government.	(Harvey, Rmachandran, & Sandoro, 2021)
Fiat Currency	Money issued by nations (for example, dollars, euros) is called fiat currency. The currency has value because the nations say it does (fiat). The term is usually used to distinguish from cryptocurrency.	(Streetman, 2021)
Fintech	Abbreviation for financial technology; a general term that refers to technological advances in finance. Broadly includes technologies in the payments, trading, burrowing, and lending spaces, and often big data and machine learning applications.	(Harvey, Rmachandran, & Sandoro, 2021)
Flash Loan	An uncollateralized loan with zero counterparty risk and zero duration. Used to facilitate arbitrage or to refinance a loan without pledging collateral. Has no counterparty risk because in a single transaction (a) the loan is cleared, (b) all buying and selling using the loan funding is completed, and (c) the loan is paid in full.	(Harvey, Rmachandran, & Sandoro, 2021)
Flash swap	Feature of some DeFi protocols whereby a contract sends tokens before the user pays for them with assets on the other side of the pair. Allows for near-instantaneous arbitrage. Allows for flexibility of repaying with a different asset, which is different from a flash loan, which must be repaid with the same asset. A key feature is that all trades occur within a single Ethereum transaction.	(Harvey, Rmachandran, & Sandoro, 2021)
Fork	In the context of open-source code, an upgrade or enhancement to an existing protocol that connects to the protocol's history. A user has the choice of using the old or the new protocol. If the new protocol is better and attracts sufficient mining power, it will win. Forking is a key mechanism to assure efficiency in Defi.	(Harvey, Rmachandran, & Sandoro, 2021)
Fungible	Able to replace or be replaced by another identical item; mutually interchangeable.	(Dictionary.com, 2022)
Fungible/Non-fungible	A cryptocurrency is fungible if any two tokens are identical. Bitcoin and TROPTIONS are fungible. Smart contracts generally are not (they are unique tokens that represent a specific transaction). In regular currency, dollars are fungible. But a 1933 Saint-Gaudens Double Eagle (of which there are only a few in existence) is non-fungible. Any two may have different values based on their conditions. Fungibility is important for exchange or trading.	(Streetman, 2021)
Gas	A fee required to execute a transaction and to execute a smart contract. The mechanism that allows Ethereum to deal with the halting problem.	(Harvey, Rmachandran, & Sandoro, 2021)
Geoblock	Technology that blocks users from certain countries bound by regulation that precludes the application.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
***Governance Coin* or Governance Token**	A governance token is a cryptocurrency that gives its holders a right to vote on proposed changes to a blockchain network. This innovation is seen as a necessary step toward keeping certain crypto projects, particularly those within the decentralized finance (DeFi) ecosystem, decentralized Some DAOs employ governance tokens, which are permissionless, mintable tokens that holders can trade on decentralized exchanges (DEXs). Other protocols issue governance tokens when users provide market liquidity or participate in network security — such as Proof-of-Work (PoW) consensus mechanisms.	(Nibley, 2022)
Governance Token	The right of an owner to vote on changes to the protocol. Examples include the MakerDAO MKR token and the Compound COMP token.	(Harvey, Rmachandran, & Sandoro, 2021)
Grant Deed	A grant deed is a specific deed type that transfers the interest in a property from the seller to the buyer in exchange for a previously agreed upon price. While the grant deed guarantees that the seller owns the property entirely, it doesn't offer the buyer legal protection against any title defects such as an: • error in public records • improper signature • undisclosed lien • boundary dispute	(Freer, 2022)
Halting Problem	A computer program in an infinite loop. Ethereum solves this problem by requiring a fee for a certain amount of computing. If the gas is exhausted, the program stops.	(Harvey, Rmachandran, & Sandoro, 2021)
Hash	See cryptographic hash.	(Harvey, Rmachandran, & Sandoro, 2021)
Hexadecimal	A counting system in base-16 that includes the first 10 numbers 0 through 9 plus the first six letters of the alphabet, a through f. Each hexadecimal character represents 4 bits, where 0 is 0000 and the 16th (f) is 1111.	(Harvey, Rmachandran, & Sandoro, 2021)
Horizontal Scaling	An approach that divides the work of the system into multiple pieces, retaining decentralization but increasing the throughput of the system through parallelization. Also known as "sharding." Ethereum 2.0 takes this approach in combination with a proof-of-stake consensus algorithm.	(Harvey, Rmachandran, & Sandoro, 2021)
Impermanent Loss	Applies to automated market makers (AMM), where a contract holds assets on both sides of a trading pair. Suppose the AMM imposes a fixed exchange ratio between the two assets, and both assets appreciate in market value. The first asset appreciates by more than the second asset. Users drain the first asset, and the contract is left holding only the second asset. The impermanent loss is the value of the contract if no exchange took place (value of both tokens) minus the value of the contract after it was drained (value of second token).	(Harvey, Rmachandran, & Sandoro, 2021)
Incentive	A broad term used to reward productive behavior. Examples include direct incentives and staked incentives.	(Harvey, Rmachandran, & Sandoro, 2021)
Initial DeFi Offering (IDO)	A method of setting an initial exchange rate for a new token. A user can be the first liquidity provider on a pair, such as the new token and a stablecoin such as USDC. Essentially, the user establishes an artificial floor for the price of the new token.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Invariant	The result of a constant product rule. For example, invariant = SA x SB, where SA is the supply of asset A, and SB is the supply of asset B. Suppose the instantaneous exchange rate is 1A:1B. The supply of asset A = 4 and the supply of asset B= 4. The invariant = 16. Suppose the investor wants to exchange some A for some B. The investor deposits 4 of A so that the contract has 8 A (SA = 4 + 4 = 8). The investor can withdraw only 2 of asset B as defined by the invariant. The new supply of B is therefore 2 (SB = 4-2=2). The invariant does not change, remaining at 16=2x8. The exchange rate does change, however, and is now 2A:1B.	(Harvey, Rmachandran, & Sandoro, 2021)
Keeper	A class of externally owned accounts that is an incentive no perform an action in a Defi protocol of a dApp. The Keeper receives a reward in the form of a flat fee or a percentage of the incented action. For example, the keeper receives a fee for liquidating a collateralized debt obligation when it becomes undercollateralized.	(Harvey, Rmachandran, & Sandoro, 2021)
Know Your Business (KYB)	Know Your Business (KYB) process is not so different from the most widely known and standardized Know Your Customer (KYC) process. The difference lies in the purpose and intentionality of the process, focused on identifying companies and suppliers in the first case and consumers or customers in the second one.	(Electronic IDentification, 2021)
Know Your Customer (KYC)	A provision of U.S. regulation common to financial services regulation requiring that users must identify themselves. This regulation has led to geo-blocking of U.S. customers from certain decentralized exchange functionalities.	(Harvey, Rmachandran, & Sandoro, 2021)
Know Your Customer (KYC)	KYC means Know Your Customer and also Know Your Client. KYC or KYC check is the mandatory process of identifying and verifying the client's identity when opening an account and periodically over time. In other words, banks must make sure that their clients are genuinely who they claim to be.	(Thales Group, 2022)
Layer 2	A scaling solution built on top of a blockchain that uses cryptography and economic guarantees to maintain desired levels of security. For example, small transactions can occur using a multi-signature payment channel. A blockchain is used only when funds are added to the channel or withdrawn.	(Harvey, Rmachandran, & Sandoro, 2021)
Leasehold	A type of control of a property where the property is rented from the owner for a limited period of time.	(Streetman, 2021)
Liquidity	The ability to sell a cryptocurrency for fiat. Today, most cryptocurrencies are non-liquid or minimally liquid (they can only be sold in small amounts).	(Streetman, 2021)
Liquidity Provider (LP)	A user that earns a return by depositing assets into a pool or a smart contract.	(Harvey, Rmachandran, & Sandoro, 2021)
Mainnet	The fully operational, production blockchain behind a token, such as the Bitcoin blockchain or the Ethereum blockchain. Often used to contrast with testnet.	(Harvey, Rmachandran, & Sandoro, 2021)
Mezzanine Debt	Mezzanine debt bridges the gap between debt and equity financing and is one of the highest-risk forms of debt—being subordinate to pure debt but senior to pure equity.	(Hayes, Mezzanine Debt, 2020)
Miner	Cycles through various values of a piece of data called a nonce to try to find a rare cryptographic hash value in a proof-of-work blockchain. Gathers and validates candidate transactions for a new block, adds a	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
	nonce, and executes a cryptographic hashing function. The nonce is varied, and the hashing continues. If miners "win" by finding a hash value that is very small, they receive a direct reward in newly minted cryptocurrency. The miner also earns an indirect reward, collecting fees for the transactions included in their block.	
