# LUXO

# LUXOCHAIN
## - TECHNICAL WHITEPAPER -

The first blockchain platform for companies
that certifies the authenticity of valuable goods

v. 4.0

Lugano, Sept 22, 2022

LUXOCHAIN

# INDEX

# 1. The future of authenticity

In 1858, Sir William J. Herschel was the first person to use fingerprints to identify people.

Today, 164 years later, Luxochain is the first organization to provide unique fingerprints for any product to identify it.

## 1.1. What is blockchain?

Today, modern companies work in an ever-changing market made of continuous transformations and innovations.

In this context, an essential need for companies and institutions is to store data and make transactions in a fast, secure, and shareable way among authorized professionals. For this purpose, new technology has come to the fore to ensure all this in a simple, fast, and above all decentralized way: the blockchain.

The blockchain was born in the financial world. Still, it is finding today many applications in the industrial world. It is used to simplify and guarantee these business processes by implementing an electronic register that groups data into chronologically ordered blocks and encrypted.

It is a public electronic ledger created to store an unlimited number of data (e.g., transactions) using cryptography, which is undoubtedly the main element of its success. It converts readable data into encoded data, which can be read and processed pseudo-anonymously through alphanumeric codes. Moreover, each data is marked with a timestamp, making it unique, thus preserving its privacy.

The blockchain was born as a decentralized architectural network. It does not have a central administrator but is administered and managed autonomously by different users in every part of the world, who confirm the validation of its transactions.

Each block contains unique characteristics since its content, once written, can no longer be modified, or eliminated by outsiders and, therefore, it represents a safe alternative to databases and logs managed, for example, by public administrations, brokers, insurance companies, banks. It acts as an alternative technology thanks to its reliability, security, and transparency.

It, therefore, follows that, for example, even the work of notaries could soon evolve: the blockchain allows to record even official documents. In 2018, the Hangzhou Court recognized a copy registered on blockchain as evidence during a civil trial in China.

The application fields of this innovative technology are innumerable.

Anyone who uses blockchain's functions will be able to do it without knowing its technology, as today we set up an email address on our smartphone because these functions will be in every application related to products and services.

Therefore, there are great opportunities for blockchain, but in Europe, only 37% of large companies and 20% of SMEs are aware of this technology. Less than 2% of large and 1% of small companies have started projects about that. The room for growth is, therefore, vast, and unexplored.

All these facts lead us directly to the purpose of the Luxochain company, to bring the public to know about this technology, to provide examples, practical applications, real cases, of how the world is changing and how technology helps to make it a safer and more transparent place, also for the benefit of the consumer.

To do this, Luxochain partnered with other players, forming the alliance called Virgo, a platform created by four international players, including Luxochain SA, Temera, excellence in the world of Luxury & Fashion, IoT & Supply Chain, the famous PwC, PricewaterhouseCoopers, one of the "big four", and Var Group, one of the largest Italian companies of "digital transformation", we will talk about shortly.

## 1.2. Blockchain: how many types exist?

Today, there are different types of blockchain, divided into two broad categories: public or private. In the first case, transactions can be viewed, received, and sent by anyone; often, they are used for financial applications and the management of cryptocurrencies, which we will have the opportunity to talk about later in the development of this blog.

Private blockchains, on the other hand, are limited to a few participants identified in a predetermined way (take the case of a group of employees of a company or group of companies, or a network of banks), and only them they are allowed to write on the distributed ledger.

Private blockchains are controlled by a single organization or, as Luxochain, by groups of organizations gathered in a "confederation" to indicate who is entitled to join it, to operate transactions, as well as who can participate in the process of consent and validation, we talk about "confederated blockchain", where the organizations, part of the network with their authority, determine the trustworthiness and independence of the network.

## 1.3. Supply chain and product traceability: why does blockchain enter into the fashion industry?

One of the best-known use cases is that of supply chains. The blockchain can be used to track the production and distribution chain of goods as additional evidence for the consumer, "certifying" the authenticity and originality of the product, guaranteeing transparency to the end-user.

Soon we will talk about the countless applications in the fashion field. The counterfeit market reached and exceeded the fixed price of two trillion (billions of billions) dollars a year.

To combat this phenomenon, it is now possible, through a digitization process, to match an asset uniquely with a "virtual twin", to guarantee the market and buyers the possibility of verifying the authenticity of the asset; the passion for this technology started from this idea and just thinking about this application in the world of luxury we gave life to Luxochain, whose technical features we will talk about later.

# 2. NFT, same concept, same goal

The same concept, seen above, can be applied to works of art or luxury goods, where the blockchain can certify the authenticity of a piece and guarantee its ownership.

In this regard, since its establishment in December 2017, Luxochain has dedicated itself to creating NFT, or Non-Fungible Token, to create a digital corresponding of each product placed on the market.

NFTs, in terms of technology, are here to stay, also thanks to the blockchain.

They are usually sold on an auction basis to reach even millionaire figures, depending on the traction and marketing behind the project. For example, Beeple sold a record-breaking NFT for nearly $70 million.

This leads us to quickly explain the concept of "token": a set of digital information within a blockchain, which confers a right of ownership to a particular subject. Tokenization is the conversion of the rights of an asset into a digital token registered on a blockchain, where an intelligent contract connects the actual asset and the token. Tokenizing, therefore, means generating a token and linking it to an asset (or parts of it) through this type of contract.

NFT is a technology that can transform an image, video, or even a meme into unique, verified, and traceable digital entities. All these thanks to the use of the blockchain. The Non-Fungible Token can be defined as a "digital ownership certificate" that guarantees the work's authenticity, making it a perfect collector's item.

NFTs are used to define the individual ownership of completely virtual elements.

For example, in the field of art and music, there is already a market for "digital works" unequivocally linked to the ownership of the relative NFT token. Starting with video games, technology gradually embraced other fields.

The incursions from the world of art then came up to the world of fashion. Just to start, Nike already holds a patent for its NFT sneakers called CryptoKicks. The Swoosh brand has repeatedly collaborated with Beeple, also known for signing a partnership in the creative sector. The blockchain has allowed to "divide a work of art", figuratively speaking, by creating different tokens or digital certificates, unique and non-modifiable, representing the various percentages of ownership, to efficiently distribute the property among other people.

For example, this application template was used to create a Fractional NFT and distribute the ownership of a work by Andy Warhol, "14 Small Electric Chairs", of which only 49% of the property was put up for sale to different buyers.

## 2.1. NFT: fashion begins to explore its "boundaries" in terms of business

For a few months, the phenomenon is also taking hold in the clothing sector in a flow of pixels that attract the Z Generation above all. Behind the acronym 'NFT', a range of products is designed to be enjoyed exclusively in the virtual world.

A few weeks ago, the international press reported unusual news that perfectly explains the new landings of virtuality. The RTFKT design studio and the eighteen-year-old digital designer FEWOCIOUS sold 613 pairs of shoes for a total of 3.1 million dollars, with prices ranging from 3 to 10 thousand dollars per pair.

In this case, buyers subsequently received the shoes made of real sole and strings at home, but the real product to show off is the one visible from the smartphone display.

The digital universe also makes it possible to keep the resale and counterfeiting of products at bay thanks to an authentication system that yields royalties on sales to brands and artists involved in the projects.

The sneakers segment was the test bench for fashion brands, thanks to a community that is always attentive to news and inclined to collect, evidenced by the excessive figures they are also sold in the second-hand market.

If fashion brands want to embrace NFTs, they will have to start meeting the needs of a new demographic clientele with a different set of preferences.

Because of these barriers, fashion companies will have to collaborate with players with experience in the sector, as some are already doing with Luxochain and the Virgo consortium.

For now, due to high prices, many NFT products are beyond the reach of many. Some examples, such as the recent collaboration between Gucci and the fashion-tech company Wanna, demonstrate the interest that the phenomenon of virtual reality is arousing in the fashion industry but, for now, the access to the realm of NFT seems limited to specialists. Digital projects such as Marc Jacobs, GCDS, and Valentino are aimed at a generalist type of user, while NFT technology is aimed at a more demanding 'pro' audience. How could the fashion world break into this parallel universe?

One solution is the development of limited-edition virtual original goods, such as clothes, shoes, and digital fashion accessories, to which an NFT can be associated, demonstrating the asset's ownership and its value as it is made in limited editions. Another direction could be the integration of NFT in the fashion supply chain in a 'phygital' perspective, that is, halfway between digital and real. For example, by purchasing a physical fashion product, you can receive, at the same time as the purchase, an NFT that 'unlocks' the same product in a digital version that can be used in virtual gaming arenas, such as those of Fortnite. Finally, more generally, thanks to the possibility offered by the NFT to limit the offer of a good and therefore to guarantee its scarcity, another role that they can play in the fashion field lies in the amplification of the sense of exclusivity traditionally associated with goods of luxury.

This is the perspective in which Luxochain's project is addressed: to combine a digital certificate with a physical product at sustainable costs, thanks to a bridge created by the Luxochain blockchain.

Each brand will be able to indissolubly associate a physical product with its digital certificate of authenticity.

## 2.2. One platform, two worlds, three challenges solved: key benefits for brands

| HOW TO REDUCE LOSSES IN THE BUSINESS OF REFERENCE | HOW TO IMPROVE TRACEABILITY | HOW TO CREATE PROPERTY |
|---|---|---|
| Anti-counterfeiting: thanks to the unique 1: 1 link between physical product and digital certificate.<br><br>Store Operations: Warranty Status, Product Return, Product Loss, Cryptocurrency crossborder payment with Stable Coin. | Supply chain efficiency: monitoring suppliers, subcontractors, and licensees, certificates on the blockchain, traceability, and cross-country payment.<br><br>Full integration: fully integrated with existing corporate ERP systems. | Guaranteed purchase: product purchase and its digital ownership certificate, registered on the blockchain (in-store, e-commerce, resellers, StockX, etc.), reduction of paper guarantees, more accessible and cross-border payment. |
| Real-time sales (sell-in, sell-out data): for stores and resellers, warehouse and secondary market transactions. This can be applied to both online and offline transactions. | Sustainability: blockchain explorer to verify the complete history of the product from raw materials to sustainability. | Consumer profiling (on / off-line): 1: 1 ratio with the end-user after the on / off-line purchase and in the secondary market: "what, when, where" each user bought. |

## 2.3. Easy to use. The 3Cs: "Click, Check and Collect". Key benefits for consumers

- Click. Click to open the Luxochain wallet application;
- Check. Verify the authenticity of the product via NFT;
- Collect. Collect NFTs as "Unique Digital Certificates" in your wallet!
- During this process, a buyer can see the details of a product, such as the general description, usage video, eCommerce links, colors, materials, history, production details, and all previous transfers of ownership.
- Easy to use: "Click, Check and Collect" your NFT, the digital certificate of authenticity, using the Luxochain solution.

