Disclaimer

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No solicitation for investments

This paper contains information on Elrond, the Elrond network and planned environment and on the Elrond token (ERD) and is intended for informational purposes only. This paper does not and is not intended to constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdictions. In particular, this paper has not been registered or approved by any authority under any applicable laws and regulations. The Elrond tokens to be issued by Elrond are not intended to constitute securities and/or collective investment units in any jurisdiction. The sale of the Elrond tokens shall be governed exclusively by the terms and conditions of the Elrond token sale defined in a separate document and any information in relation to the Elrond token in this paper is merely of descriptive nature.

Due to regulatory uncertainties or restrictions, selling restrictions apply relating to the sale of Elrond tokens to any citizen or resident of the United States of America or any citizen or resident of any other jurisdiction where the acquisition of tokens or cryptocurrencies is prohibited or restricted.

Any investment round will be governed by the following terms and conditions:
Token Metrics

Total Tokens (Genesis): 20,000,000,000 ERD*
Softcap: $1,900.000
Hardcap: $5,150,000
Total Tokens Sold: 8,800,000,000
Percentage Sold (Private + IEO): 44.00%

* IEO stands for Initial Exchange Offering

The initial extent of the token supply will be the number of tokens issued during the crowd sale and not specifically “20 Billion”. Also, the total supply will be subject to a yearly inflation rate through block rewards, ideally no greater than 2.5%. Still, since a part of the transaction fees will be burned, and the greater the transaction volume, the larger the fee sum that will be burned, our model might theoretically evolve to a deflationary model over time. More details will be published on the Economics paper in the next period.

Token Distribution and Lock-ups

Token allocation has been divided amongst:

- Private Round: 19.00%
- Initial Exchange Offering (IEO): 25.00%
- Ecosystem Rewards: 7.00%
- Marketing/Grants/Accelerator Pool: 8.50%
- Community Fund: 2.00%
- Advisors: 2.50%
- Team: 19.00%
- Company Reserve: 17.00%

Token release schedule:

* TGE means Token Generation Event and it will take place during or immediately after the IEO

- **Private Round: 19.00%**
  - 7.5% at TGE
  - 6 equal tranches every 3 months after IEO (15.41% every 3 months)

- **Initial Exchange Offering (IEO): 25.00%**
  - 100% at TGE

<table>
<thead>
<tr>
<th>Tokens</th>
<th>No. of tokens</th>
<th>Total supply val. ($)</th>
<th>Token Price ($)</th>
<th>Funds Raised ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private round</td>
<td>19.00%</td>
<td>3.800.000.000</td>
<td>10.000.000</td>
<td>0.00050</td>
</tr>
<tr>
<td>IEO*</td>
<td>25.00%</td>
<td>5.000.000.000</td>
<td>13.000.000</td>
<td>0.00065</td>
</tr>
<tr>
<td>Total</td>
<td>44.00%</td>
<td>8.800.000.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
• **Ecosystem Rewards: 7.00%** - These tokens will be used only for incentivizing users to join the platform and/or use future products and services.
  • 50% at TGE
  • 50% 6 months after TGE

• **Marketing/Grants/Accelerator Pool: 8.50%** - These funds will be distributed to individuals, developers, companies or startups willing to build and/or promote interesting tools, services or dApps on top of Elrond.
  • 81.17% at the TGE, 9.41% every 6 months after TGE

• **Community fund: 2.00%** - These funds will be distributed in accordance with the decisions made by the community through the governance system.
  • 33.3% at TGE
  • 33.3% 6 months after TGE
  • 33.3% 12 months after TGE

• **Advisors: 2.50%**
  • 100% 1 year after TGE

• **Team (Founders and Core team members): 19.00%**
  • 10% 6 months after TGE
  • 10% 12 months after TGE
  • 15% 18, 24, 30 and 36 months after TGE
  • 20% 42 months after TGE

• **Company reserve: 17.00%** - These tokens are retained by Elrond to support the Elrond network and ecosystem.
  • 33.3% at TGE - !Can only be used for staking during 1 year after TGE.!
  • 66.6% in 3 equal tranches over 3 years, starting 1 year after TGE

**ERD Token Release Schedule**
The following chart represents the number and breakdown of all ERD tokens that are intended to be released into circulation on a monthly basis.