Miner Extractable Value	The profit derived by a miner. For example, miners could front run a pending transaction they believe will increase the price of the cryptocurrency (e.g., a large buy). Also known as maximum extractable value.	(Harvey, Rmachandran, & Sandoro, 2021)
Mint	An action that increases the supply of tokens and is the opposite of burn. Often occurs when a user enters a pool and acquires an ownership share. Minting and burning are essential parts of non-collateralized stablecoin models (i.e., when stablecoin gets too expensive more are minted, which increases supply and reduces prices). Minting is also a means to reward user behavior.	(Harvey, Rmachandran, & Sandoro, 2021)
Mortgage Deed	A mortgage deed is a document signed between a homeowner and a bank or lending institution, allowing said institution to put a lien on the property if the loan isn't repaid. This deed secures property as collateral for a loan — meaning a "mortgage payment" is paid towards a loan debt, with the house serving as security in the event of a default. When a mortgage deed is in effect, the legal title to the property is held by the financial institution for the duration of the loan repayment period.	(Freer, 2022)
Multi-family Housing (MFH)	MFH typically is characterized by housing developments with more than four (4) dwellings.	
Networked Liquidity	The idea that any exchange application can lever the liquidity and rates of any other exchange on the same blockchain.	(Harvey, Rmachandran, & Sandoro, 2021)
NFT (non-fungible token)	Non-fungible tokens, or NFTs, are pieces of digital content linked to the blockchain, the digital database underpinning cryptocurrencies such as bitcoin and Ethereum. Unlike NFTs, those assets are fungible, meaning they can be replaced or exchanged with another identical one of the same value, much like a dollar bill. NFTs, on the other hand, are unique and not mutually interchangeable, which means no two NFTs are the same.	(Goodwin, 2021)
Node	A computer on a network that has a full copy of a blockchain.	(Harvey, Rmachandran, & Sandoro, 2021)
Non-fungible	Not mutually interchangeable	(Goodwin, 2021)
Non-recourse loan	A non-recourse loan is one where the collateral for the debt is the sole recourse for repayment in the event of default. In contrast, recourse loans require the borrower to pledge their personal income and assets to repay the loan if they default. Most homeowner loans have recourse to the personal income and assets of the borrower. This is why credit scores and the assets and liabilities of the borrower play such an important role in most bank loan underwriting. For non-recourse loans the due diligence on the property is paramount and the property will be promptly foreclosed if the loan goes into default.	
Nonce	A counter mechanism for miners as they cycle through various values when trying to discover a rare cryptographic hash value. Nonce is derived from "number only once."	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Note Brokering / Buying	Note brokering is finding someone who is carrying some form of promissory note and finding a note buyer or note investor who wants to purchase the note. You get paid a commission or a spread from negotiating with the note seller and selling to a note buyer.	(NoteBrokering.com, 2022)
Optimistic Rollup	A scaling solution whereby transactions are aggregated off-chain into a single digest that is submitted to the chain on a periodic basis.	(Harvey, Rmachandran, & Sandoro, 2021)
Option	A type of control where the buyer prevents others from buying the prevents others from buying the property while assessing the viability of property for purchase without owning the property. Usually an agreed purchase price is a part of an option.	(Streetman, 2021)
Oracle	A method whereby information is gathered outside of a blockchain. Parties must agree on the source of the information.	(Harvey, Rmachandran, & Sandoro, 2021)
Order Book Matching	A process in which all parties must agree on the swap exchange rate. Market makers can post bids and asks to a decentralized exchange (DEX) and allow takers to fill the quotes at the pre-agreed price. Until the offer is taken, the market maker has the right to withdraw the offer or update the exchange rate.	(Harvey, Rmachandran, & Sandoro, 2021)
Perpetual futures contract	Similar to a traditional futures contract but without an expiration date.	(Harvey, Rmachandran, & Sandoro, 2021)
Points	One point is equal to 1% (.01).	
Private Offering	Also known as private stocks. Private stock is issued under Regulation D of the Securities Act of 1933, which requires all offerings of stock to be registered with the SEC or be offered in compliance with Regulation D requirements. Reg D has three exemption levels known as Rules 504, 505 and 506. They primarily apply to the amount of the offering. Most private offerings are made under Rule 506. … Reg D requires that you receive a private placement memorandum disclosing the company business and potential negatives associated with the company and the value of the investment. Also required is a subscription agreement and an accredited investor questionnaire.	(Duff, 2022)
Proof of Stake	Proof-of-stake is a cryptocurrency consensus mechanism for processing transactions and creating new blocks in a blockchain. A consensus mechanism is a method for validating entries into a distributed database and keeping the database secure. In the case of cryptocurrency, the database is called a blockchain—so the consensus mechanism secures the blockchain.	(Frankenfield, Proof-of-Stake (PoS), 2022)
Proof of Stake (PoS)	An alternative consensus mechanism, and a key feature of Ethereum 2.0, in which the staking of an asset on the next block replaces the mining of blocks as in proof of work (PoW). In PoW, miners need to spend on electricity and equipment to win a block. In proof of stake, validators commit some capital (the stake) to attest that the block is valid. Validators make themselves available by staking their cryptocurrency, and then they are randomly selected to propose a block. The proposed block needs to be attested by a majority of the other validators. Validators profit by both proposing a block and attesting to the validity of others' proposed blocks. If validators act maliciously, there is a penalty mechanism whereby their stake is slashed.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Proof of Work (PoW)	Originally advocated by Back in 2002, the consensus mechanism for the two leading blockchains: Bitcoin and Ethereum. Miners compete to find a rare cryptographic hash, which is hard to find but easy to verify. Miners are rewarded for finding the cryptographic hash and using it to add a block to the blockchain. The computing difficulty of finding the hash makes it impractical to go backward to rewrite the history of a leading blockchain.	(Harvey, Rmachandran, & Sandoro, 2021)
Proof of Work (PoW)	Proof of work (PoW) is a form of cryptographic proof in which one party (the prover) proves to others (the verifiers) that a certain amount of a specific computational effort has been expended. Verifiers can subsequently confirm this expenditure with minimal effort on their part.	(Wikipedia.org, 2022)
Quitclaim Deed	A quitclaim deed is used to transfer property between familiar parties, such as family members or even divorced spouses. A quitclaim deed offers little legal protection to the grantee (the recipient of the transfer). If the grantor turns out not to legally own the property outlined in the deed, the grantee can't take legal action. In addition, there are no legal protections against liens or other encumbrances that might exist on the property. Quitclaim deeds involve a high degree of trust as a result, and are preferred by people who know each other well. This type of deed can also be used if the grantor isn't entirely sure of the title's status, and whether or not it has any defects.	(Freer, 2022)
Real Estate Owned (REO)	Real estate owned (REO) is the term for a property owned by a lender because it failed to sell in a foreclosure auction after the borrower defaulted on their mortgage. ... REOs are often sold at a discount by banks and other lenders. However, they are usually sold "as is" and are often in disrepair.	(Chen, Real Estate Owned (REO), 2020)
Router Contracts	In the context of decentralized exchange, a contract that determines the most efficient path of swaps to get the lowest slippage, if no direct trading pair is available on, for example, Uniswap.	(Harvey, Rmachandran, & Sandoro, 2021)
REXNET	Real Estate eXchange NETwork. A type of barter currency that uses proof of use as its valuation approach. The network includes a number of sub-tokens (for example, REXNET.Panama) that can be traded for each other as well as for assets.	(Streetman, 2021)
Scaling Risk	The limited ability of most current blockchains to handle a larger number of transactions per second. See vertical scaling and horizontal scaling.	(Harvey, Rmachandran, & Sandoro, 2021)
Schelling-Point Oracle	A type of oracle that relies on the owners of a fixed supply of tokens to vote on the outcome of an event or report a price of an asset.	(Harvey, Rmachandran, & Sandoro, 2021)
Seller financing	As the term implies this is financing offered by the owner (seller) of a property. Seller financing regulation is much less restrictive and regulated than bank financing. The seller can originate loans without having to register and be regulated like a lending institution.	
Sharding	A process of horizontally splitting a database, in the context of a blockchain. Also known as horizontal scaling. Divides the work of the system into multiple pieces, retaining decentralization, but increasing the throughput of the system through parallelization. Ethereum 2.0 takes this approach with the goal of reducing network congestion and increasing the number of transactions per second.	(Harvey, Rmachandran, & Sandoro, 2021)