What could be better to identify each of your luxury products uniquely?



TRANSMITTING THE OWNERSHIP CERTIFICATE VIA THE LUXOCHAIN WALLET

## 2.4. Benefits for luxury brands: sustainability, traceability, reputation, and authenticity

Verification of information.
- Supply chain efficiency.
- Trust in the blockchain.
- Combating the black market, anti-counterfeiting.
- Guarantee of ownership.
- Real-time dealer warehouse.
- Stock management.
- Marketing opportunities.
- Digital coupons for end customers.
- Management of the second-hand market.
- Click, Check and Collect the digital certificate of authenticity.
- Acquisition and consolidation of technology.
- Self-checkout in stores and online.
- Loyalty program.
- New payment methods: Cross-border with stablecoin.
- The trend is to combine blockchain certification and payment with being able
- to exchange the original certificate and allow amount at the same time.

Luxochain makes purchases safe, even in the second-hand market.

# 3. A support for supply chain transparency, running projects

Supply chain transparency will help fashion companies in the post-Covid recovery, according to Marco Ruffa, Digital Transformation Director of Pinko and Head of Luxury market in Luxochain and Virgo. Marco was previous CMO of Temera, company, specialized in Innovation & Technologies, founders of Virgo, a platform for the traceability of luxury born together with PwC, Var group, and Luxochain.

Thanks to its unique tracking of the origin of raw materials, it is conquering a pool of Italian brands and tanneries. The supply chains have little transparency about some production and manufacturing steps.

Above all, the fashion world is somewhat opaque due to the laboratories' fragmentation and geographical distribution on distant territories.

Transparency, therefore, becomes synonymous with blockchain technology, which ensures that the statement made in a production process is truthful and non-modifiable.

Brands are almost obliged to provide a concrete and fast response to the growing demand for transparency and sustainability coming from end consumers.

Thanks to this new solution, we can map any network of origin of raw materials, leaving the same actors the possibility to define how and where to collect the information they enter into the system.

The Virgo platform, developed by Temera and Luxochain, is starting to be implemented by luxury brands. Some have already successfully begun to certify the leather production process, and the sustainability practices applied. We then worked on sourcing feathers and furs to move on to wool and cotton.

The most important value behind traceability projects is data analysis.

We are investing in a decision support solution with its intelligence.

NFTs will also have great potential in the coming years in the second-hand market. We are convinced that we are starting to create a market where we exchange digital product ownership.

## 3.1. Money.it, blockchain tracked news to increase transparency

One of our use cases that we can undoubtedly mention concerns the Italian publisher Money.it, one of the leading online newspapers of financial and economic news, with an active user base of 17 million monthly unique users (ComScore data July 2020). The entire online newspaper already notarizes its information on the blockchain provided by Luxochain.

Starting from September 30, 2020, every news published on Money.it is notarized on the private confederated blockchain set up by Virgo, creating a unique identifier to guarantee the integrity of the text and images that make up the news. These identifiers will also be recorded on the Ethereum public blockchain daily. In this way, once saved the document, every slightest change, even a simple change of punctuation made, would be highlighted during the integrity check.

There are also other important use cases of this new technology in the world of luxury, currently covered by NDA, related to sustainability, reputation, authenticity, and transparency, values on which every company should chart its course for the future and lay the foundations for a new way of relating to its customers.

The purpose of Luxochain is, therefore, to support virtuous companies and provide suggestions to companies and buyers, promote conscious purchases of authentic products, and be respectful of the sustainability of the production chain.

Info at: https://certify.money.it

## 3.2. My Lugano Project

Starting from April 2020, we have also created, together with the Municipality of Lugano, an innovative project for the citizens and commercial shops of the city of Lugano, to help the local economy, entirely based on blockchain. on request of the City, to help the phenomenon of digitization.
We also needed that the solution is contactless, due to the Covid-19 pandemic, so we created a booking system for admission to the City's public facilities, which today includes around 250 commercial establishments throughout the Lugano area (info at https: //my.lugano.ch).
By joining the circuit, citizen can receive 10% or 5% of cashback in LVGA tokens, issued by the City of Lugano, regulated by FINMA, to be able to spend again within the My Lugano circuit. In our opinion it is a beautiful example of the application of technology in favor of the development of the local economy. This solution is something destined to grow until it is accessible to everyone.

The application created for the city of Lugano is currently also used by elderly people for entry into the Lugano lake beaches and is used for making more than 300,000 bookings per year.  People just need to know how to use a QR code into the App , an action that has become habitual, due to the Covid, to receive the cashback. Everything is based on the blockchain, safe, simple to use, and people friendly. Every transaction is tracked on the blockchain and helps the local economy, without any kind of speculation.
A concrete application of technology to help both citizens and commecial shops, in a transparent and easy to use way. This innovation could be applied by any large commercial distribution chain or other public entities, and in our opinion, we will find more and more similar solutions around the world in next years.

Our city, Lugano, is an example, a model to follow.

Abstract from Forbes: https://forbes.it/2021/11/17/laboratori-workshop-mostre-internazionali-lugano-ntf-week/

«We are honored to have contributed to the realization of this initiative, which makes Lugano a point of reference in the field of blockchain technology and cryptocurrencies on the international scene," said **Davide Baldi, CEO of Luxochain**, on the sidelines of the announcement».

«We have always followed the development of new technologies very closely and we have identified blockchain as a topic of great interest for both multinational and local companies, citizens and businesses", declared the **mayor of the city of Lugano, Michele Foletti**, who he added: "We believe that a city must be at the service of citizens and with these initiatives we intend to place Lugano as a top-level player on the international scene, for all applications related to this technology».

**Robert Bregy, general secretary of the city of Lugano** was also satisfied: «The financial sector has always had a very close link with technology which has been strengthened especially in this last period. In particular, since bitcoin and cryptocurrencies have become a concrete reality, we have discovered and learned about the potential of blockchain technology in many different sectors. And, from our privileged vantage point, it seemed right to us to trace the path of innovation in this direction and build a system that can support businesses and citizens and become a pole of attraction at an international level».

# 4. Luxochain: mission, founders, roadmap

## 4.1. Mission: what are the goals of the project?

Luxochain, www.luxochain.com, was born to certify the authenticity of luxury products and goods through a blockchain-based tracking and authentication system to protect brands and end consumers. It provides the market with a revolutionary tool to increase brand awareness and combat the phenomenon of counterfeiting.

The peer-to-peer technology system developed by Luxochain guarantees the unique identification of each product placed on the market. With the Luxochain system, any buyer, before purchase, can check with their smartphone the authenticity and information related to the history of each product, in-store and online, as well as in the growing second-hand market.

Luxochain records the changes of ownership of the goods. At the time of purchase, the customer receives the certificate of digital ownership, a real "passport" of the product, with a guarantee of non-duplicability thanks to the underlying technology.

Luxochain thus offers a service to end consumers, protecting them in the purchase and at the same time, works alongside the Brands, providing them with a system of transparency, loyalty, analytics, and insights towards its customers.

Luxochain's goal is to become one of the major international players in product certification, evolving the current market logic, moving from a sample certification to a unique identification of each good, starting from the luxury market and extending this line to other sectors, such as Publishing, Pharma, Food & Wine, and Automotive, as well as in the nascent market of digitization of company shares.

Everyone wants to be sure of the authenticity of the product they buy. Luxochain was born to guarantee this, born "to change the world of tomorrow, today".

Luxochain is a founding partner of Virgo, a platform of sustainability, reputation, and authenticity.

Info at: www.luxochain.io

## 4.2. Luxochain. Virgo Partners

Temera, PwC, Luxochain and Var Group created Virgo, a platform designed for fashion & luxury companies, leveraging blockchain as driving technology.

These are four world excellences, united in strategic collaboration, to provide luxury brands with a blockchain certification on the market.

Our goal is to provide luxury brands: sustainability, transparency, reputation, authenticity.

# 4.3. What is Virgo

Temera, PwC, Luxochain, and Var Group, four international excellences, contribute to creating the first integrated, safe and transparent solution to trace the value chain and certify the authenticity of luxury goods, from the acquisition phase of raw materials to the production and sale of the asset, up to the changes of ownership on the second-hand market.

Virgo is an open and modular solution able to integrate multiple technologies, from IoT to the blockchain, maintaining an agnostic philosophy and projected to integration; it allows brands and customers to monitor the entire life cycle of the product, which can be integrated with existing ERP, aimed at maximum flexibility and ease of use by each actor involved, with a focus on user-experience by brand, suppliers and end consumers.

Virgo rethinks the storytelling of luxury and fashion, also transforming supply chain operators into protagonists and opens new perspectives of dialogue with consumers who will be able to know not only the origin of the garments but also information on the raw material used, on the ethical sustainability of work and the environmental and social impact. Today the sustainability of production is a distinctive and driving feature for the entire Fashion sector. Virgo thus becomes a fundamental tool to enhance the brand's commitment and an advantage for the whole supply chain.