Term	Definition	Source
Single Family Residence/Housing (SFR / SFH)	SFR, sometimes referred to as SFH, typically is characterized by housing developments with four (4) or fewer dwellings. Single family homes, duplexes, triplexes, and fourplexes all qualify within SFR for policy purposes.	
Slashing	A mechanism in proof of stake blockchain protocols intended to discourage certain user behavior.	(Harvey, Rmachandran, & Sandoro, 2021)
Slashing Condition	The mechanism that triggers a slashing. An example of a slashing condition is when under collateralization triggers a liquidation.	(Harvey, Rmachandran, & Sandoro, 2021)
Smart Contract	A contract activated when it receives ETH, or gas. Given the distributed nature of the Ethereum blockchain, the program runs on every node. A feature of the Ethereum blockchain, the main blockchain for DeFi applications.	(Harvey, Rmachandran, & Sandoro, 2021)
Smart Contract	Smart contracts are simply programs stored on a blockchain that run when predetermined conditions are met. They typically are used to automate the execution of an agreement so that all participants can be immediately certain of the outcome, without any intermediary's involvement or time loss.	(IBM, 2022)
Sophisticated Investor	A sophisticated investor is a classification of investor indicating someone who has sufficient capital, experience and net worth to engage in more advanced types of investment opportunities. See also Accredited Investor.	(Chen, Sophisticated Investor, 2020)
Sovereign Lien	A sovereign lien refers to a debt held by a government entity which is attached to real estate. Sovereign liens are superior to all other liens and failure to pay them can result in foreclosure. Sovereign liens typically originate as property taxes and government assessments. Occasionally, they can be based on unpaid income taxes and are attached to a property through a formal judicial proceeding.	
Special Purpose Deeds	Special purpose deeds are frequently used in connection with court proceedings and instances where the deed is from a person acting in some type of official capacity. Most special purpose deeds offer little to no protection to the grantee and are essentially quitclaim deeds. Types of special purpose deeds include but are not limited to: • **Administrator's Deed:** This may be used when a person dies intestate (without a will). A court-appointed administrator will dispose of the decedent's assets and an administrator's deed may be used to convey the title of real property to the grantee. • **Executor's Deed:** This may be used when a person dies testate (with a will). The estate's executor will dispose of the decedent's assets and an executor's deed may be used to convey the title or real property to the grantee. • **Sheriff's Deed:** This is given to the successful bidder at an execution sale held to satisfy a judgment that has been obtained against the owner of the property. The grantee receives whatever title the judgment debtor has. • **Tax Deed:** This is issued when a property is sold for delinquent taxes. • **Deed in Lieu of Foreclosure:** This is given by a borrower who is in default on a mortgage directly to the lender. This serves to prevent foreclosure proceedings, and if the lender accepts the deed in lieu of	(Folger, 2021)

Term	Definition	Source
	foreclosure, the loan is terminated. Many lenders prefer to foreclose in order to clean up the title. • **Deed of Gift (Gift Deed).** This is used to convey the title on real property that is given for no consideration or for only a token consideration. In some states, the gift deed must be recorded within two years or it becomes void.	
Specie	Metallic currency such as gold or silver (or nickel and copper) that has value on its own (i.e., if melted and sold as a metal).	(Harvey, Rmachandran, & Sandoro, 2021)
Stablecoin	A token tied to the value of an asset such as the U.S. dollar. A stablecoin can be collateralized with physical assets (e.g., U.S. dollar in USDC) or digital assets (e.g., DAI) or can be uncollateralized (e.g., AMPL and ESD).	(Harvey, Rmachandran, & Sandoro, 2021)
Stablecoin	A stablecoin is a class of cryptocurrencies that attempt to offer price stability and are backed by a reserve asset. Stablecoins have gained traction as they attempt to offer the best of both worlds—the instant processing and security or privacy of payments of cryptocurrencies, and the volatility-free stable valuations of fiat currencies.	(Hayes, Stablecoin, 2022)
Staked Incentive	A token balance custodied in a smart contact whose purpose is to influence user behavior. A staking reward is designed to encourage positive behavior by giving the user a bonus in their token balance based on the stake size. A staking penalty (slashing) is designed to discourage negative behavior by removing a portion of a user's token balance based on the stake size.	(Harvey, Rmachandran, & Sandoro, 2021)
Staking	The escrows of funds in a smart contract by users who are subject to a penalty (slashed funds) if they deviate from expected behavior.	(Harvey, Rmachandran, & Sandoro, 2021)
Swap	The exchange of one token for another. In DeFi, swaps are atomic and non-custodial. Funds can be custodied in a smart contract with withdrawal rights exercisable at any time before the swap is completed. If the swap is not completed, all parties retain their custodied funds.	(Harvey, Rmachandran, & Sandoro, 2021)
Symmetric Key Cryptography	A type of cryptography in which a common key is used to encrypt and decrypt a message.	(Harvey, Rmachandran, & Sandoro, 2021)
Testnet	An identically functioning blockchain to a Mainnet, whose purpose is to test software. The tokens associated with the testnet when testing Ethereum, for example, are called test ETH, which are obtained for free from a smart contract that mints the test ETH (known as a faucet).	(Harvey, Rmachandran, & Sandoro, 2021)
Token	This can refer to fungible or non-fungible cryptocurrency units, each of which can be called a token. Tokens are digital vouchers that can be exchanged.	
Token vs coins	A coin is a cryptocurrency that has its own blockchain. A token is a cryptocurrency that is recorded on another coin's blockchain.	(Streetman, 2021)
Trading pairs	Trading pairs are the available exchanges on an exchange. For example, some tokens may only be traded for a handful of specific other tokens. To sell for cash, you often must trade your token for another; perhaps trade that one for Bitcoin and sell Bitcoin for cash. Trading pairs also impact valuation. If your trades are for Ripple and later Ripple goes down in value, it will appear that your coin also goes down in value unless new trades have happened that show your exchange rate with Ripple changing. This fact is important because it reduces the confidence you should have in	(Streetman, 2021)