Info at: https://www.virgo.tech
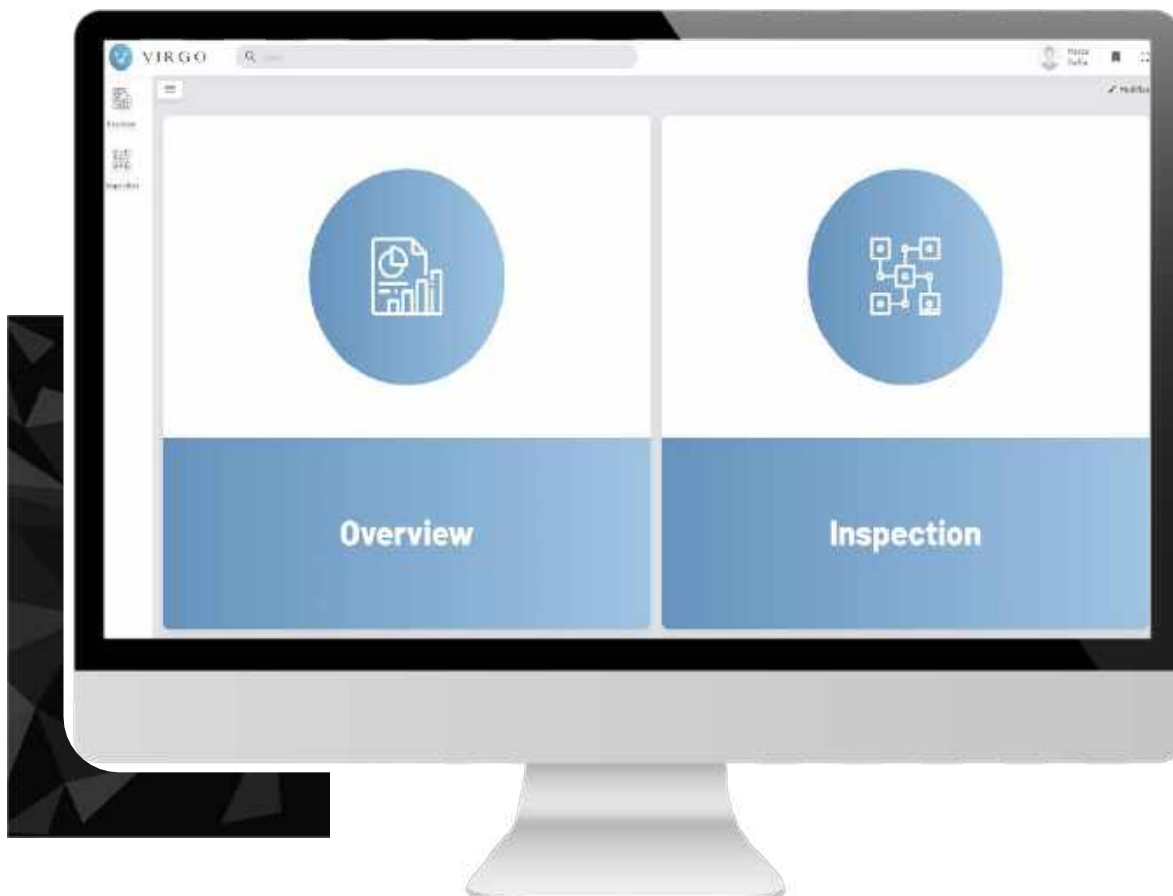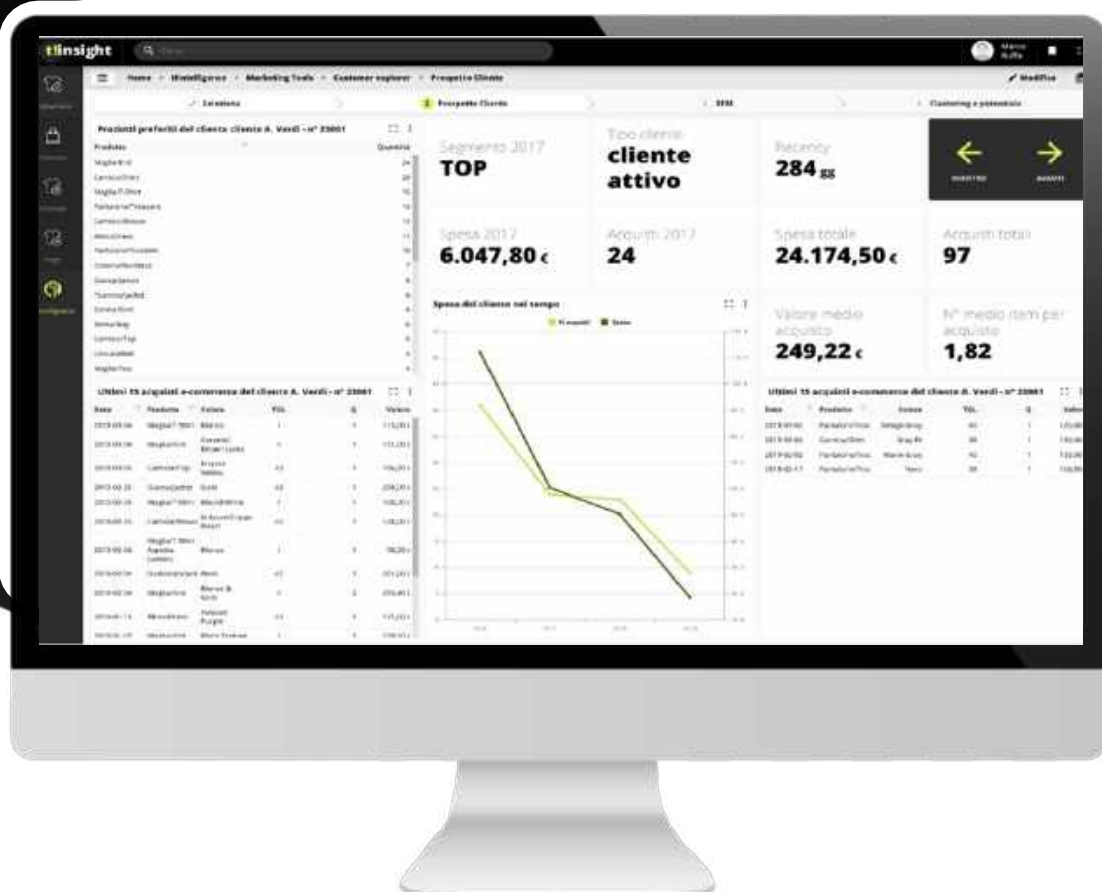
## 4.4. Virgo Platform. The steps of the customer

By scanning the label on the finished product, customers will be able to access different information about the components of the items, such as:

- Information on the origin of raw materials;
- Production information;
- Certificates;
- NFTs as Certificate of authenticity and ownership.

End-Users will receive a higher-level and transparent data stream, which starts directly from the raw material supplier, only using their device.

Customers receive their unique Digital Certificates of Authenticity registered in blockchain for each product, secure, readable, and transferable from any smartphone.

## 4.5. Luxochain project

Luxochain is an innovative company that looks to the future. At the base of its vision, there is a team composed of highly specialized entrepreneurs and experts with a solid professional background.

Top management is governed by its four founders. They are managers and investors and well-known public speakers who boast publications in economic and financial matters. They have held high-level roles for large multinationals and share the same enthusiasm for entrepreneurship, their greatest passion in life.

Each of them has a proven track record in their field, ranging from product certification to business management. They know the needs of brands in-depth and are already in contact with many companies.

The rest of the team includes experts in marketing, finance, information technology, and developers. The team has many years of experience in these fields and the right attitude to bring Luxochain to success.

# ◇ LUXO

## 4.5.1. Luxochain founders

| NATALE CONSONNI | DAVIDE BALDI | ROBERTO GORINI | ALFREDO MALGRATI |
| FOUNDER | FOUNDER & CEO | FOUNDER | FOUNDER |

**in** Davide Baldi: Founder & C.E.O.

Entrepreneur, venture capital, several years of experience into a management consulting firm, blockchain enthusiast since 2016.
Graduated in Psychology at Padua University and specialized in business management and organization, experience in multinationals and in entrepreneurial companies. Lives in Lugano, Switzerland, since 2014.
Co-Founder & CEO at Luxochain.io
Partner: at Iconium – Blockchain Ventures, Blockinvest.it, ibooster.io.
Linkedin Davide Baldi, Twitter Davide Baldi

**in** Natale Consonni: Founder

Founder and President of ICQ, Quality Certification Institute, Owner and President of IISG, Italian Toy Safety Institute, with over 500 employees worldwide, companies sold to the multinational UL (www.ul.com) in 2013.
In the following years, he became Vice President and CEO worldwide of the consumer product division, specializing in product management, quality control, management, business development. Strong business development professional, Doctor of Engineering specialized in chemistry at MIP-Politecnico di Milano.
Previous experience: President and founder of Venture & Creation. Member of the Board of Directors of COMO VENTURE, an investor in start-ups. Vice President and General Manager Responsible Sourcing (RS), Registrar and Consumer Products of UL, Underwriters Laboratories INC.

**in** Roberto Gorini: Founder

Innovator, an entrepreneur with over twenty years of experience. He graduated in economics, and he got thousands of hours of experience as a trainer and coach for numerous courses and conferences. He is a blogger, public speaker, economics scholar, and author of the books Matrix Economy (2014), Crypto Economy (2016), and Caos Economy (2020).
Ceo of Noku Project.
www.robertogorini.com

**in** Alfredo Malgrati: Founder

Graduated in Business Administration at Bocconi University, many years of experience in Ernst & Young, today an entrepreneur with over 300 employees in family businesses; for 25 years CEO of Vimoter SpA and Eurotubi Europa, ambassador of "made in Italy" in the metalworking sector, awarded among the top 500 Italian companies.
Passionate about finance, innovative technologies, and blockchain, he is a convinced supporter of the combination of the old economy and digital technologies.

# LUXO

## LUXOCHAIN TEAM

**MARCO GUARDUCCI**
CTO

**FEDERICO VIGANÒ**
COO

**MARCO RUFFA**
HEAD OF LUXURY MARKET

**DAVIDE ZUCCHETTI**
MARKETING MANAGER

**ELISA LAEZZA**
CUSTOMER MANAGEMENT

**LORENZO RIGATTI**
STRATEGICAL PARTNERSHIP

**GUIDO MENGONI**
STRATEGICAL PARTNERSHIP

**FEDERICA FONTANA**
SOCIAL MEDIA MANAGER
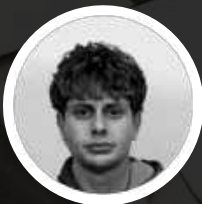
**CRISTIANO CANTELLI**
SENIOR DEVELOPER
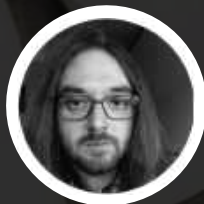
**ANDREA NARDI**
SENIOR DEVELOPER

**FABIO PACCHIONI**
SENIOR DEVELOPER
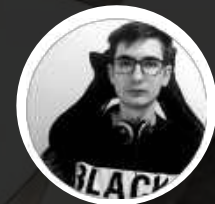
**MARCEL BUJOR**
SENIOR DEVELOPER

**NAOR ADNO**
BUSINESS DEVELOPER

**MARCO BARCHETTI**
MARKETING SPECIALIST

**VALERIA MONTINI**
ADMINISTRATION MANAGER

**GIANMARCO CARUSO**
DIGITAL PM AND UX/UI DESIGNER

**LUCA IAVARONE**
PROJECT MANAGER

**BARBARA CAVALLINI**
PROJECT MANAGER

**FILIPPO LERDA**
HEAD OF ENTERTAINMENT MARKET

**ALESSANDRO DURBANO**
HEAD OF ENTERTAINMENT MARKET

# LUXO

# LUXOCHAIN CUSTOMERS

**Application industries we are serving are Luxury & Fashion, Art, Public Institutions, Media & Press Agencies, Automotive, Valuable goods, details into our press-release**



# LUXOCHAIN ADVISORS

BDO ITALIA     OAKLINS ITALIA     H.E. DR. SANIA A. ANSARI     MARCO BENATTI     FABRIZIO PISCOPO     OMAR ULRICH

FABIO PEZZOTTI     MASSIMO MORINI     LUCA COTTA     GIUSEPPE AMBROSIO     FRANCESCO CORBELLO     ANA DUEK
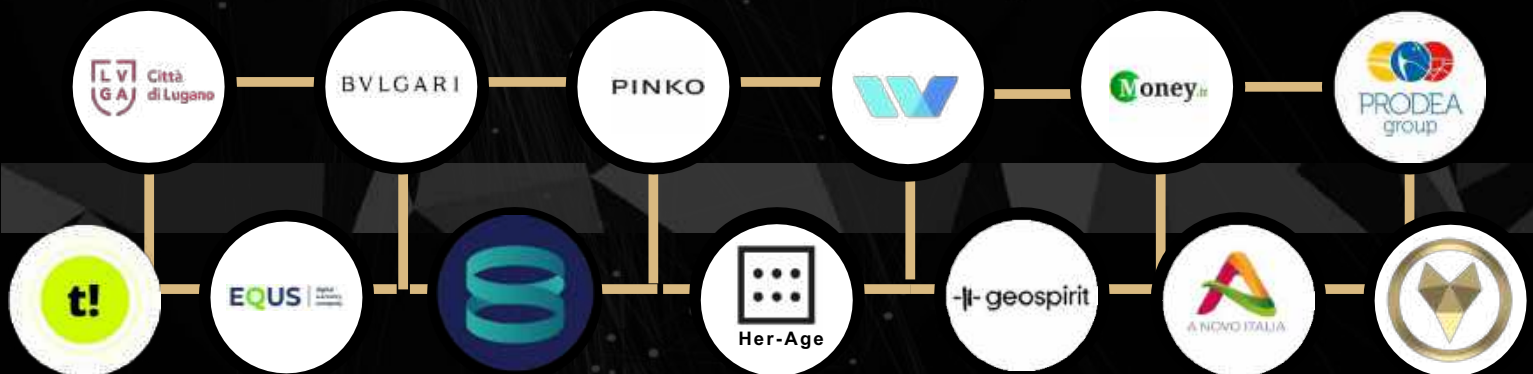
# LUXOCHAIN BUSINESS PARTNERS

LUGANO CITY     TEMERA     PWC ITALY     VAR GROUP SPA     ICONIUM BLOCKCHAIN VENTURES     IBOOSTER SA     LS FZE

# ROADMAP

## START

**JUL 2017**
Start Investment from Founders

**SEP 2017**
Draft Development of New FPA Technology

**LUXOCHAIN**

**DEC 2017**
Luxochain is Founded

**FEB 2018**
Start integration between Blockchain, NFC & FPA

**OCT 2018**
Start Testing with Luxury Brands

**JUN 2018**
Release Beta App mobile and Wallet for Android

**APR 2018**
Start Presale Family and Friends

**MAR 2018**
Beta Luxochain Wallet

**DEC 2018**
Release Beta App mobile and Wallet for iOS

**APR 2019**
Release Android and iOS App and Go to Market

**MAY 2019**
Luxochain Becomes Part of Virgo Project

**JAN 2020**
First POC with Brands

## 2021-2025

**DEC 2020**
First Year of Profit, with Positive EBIT

**JAN 2021**
Launch Luxochain Blockchain

**FEB 2021**
Starting International development

**OCT 2021**
TGE of LUXO Token

**MAY 2022**
NTFs realized for Italian Luxury Brands

**APR 2022**
Listing in Major exhanges

**MAR 2022**
Luxo token Sale

**JAN 2022**
Second year in profit, with positive EBIT

**JAN 2023**
International Branches Development

**FEB 2023**
Closing on others Major Exchange

**JAN 2023-25**
Tournover, Margin and Partnership Growth, Execution of BP

**DEC 2025**
Joining with international Firm

# 4.5.7. Press

The Cryptonomist · COINTELEGRAPH · COINTELEGRAPH · CISION · YAHOO! FINANCE · TEDx

24 ORE · ANSA · milanews.it · MarketWatch · GAMBERO ROSSO · Forbes

The Economist · YAHOO! FINANCE · BUSINESS INSIDER · Business Times · WASHINGTON BUSINESS JOURNAL · EUROBSIT

24 ORE · FORTUNE · HM HedgeMaven · Seeking Alpha · ANSA · LOS ANGELES BUSINESS JOURNAL

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69 NEWS · American Press · UK TECH NEWS · mycryptotax · mycryptotax · M MONEaMAGNO

VOGUE

# USE CASES: BULGARI, watches and jewels

# BVLGARI

https://www.bloomberg.com/press-releases/2022-06-28/temera-luxochain-and-polygon-are-pleased-to-announce-the-collaboration-with-bulgari-newera-high-jewellery-emeralds-rubies-and

https://www.benzinga.com/pressreleases/22/06/n27882219/temera-luxochain-and-polygon-are-pleased-to-announce-the-collaboration-with-bulgari-newera-high-je

https://www.marketwatch.com/press-release/temera-luxochain-and-polygon-are-pleased-to-announce-the-collaboration-with-bulgari-newera-high-jewellery-emeralds-rubies-and-nfts-2022-06-28?mod=search_headline

https://www.2luxury2.com/the-new-era-high-jewellery-is-a-combination-of-emeralds-rubies-digital-twins-and-ultra-precious-nfts/

https://finance.yahoo.com/news/temera-luxochain-polygon-pleased-announce-070500344.html?guccounter=1

https://coindesk.cc/temera-luxochain-and-polygon-are-pleased-to-announce-the-collaboration-with-bulgari-new-era-high-jew-107782.html

https://www.blockchainconsortium.ch/notizie/blockchain/luxochain-e-bulgari-insieme-per-i-nuovi-gioielli-nft-che-rivoluzionano-il-metaverso/

AUTHENTICITY VERIFIED

Block ID Verificato

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# USE CASES: PINKO, Recycle collection, Meta Love Bags

# PINKO

https://www.fashionmagazine.it/market/il-debutto-a-parigi-a-viva-technology-pinko-si-inoltra-nel-metaverso-e-lancia-la-prima-collezione-di-nft-meta-love-bag-109798
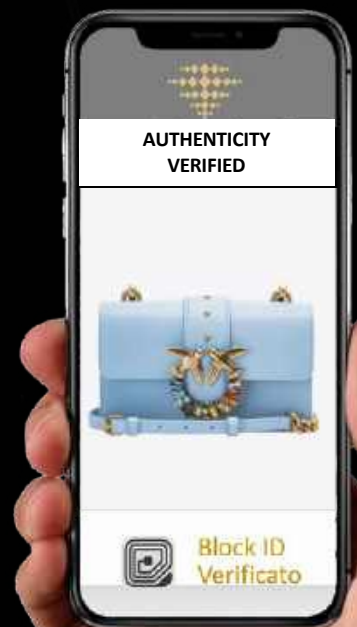
https://cryptonomist.ch/2021/03/15/reimagine-pinko-sulla-blockchain/

https://www.money.it/Pinko-moda-circolare-collezione-Reimagine-blockchain

https://www.milanofinanza.it/news/pinko-entra-nel-metaverso-con-meta-love-bags-202206161519135035

https://finanzanow.com/nft-pinko-lultima-new-entry-nel-metaverso/

https://www.mffashion.com/news/livestage/pinko-entra-nel-metaverso-con-meta-love-bags-20220616151913535

https://www.adnkronos.com/anche-pinko-entra-nel-metaverso_39CjqiDauqSBmgIYlOOpQ3

https://thecoin.news/articles/pinko-entra-metaverso-lanciando-suoi-primi-nft-meta-love-bag-1655364111453

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Block ID Verificato

# CITY OF LUGANO: MY LUGANO App

We have created a booking system for admission to the city's public facilities which today includes about 300 public and private businesses throughout the Lugano area. (info on https://my.lugano.ch ). By joining the App, citizens can receive 10% or 5% cashback in LVGA tokens, issued by the City of Lugano, regulated by FINMA, to be able to spend again within the My Lugano circuit.

Everything is blockchain-based, secure, simple to use and on a human scale. Each transaction is tracked on the blockchain and helps the local economy without any kind of speculation. A concrete application of technology to help both citizens and municipal shops, in a transparent and easy to use way. This innovation could be applied by any large commercial chain or other public bodies.