Term	Definition	Source
	the crypto values listed at popular exchange sites. When the values can change without new trades providing information, it calls into question the values listed.	
Transparency	The ability for anyone to see the code and all transactions sent to a smart contract. A commonly used blockchain explorer is etherscan.io.	(Harvey, Rmachandran, & Sandoro, 2021)
TROPTIONS/ XTROPTIONS.GOLD/ XTROPTIONS/ XTROPTIONS.AUS / TROPTIONS.GOLD	The original barter cryptocurrencies. TROPTIONS were created (not on the blockchain) in 2003 as a way to trade options (Trade plus Options = TROPTIONS). In 2017 they were moved to the blockchain to obtain the benefits of immutability and easy trades. TROPTIONS have been used, perhaps more than any other cryptocurrency, for real estate transactions.	(Streetman, 2021)
Utility Token	A fungible token required to use some functionality of a smart contract system or that has an intrinsic value defined by its respective smart contract system. For example, a stablecoin, whether collateralized or algorithmic, is a utility token.	(Harvey, Rmachandran, & Sandoro, 2021)
Vampirism	An exact or near-exact copy of a DeFi platform designed to take liquidity away from an existing platform often by offering users direct incentives.	(Harvey, Rmachandran, & Sandoro, 2021)
Value	The value of a cryptocurrency is how much it is worth, valuation can be very challenging. The common way to value a cryptocurrency is to look at its most recent trades at an exchange. However, this is challenging, as the recent trades might be at different values. Further, some cryptocurrencies (for example, barter currencies) don't generally have both ends of the transaction (and thus the value) available on the blockchain. Value may also be defined more generally as the price at which a willing buyer and seller would trade an asset.	(Streetman, 2021)
Vault	A smart contract that escrows collateral and keeps track of the value of the collateral.	(Harvey, Rmachandran, & Sandoro, 2021)
Velocity of Capital **or** ***Turns of Capital***	Velocity of capital is an expression of a concept known as "turning." It is illustrated by an annualized rate of return. For instance, a return of 4% earned in one month would produce an annualized return of 48%, or a velocity of .48. In simple terms velocity of capital answers the question of how quickly will one doubles their money.	(Kiyosaki, 2022)
Vertical Scaling	The centralization of all transaction processing to a single large machine, which reduces the communication overhead (transaction-block latency) associated with a proof of work blockchain, such as Ethereum, but results in a centralized architecture in which one machine is responsible for a majority of the system's processing.	(Harvey, Rmachandran, & Sandoro, 2021)
Vet (or vett)	To perform and document necessary research and investigations. Also known as Due Diligence. To make a prior examination and critical analysis, or detailed evaluation, of a document, a line of action regarding someone or people, etc.: If something is vetted, it is checked carefully to make sure that it meets the requirements.	(Get the Words, 2022)
Wallet **or Crypto-wallet**	A wallet is where cryptocurrency is stored. There are many different types for different uses, and often the type of cryptocurrency will determine which wallets are feasible.	(Streetman, 2021)