# MY LUGANO INFRASTRUCTURE

+20.000 Users and +300 shops are using My Lugano App to permit admission to the city's public facilities throughout the Lugano area.
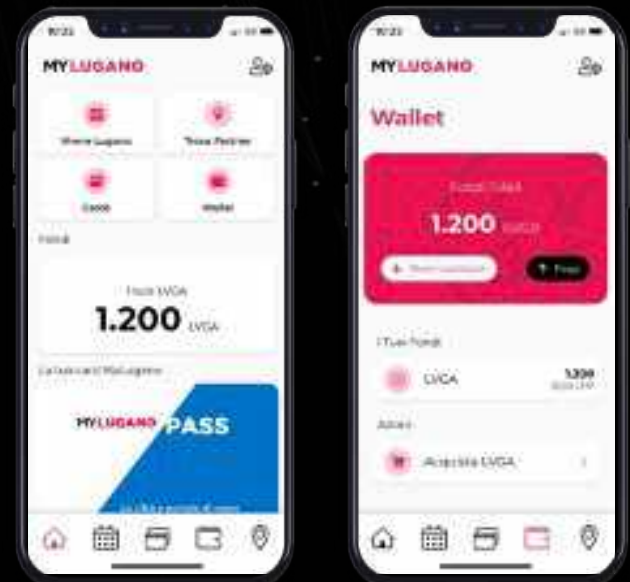
## 4.5.8. They talk about us:



## 4.5.9. Application industries we are serving are:

❖ Luxury & Fashion
❖ Public Institutions
❖ Art
❖ Media & Press Agencies
❖ Digital Assets
❖ Valuable goods
❖ Automotive.

Everyone wants to be sure of what they buy.
Luxochain: changing tomorrow, today.

# 5. The Luxochain blockchain: technical specifications

The Luxochain blockchain developed by Luxochain SA is a decentralized ledger based on quorum (https://github.com/ConsenSys/quorum), a fork of Geth (Ethereum client written in GO language) created as an enterprise solution for companies.

Quorum's main focuses are:

- Better performance than Ethereum (thanks to the use of permissioned consent mechanisms);
- Management of nodes in the network.

In particular, quorum's architecture is based on a change to the Geth core and a privacy-focused layer used to implement the encrypting and decrypting part for private transactions and contracts. The Geth core has been modified so that it does not touch critical parts to avoid merge conflict with the new versions, which can be integrated later.

The changes of the Luxochain node from Geth are:

- The P2P layer to manage the connection of nodes within the network in a permissioned way.
- The cost of gas has been zeroed, so it is no longer influential in making a transaction or in speeding it up. As a result, validators do not have a direct economic incentive given by fees, as in traditional blockchains.

## 5.1. Architecture and components

The signer (the one who approves the blocks in the chain) must sign the block's hash to authorize a block of the network. The hash of the block contains all the fields of the block except the signature. This means that the hash contains each header field, nonce, mixDigest, and extraData included. The fields are hashed (in the order provided in the Ethereum Yellow Paper). The hash is signed using the standard secp256k1 curve and the 65-byte signature (R, S, V, where V is 0 or 1) embedded in extraData as the final suffix of 65 bytes. To achieve a higher level of security in the Luxochain network, you will have only one signer.

## 5.2. Validation and consents
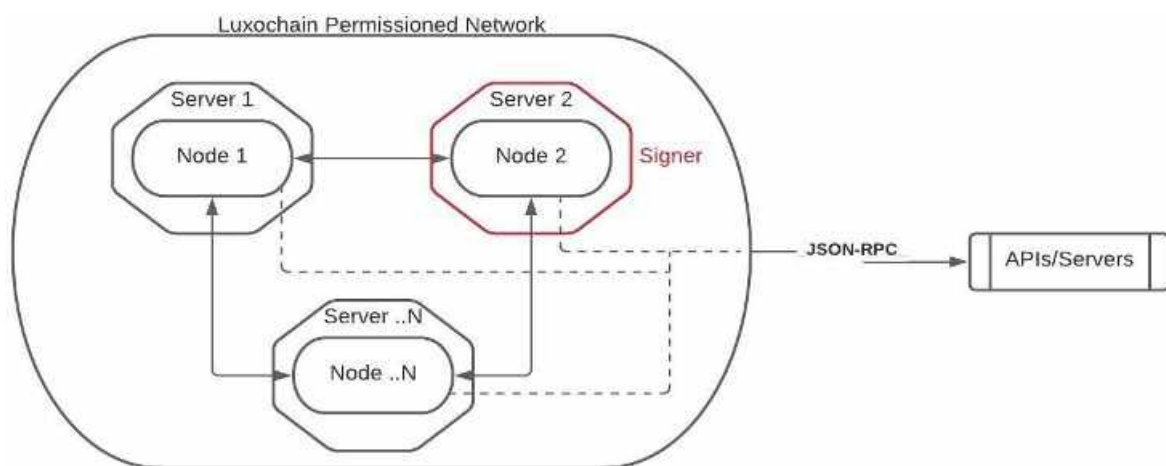


Below is a list of the consents provided in quorum:

 • PoA
PoA consensus algorithms are Byzantine Fault Tolerance (BFT) algorithms. A PoA environment, unlike PoW, is a trusted environment. So consent can be based on the exchange of messages.

Before the birth of Aura and Clique, the two prominent and used PoA algorithms, pBFT (Practical BFT), were the algorithm most taken into account.

 • pBFT
pBFT relies on three rounds of message exchange before reaching a consensus. It has been proven (http://www.pmg.csail.mit.edu/papers/bft-tocs.pdf) that three rounds are optimal for 3N+1 nodes to reach consensus even in the presence of N malicious nodes (byzantine nodes). However, this message exchange system is heavy in terms of performance.

- ◆ Aura

Aura is the PoA algorithm implemented in the Parity (Rust) client. The network is considered synchronous, and the authorities are deemed to be synchronized to the same UNIX time t. Unix time is used to calculate the next authority responsible for creating the new block (s = t / step_duration, leader = s mod N).

- ◆ Clique

Clique is the PoA algorithm implemented in the Ethereum Geth (GO) client. This algorithm has been created in such a way as to affect as little as possible the implementations of the clients already present, thus going to adapt the header fields of the blocks that are already used with Ethash. Unlike Aura, Clique is not based on UNIX Time, but the current leader is obtained using the block number and N (number of authorities). Each authority is allowed to propose blocks only every N/2 + 1block to avoid block proposal spam.

So, at all times, there will be N - (N/2 + 1)validators authorized to propose blocks (unlike Aura wherein each step there was only one authorized leader), even if the validator obtained with the procedure described above (*) is only one, and therefore will be favored over the others.

Since several nodes are allowed to propose the same block, unlike Aura, there may be forks managed by the GHOST protocol (note the desire to modify the operation as little as possible compared to the use of Ethash).

In the context of GHOST, the blocks proposed by the 'preferential' leader will have difficulty 2, while the others will have difficulty 1. In this way, if the leader has managed to propose a block, his will always be chosen over those proposed by the others (there is still an attempt to reduce these forks the non-preferential authorities broadcast their block proposal with a random delay, so in most cases, the other nodes will have already received the correct block from the leader and there will be no forks).

Compared to Aura, Clique certainly improves performance because the Block Acceptance phase is "skipped" (there is no need, in case of inconsistency, and therefore of a fork, there will be a solution given by GHOST), so the exchange of messages is reduced. There is a voting system very similar to that of Aura.

Clique is used on the Rinkeby testnet and quorum. In addition, the new Goerli testnet has recently been launched, which uses Clique and is born to favor its implementation on more clients than just Geth (Parity is therefore also implementing Clique).

An advantage of PoA over pBFT is, as seen, the number of malicious nodes tolerated before it can no longer reach consensus (N/3 pBFT, N/2 PoA).

One of the biggest problems with Aura is that it is based on UNIX time. In the case of non-synchronization of the validators (possible especially if these are geographically dispersed), there may be periods of time (generally short compared to the block time) in which the nodes of the network consider different validators as the leaders of that step.
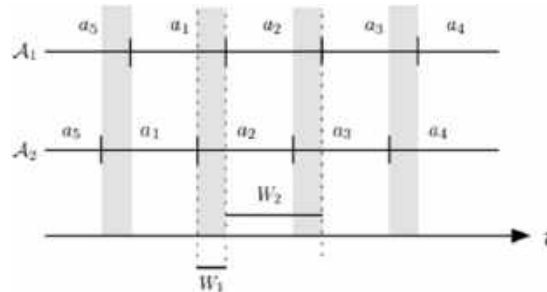


A1 and A2 are two sets of validators (the union gives the complete set of authorities).

A1 = {a0, a1, a2, a6}, A2 = {a3, a4, a5}

In the case of non-synchronization, if, for example, a1 proposes a block when a5 is considered a leader by the nodes in A1, the voting system will be activated, and a1 will be deleted from the list of authorities (in fact | A1| > | A2|). Eventually, the consistency will be preserved, but all nodes in A2 will be eliminated by means of votes. If we consider a similar case, that is, when most nodes in A1 are malicious, they could vote against the expulsion of nodes in A2. In this way, consensus would never be reached. There would be an inconsistency never resolved (in this case, less than (50% + 1) of the malicious validators are enough to attack the network).

Clique, not based on UNIX time, does not present this problem, and the GHOST protocol ensures that sooner or later consensus will be reached even in the case of malicious nodes (if < N/2).

Another difference between Clique and Aura emerged during the study of real uses. Clique is always used with a block time of around 15 seconds, while Aura is about 5 seconds. This is because Clique is implemented mainly in Ethereum testnets, and it has been configured to have parameters like the mainnet and, therefore, more reliable to test Dapps. In the Luxochain network, Clique has been set with a block time of 0, and this means that the blocks will be undermined instantly upon receipt of transactions and that empty blocks will not be undermined.

Speaking of performance, Clique far surpasses Aura. In fact, in terms of the number of messages exchanged to reach consensus on the single block:

- Aura $\rightarrow$ 2(N/2 + 1), at least half + 1of the nodes must receive the block, and at least half of the nodes + 1must accept it.
- Clique $\rightarrow$ 1(constant), the block is propagated simultaneously to all validators and immediately included. The substantial difference is that forks are tolerated in this case; therefore, any inconsistencies are managed later and resolved with GHOST.

## 5.2.1. Node permissioning

Node permissioning is a feature that allows the control of nodes that can connect to the network and is managed at the individual node level.
Each node will have a list of nodes, to which it can send and receive data, identified through a connection string called enode, specified within the permissioned-nodes.json file:

```
[
    "enode://enodehash1@ip1:port1",
    "enode://enodehash2@ip2:port2",
    ...,
    "enode://enodehashN@ipN:portN"
]
```

The configuration of permissioned nodes is dynamic. Every time there is an incoming connection attempt, the file will be read again, so it will not be necessary to restart the node.

In the first version of Luxochain, each node must have its list of permissioned nodes. Subsequently, this list will be included in a contract within the chain to have a single global reference to the nodes, which are allowed access to the network.

## 5.2.2. Anchoring on Ethereum

To ensure the reliability of Luxochain, the system, every 24 hours (precisely at midnight of each day), scans the minefields, performs a hash (sha256) of the concatenation of all the hashes of the scanned blocks, and sends it to a contract present in the main chain of Ethereum.

At the same time, the last scanned block is saved in a database. This process allows the script to start again from the next block. In this way, the integrity of the sidechain is validated, and transparency and validation over time are guaranteed since it will be possible to check and verify all the blocks.

The address of the contract is as follows:
0xd39a2cecba2657e125ba6a5c98ad2f6b6d7e83fd

you can view it at this address:
https://etherscan.io/address/0xd39a2cecba2657e125ba6a5c98ad2f6b6d7e83fd

```
1
2    pragma solidity 0.5.4;
3
4    import "./Ownable.sol";
5
6 ▾  contract Announcer is Ownable {
7
8        event Anchoring(uint256 startBlock, uint256 endBlock, string hashValue); // Event
9
10       constructor()
11       Ownable()
12 ▾     public {
13
14       }
15
16       //Public functions (place the view and pure functions last)
17 ▾     function announceAnchoring(uint256 startBlock, uint256 endBlock, string memory hashValue) public onlyOwner {
18           require(startBlock <= endBlock, 'startBlock <= endBlock');
19           require(bytes(hashValue).length > 0, "hashValue cannot be empty");
20           emit Anchoring(startBlock, endBlock, hashValue);
21       }
22   }
```

Whenever the system performs the anchor function, the announceAnchoring method is invoked, which emits an event in the main chain.
The saved parameters are:

❖ startBlock (the first block contained in the hash).

❖ endBlock (the last block included in the hash).

❖ hashValue (hash derived from the concatenation of all block hashes).

For further information on the technology described here, explicit reference is made to the following texts, from which it is possible to deepen every detail on the Ethereum, Quorum, and Clique technology used for the realization of the Luxochain blockchain.

Safety is widely described, tested, and guaranteed by design in the applications of these technologies. For any further information, please refer to the technical annexes presented below.

❖ Annex 1: Ethereum WP

❖ Annex 2: Quorum WP

❖ Annex 3: Clique proof-of-authority consensus protocol

❖ Annex 4: Luxochain complete White Paper – Version 2019

_____

## 5.2.3. Luxochain DAO

For the end of 2023, Luxochain plans to launch its DAO on the market. The acronym DAO stands for Decentralized Autonomous Organization. A DAO is an organization governed by code and computer programs. As such, it can function autonomously without the need for a central authority.

Through smart contracts, a DAO can work with external information and execute commands based on it – all without any human intervention. A DAO is usually operated by a community of stakeholders, incentivized through a token-based rewards system.

DAO's transaction rules and records will be stored transparently on luxochain's blockchain. The votes of the interested parties will decide the rules. The way decisions will be made within a DAO is through proposals. If a proposal is voted on by most stakeholders (or meets the rule set in the Luxochain network consensus rules), it is implemented.

The DAO works similarly to a corporation or nation-state, with the difference of doing so in a decentralized manner. While traditional organizations function according to a hierarchical structure and different bureaucracy levels, the DAO has no hierarchy. The DAO uses economic mechanisms to align the interests of the organization with the interests of its members.

Any formal contract does not bind the members of DAO Luxochain. They are linked together by a common goal and network incentives connected to consensus rules. These rules are entirely transparent and written in the open-source software that governs the organization.

The DAO Luxochain will be decentralized and autonomous. It is decentralized because no entity has the authority to make and enforce decisions, and it is self-sufficient in that it can function independently.

Once the Luxochain DAO is released, it cannot be controlled by a single participant but only by the community of participants towards the most beneficial result for the network.

Luxochain DAO will provide an operating system for open collaboration. This operating system allows individuals and institutions to collaborate without having to know or trust each other.

The properties of Luxochain DAO will be decentralization, immutability, trustlessness.

Governance rules are automated instead of a central entity coordinating and guiding participants to the most network-beneficial outcome.

The Luxochain DAO, which will govern the Luxochain blockchain system, provides for the implementation of 21 active validators and 21 backup validators, who will intervene in replacing active validators if there is an interest contrary to the development of the network by one of them. Substitutions are randomized.

There will also be a replacement of the master node, currently held by Luxochain SA, which provides for automatic voting by luxochain's active validators, in case Luxochain SA itself cannot sustain its growth in the future or should it stop its activity.

This mechanism will allow guaranteeing the infinite survival of the Luxochain blockchain, as the validator nodes are different companies or entities that guarantee with their authority the survival of the blockchain itself. It is expected soon that each of the nodes will be offered the proposal to make its sidechain of luxochain, and all sidechains will be connected to the Luxochain blockchain.

All the sidechains will then be connected to the leading Luxochain network to form a network of sidechains. Anyone who provides availability will also be able to connect to the additional sidechains. The business model is based on the mechanism of acquisition of new customers by Luxochain, allowing the end customer to be able to make transactions at zero fees on the sidechain or a transaction cost, today equal to zero, but which is assumed in the future at ten cents per operation, on the Luxochain blockchain.

It will also be possible for customers to make a subscription for the balance of the Luxochain blockchain fees to bring the fees for the desired network back to zero.

For each collection derived from the transaction fees, of a minimum value of 10 cents each, 50% is sent to the nodes of the Luxochain blockchain in Luxo tokens. When Luxochain SA no longer has tokens available within the company pool, the same will go to buy Luxo tokens on the market for the remuneration of the nodes.

For the first year, starting from October 15, 2021, transactions will be free, the rewards will still be guaranteed to nodes starting from April 15, 2023, in Luxo tokens. It is expected that at least one of the nodes can offer Bridge or instant swap services connected to the Ethereum network. All transactions will be on-chain, from invoices to collections to the purchase of tokens that Luxochain makes for its transactions.

## 5.2.4. KYC: how Luxochain's service works

In future, you will be also able to carry out the KYC (Know Your Customer) service by connecting to the Luxochain Application.

It is one of the services that Luxochain wants to offert to all nations that have Identity   Card identified by NFC chips. It is possible to create a non-fungible token (NFT) on the Luxochain blockchain, where will be written the same information entered inside the NFC of the Identity Card.

The information is then recorded on the blockchain and inserted in the personal NFT of the individual, who will be able to take advantage of all the services connected to the applications issued by Luxochain, showing his NFT ID Card. Once the KYC has been done, the user does not need to redo it for the other services offered by Luxochain.

LUXO is the token of the Luxochain ecosystem.

In order to guarantee the security of your luxury goods, we combine products with their own unique NFT, such as Digital Passport of Authenticity, registered on the Blockchain, secure, readable, and transferable by any smartphone.

Luxo allows you to safely create, receive, store and send Digital Certificates of Authenticity and Ownership of your Luxury goods.

Using our services, which can be purchased with the Luxo tokens, Brands can certify sustainability, traceability, and authenticity of their products, improving their reputation.

With Virgo Wallet, the App provided to the market from Luxochain, available for iOS and Android, any consumer, before a purchase, can verify the authenticity of each product, in store, on-line, or in second hand market, verifying with the smartphone the information written into the product's NFT on to the blockchain, simply approaching to the product itself.

In the stores, on-line or in second-hand market, customers will be able to scan the code and ascertain the authenticity of the product and verify the official images, the most important information and details before purchasing, such as brand, model, size, history, and verify their origin and materials, consult the manufacturer's information, and see if there were any previous owners.

Application industries we are serving are Luxury & Fashion, Art, Public Institutions, Media & Press Agencies, Automotive, Valuable goods, details into our press-release.