Term	Definition	Source
Warranty Deed	Different types of warranty deeds are used to offer various legal protections to the grantor, in the event there's a problem or defect with the title once it's been transferred. Warranty deeds come with different levels of protection, and are split into two distinct categories: **General Warranty Deed -** Typically used in residential real estate transactions, a general warranty deed guarantees that the seller has the full legal right to sell the property, and that the property is completely free and clear of debts, liens, or other encumbrances. This type of deed comes with the most significant protection for the grantee, and provides them legal recourse in the event an unsettled debt or issue with the deed arises. **Special Warranty Deed -** A special warranty deed protects a grantee against any issues or claims that might have arisen during the time the grantor owned the property entirely. It doesn't apply to the entire history of the property, as the property's whole history isn't likely known by the current owner. Most often, this type of deed is used in the sale of residential real estate, or for commercial property. While not providing as much legal protection as a general warranty deed, it does: • Assure that the grantor is the legal owner of the property title, and • Guarantee that the property was not somehow encumbered during the time when the grantor had ownership.	(Freer, 2022)
Wholesaler	In real estate wholesaling, a wholesaler contracts a home with a seller, then finds an interested party to buy it. The wholesaler contracts the home with a buyer at a higher price than with the seller and keeps the difference as profit. Real estate wholesalers generally find, and contract distressed properties.	(Segal, 2022)
Yield Farming	A means to provide contract-funded rewards to users for staking capital or using a protocol.	(Harvey, Rmachandran, & Sandoro, 2021)