# 6. The Luxochain's Token Economy

## 6.1. An overview of Luxo tokens

The Luxochain token called Luxo is a token whose operation is based on the Ethereum blockchain, a technology developed on the dictates of the blockchain, and which first allowed the birth of "smart contracts".
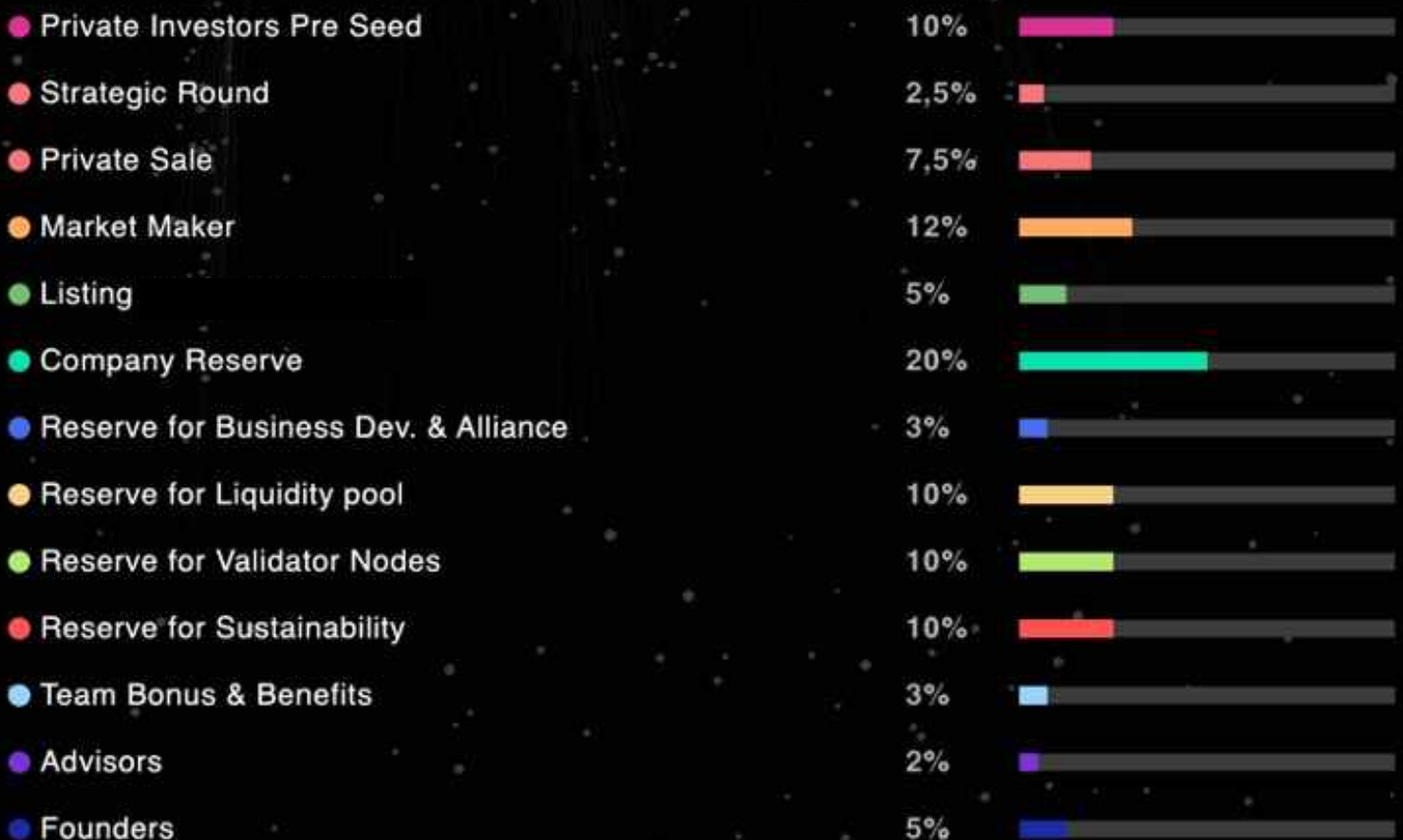
Smart contracts are blockchain protocols that facilitate, verify, or enforce the negotiation or execution of a contract, sometimes allowing the partial or total exclusion of a contractual clause. "Token contracts" are a standard of the Ethereum ecosystem, which has been used for mobile payment systems, distributed exchanges, tokens anchored to commodities and fiat currencies, market-clearing mechanisms, micropayment systems for distributed computing resources, securities commodities and exchanges, crowdfunding, and verification of legal documents.

Among the large companies that have invested and implemented Ethereum in their model, we have JP Morgan, Deloitte, IBM, Santander Bank, Microsoft, the Luxembourg Stock Exchange, and the Royal Bank of Scotland.

| | |
|---|---|
| TOTAL TOKENS ISSUED | 1.000.000.000 |
| TICKER | LUXO |
| CATEGORY | ERC20 |
| INFLATION | NONE |
| STARTING STRATEGIC ROUND | MAR 15, 2022 |
| STRATEGIC SALE DEADLINE | MAR 30, 2022 |
| AVAILABLE FOR STRATEGIC SALE | 25.000.000 LUXO |
| STARTING PRIVATE SALE | MAR 31, 2022 |
| PRIVATE SALE DEADLINE | APR 15, 2022 |
| AVAILABLE FOR PRIVATE SALE | 75.000.000 LUXO |
| UNSOLD TOKENS | BURNED |

# LUXO

## THE DISTRIBUTION OF THE LUXO TOKEN

## Ecosystem

| | | |
|---|---|---|
| ● Private Investors Pre Seed | 10% | |
| ● Strategic Round | 2,5% | |
| ● Private Sale | 7,5% | |
| ● Market Maker | 12% | |
| ● Listing | 5% | |
| ● Company Reserve | 20% | |
| ● Reserve for Business Dev. & Alliance | 3% | |
| ● Reserve for Liquidity pool | 10% | |
| ● Reserve for Validator Nodes | 10% | |
| ● Reserve for Sustainability | 10% | |
| ● Team Bonus & Benefits | 3% | |
| ● Advisors | 2% | |
| ● Founders | 5% | |

Total Supply: 1,000,000,000 Luxo, will be distributed as follows:

•   Seed Round Early Stage:
    10% of total Supply, 100M Luxo
    Was funded in 2019 from founder's personal funds and early investors, as follows:

    •   6,75% of total supply, corresponding to 67,5M Luxo, was sold at USD 0.024, in first half 2019.
        Valued at USD 24M fully diluted market cap
        USD 1,365,000 raised from founder's personal funds.
        Locked Period: 9 months from Apr. 15, 2022
        Vesting period: from Jan 15, 2023, 20 months, 5% on monthly basis.

    •   3,25% of total supply, corresponding to 32,5M Luxo was sold at USD 0.042, in second half of 2019.
        Valued at USD 42M fully diluted market cap
        USD 1,620,000 raised
        Locked Period: 9 months from Apr 15, 2022
        Vesting period: from Jan 15, 2023, 20 months, 5% on monthly basis.

The first investors financed the development of technology, marketing, and the entry into market of the company. With these funds the company has developed the Luxochain blockchain, which allows to create NFTs at zero fees, the Virgo App that has been released on the stores and that you can download on this site, acquired customers including several fashion brands and institutional clients, generating a growing turnover, exceeding the break-even point in 2020, and generating positive EBIT of over USD 100,000, both in 2020 and in 2021.

•   Token Sale Round  - will be available from Mar 30, 2022
    10% of total Supply, 100M Luxo

    Strategic Sale Round
        2,5% of the total Supply, 25M Luxo, will be available for the **Strategic round** of the Luxo token for 0.06 USD each, with a minimum purchase value of USD 10,000 each, and maximum purchase of USD 500,000 each, starting on March 15, 2022, up to Apr 15, 2022.
        Valued at USD 4,95M Market cap at launch.
        Valued at USD 60M fully diluted market cap at launch.
        82,5M Luxo Token available in Circulation Supply.

        USD 1,5M available for Strategic sale.
        USD 750,000 pre-allocated to VC investors.
        USD 750,000 still available for Strategic sale.
        Tokens unsold will be burned.
        10% unlocked, available immediately on Apr 15, 2022.
        90% Locked period, 6 months from Apr 15, 2022.
        Vesting period: From Oct 15, 2022, for 20 months, 5% on monthly basis.

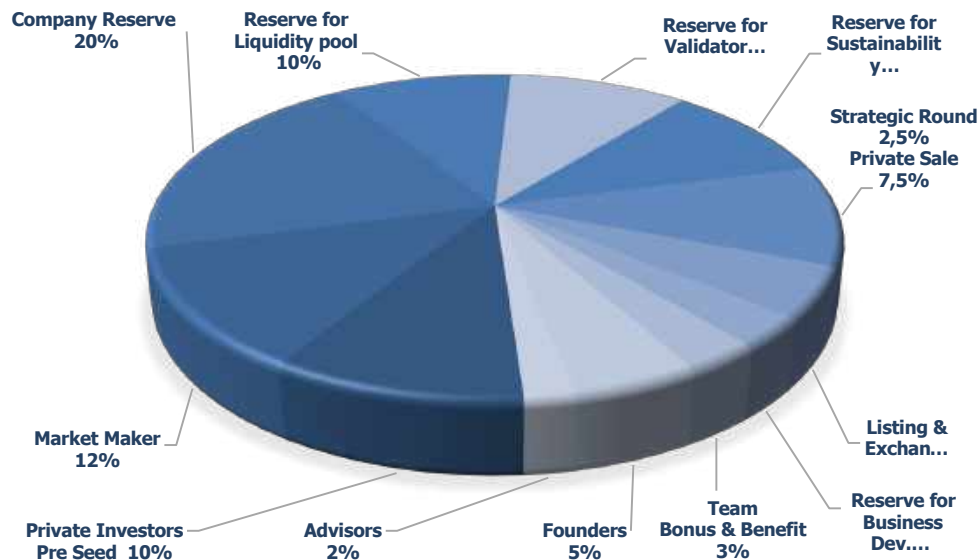    Private Sale OTC Round
        7,5% of total Supply, 75M Luxo, will be later available for the **Private Sale OTC** of the Luxo token for 0.08 USD each.
        Valued at USD 7,20M market cap at launch.
        Valued at USD 80M fully diluted market cap at launch.
        90M Luxo Token available in Circulation Supply.

        USD 6M available for private sale.
        Tokens unsold will be burned.
        10% unlocked, available immediately onpurchase.
        90% Locked period, 6 months
        Vesting period: 20 months.

•   Market Makers
    12% of total supply, 120M Luxo
    will be available to the company for the various agreements with market makers.
    •   3% is unlocked for the necessity of the company for increase the Luxo token value.
    •   9% Locked 3 months from Apr 15, 2022.
        Locked period: starting from Apr 15, 2022, for 3 months.
        Vesting period: From Jul 15, 2022, for 20 months, 5% on monthly basis.

- Listing & Exchange
  5% of total supply, 50M Luxo
  will be available to support the costs of listing the Luxo token on the main exchanges of sectors.
    - 2% are unlocked for the necessity of the company for increase the Luxo token value.
    - 3% are locked at TGE.
      Locked period: starting from Apr 15, 2022, for 3 months.
      Vesting period: From Jul 15, 2022, for 20 months, 5% on monthly basis.

- Company Reserve
  20% of total supply, 200M Luxo
  will be kept as a reserve by Luxochain.
    - Locked Period: 2 Years.
    - Vesting period: From Apr 15, 2024, for 20 months, 5% on monthly basis.