Appendix Z: Artifact Management Standard

DOCUMENT SUMMARY

Owner: UREWPS, LLC™

Executive or Designee: Sudato M O'Benshee

Approval Date:

Standard Review Frequency: Annually

Version: 2.7

DOCUMENT HISTORY

Revision Number	Modification	Author	Date	Approval Info
1.3	Replaced DirtCoin with Dirt*i*Coin references	TS	5/14/22	
1.4	Populated some key sections. Streamlined the organization of the document. Anonymized information on the founders. Converted to standardized typefaces	TS	5/26/22	
1.7	Updated for use in PPMs Removed some appendices and updated for reading by outside parties	TS	9/19/22	
1.8	Incorporated edits from SB. Updated financials to reflect $100 USD per D*i*D value	TS	9/30/22	
2.0	Converted document to support UREWPS™ and URESC*u*™, C*u*Bit™, C*u*BitDAO™	TS	7/2023	
2.1				
2.2	Contents- .0 SteelBlue,Bold; .1 Black Bold; .1.1 Black Italicized. Fixed grammatical errors, typo's.	RM	10/9/24	
2.3				
2.4	Added revised graphics to format for publication	SB	11/1/2024	
2.5	Final grammatical/spacing/font fixes	RM	11/9/2024	

Revision Number	Modification	Author	Date	Approval Info
2.5	Completed rebranding rewrites and updates to graphics. Prepared for publication as PDF for download.	TS	11/4/2024	
2.6	Edits during group review and table width adjustments	RM, SB	11/9/2024	
2.7	Final Edits and Removal of DRA Appendix	TS	11/11/2024	
2.8	Updated tables from DAO Numbers	TS	11/21/2024	

EVIDENCE OF DOCUMENT APPROVAL