- Partnerships and business development:
  3% of total supply, 30M Luxo
  Luxochain will use these tokens to nurture and develop strategies, sweepstakes, and partnerships related to business development. Details will follow.
  This Amount is unlocked, to increase the partnership and the Luxo token value.

- Reserve for staking, Liquidity Pool, Farming to token holders & Cashback
  10% of total supply, 100M Luxo
  Luxochain will use these tokens to boost project development and staking rewards for token holders.
    - Locked period: 12 months, from 15 Apr 2022.
      Vesting period: 20 months, 5% monthly basis.
      Minimum availability for staking: 50,000 Luxo.
      Staking rewards: APY 12% per year.

- Validator Nodes:
  10% of total supply, 100M Luxo
  will be used to increase awareness and reputation linked to the project with journalists, associations, alpha partners, and other subjects who will contribute to the growth of the Luxochain network.
    - Locked period: 12 months, from Apr 15, 2022.
      Vesting period: 20 months, 5% on monthly basis.
      Minimum availability for staking: 100,000 Luxo*.
      Nodes Staking rewards: APY 24% per year.
      *100,000 Luxo is the minimum amount required to activate a Luxochain node during the first year.

- Reserve for environmental sustainability and initiatives aimed at safeguarding the planet
  10% of total supply, 100M Luxo
  Luxochain will use these tokens to activate strategic contests and initiatives with the most influential brands in the luxury sector, to raise awareness of people to build and make their contribution to the protection of the planet. Details will follow.
    - Locked period: 12 months from Apr 15, 2022, Vesting period: 20 months, 5% on monthly basis.

- Bonus & Benefit to the Team:
  3% of total supply, 30M Luxo
  will be distributed to the team in the future upon achievement of the company's growth objectives.
    - Locked period: from Apr 15, 2022 for 9 months.
      Vesting period: 20 months, 5% on monthly basis.

- Advisors
  2% of total supply, 20M Luxo
  will be allocated to the Project Advisors over time.
    - Locked period: from Apr 15, 2022, for 12 months.
      Vesting period: 20 months, 5% on monthly basis.

- Founders
  5% of total supply, 50M Luxo
  will be distributed among the four founders of the Luxochain project (1.25% each).
    - Locked period: from  Apr 15, 2022, for 12 months.
      Vesting period: 20 months, 5% on monthly basis.

Company Reserve 20%
Reserve for Liquidity pool 10%
Reserve for Validator...
Reserve for Sustainability...
Strategic Round 2,5%
Private Sale 7,5%
Market Maker 12%
Private Investors Pre Seed 10%
Advisors 2%
Founders 5%
Team Bonus & Benefit 3%
Listing & Exchan...
Reserve for Business Dev....

## 6.3. Token burning

The development plan of the Luxochain project provides for a gradual burning of the tokens placed on the market at the launch of the project to ensure that the company remains in the hands of the least possible tokens, intending to safeguard investors.

The burning of a token means permanently deleting Luxo tokens that exist on the network and are in circulation. The purpose of token burning is deflationary. Why is token burning realized? In this way, you "burn" a specific number of the total tokens in circulation. This objective is achieved by permanently removing a certain number of tokens from the network.

The main goal of token burning is usually deflation, but this is not the only one. This mechanism is put in place to control the number of Luxo tokens in circulation and, at the same time, can provide more significant incentives to investors.
An overall burning up to 50% of Luxo token availability is expected, which will be carried out in several phases starting from Apr 15, 2022, and will end on Apr 15, 2024.

The supply on the market will decrease up to 50%, up to a total supply of 500M Luxo tokens, instead of the current 1Bn Luxo tokens. All tokens held as a reserve of the Luxochain company, equal to 20% of the supply, will be burned at predetermined periods.

Luxochain, thanks to agreements with its partners, which provide NFC UHF TAG to the brands of the luxury world, for a quantity of about 120M pieces a year, plans to connect each TAG NCF to the mission of an NFT attached to it, to be supplied to our customers' brands.

Luxochain, therefore, plans to issue a quantity between 1M and 120M NFTs per year on the fashion and luxury market between 2022 and 2023. For each issue of NFT deriving from sales contracts, Luxochain will receive a consideration.

Luxochain will purchase each time, at market price, a total of LUXO equal to the turnover generated with the NFT issuance. So purchased tokens will be burned and eliminated from the market.

Example 1:
10M NFTs issued at 0.01 Euro for customer X - Luxochain will purchase 100,000 Euro of LUXO tokens from the market and permanently withdraw them from the market through burning.

Example 2:
10M NFT issued at 0.10 Euro for customer Y - Luxochain will purchase the corresponding of 1M Euros in Luxo tokens on exchanges, and permanently withdraw them from the market through burning.

Initially, the price for the brands will be symbolic, at one cent per NFT issued on the Luxochain blockchain, in correspondence with each NFC TAG purchased by them. It will gradually rise according to market demand.

This mechanism will allow us to burn all the tokens in the company's reserve and go and buy the tokens on the market that will hold the early adopters of LUXO.

At the same time, the unused tokens will be burned, destined for the reserve for the liquidity pools and the validator nodes, up to a further 20% of the total supply.

50% of the number of tokens destined for sustainability, can be also burned, keeping the other 50% for the pre-established contests.

And finally, the remaining 50M, equal to 5% of the total supply, destined for market-making, can be burned, which will not be used to create agreements with exchanges.

This process will lead to a total burn up to 50% of the total supply currently available on the market.

All burn actions will be carried out starting from Apr 15, 2022.

At the end of the period of private sale, all the tokens left unsold of 10% of the total supply allocated to them will also be burned.

The number of the total supply of Luxo tokens will thus be drastically decreased during the next two years.

Note: Luxochain reserves the right to change the percentages of Luxo tokens relating to the staking and burning of the tokens according to the commercial and development needs of the company.

## 6.4. VCs and Investors



Polygon

Iconium - Blockchain Ventures

Swiss Crypto Advisors

Next Generation Found

Poseidon NFT Fund

Aracanum Capital

If you have come to read this content, up to this point, there is probably a reason.

You are the right person to get on board with us in this fascinating adventure.

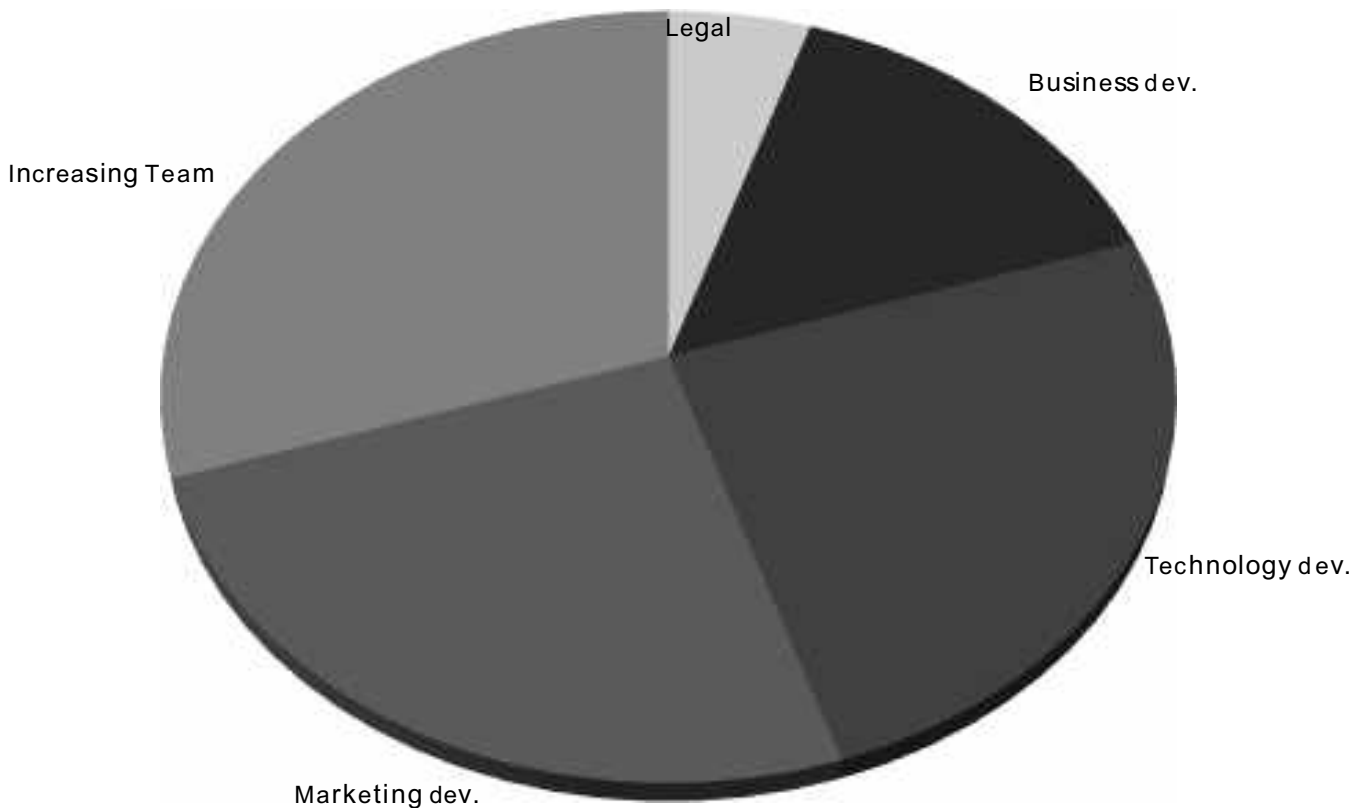Everyone wants to be sure of what they are buying.

Luxochain, changing tomorrow, today.

Learn more about Luxochain at: www.luxochain.io

Learn more about Luxo token at www.luxo.io

## 6.5. Section 2.0 –ALLOCATION OF THE BUDGET COLLECTED



The total amount raised will be allocated as follows:

30% Team increasing and business development

The team currently consists of 11 people (three project managers, three developers, three marketing staff, two business developers). Going forward, we would like to hire additional employees for the project, with particular attention to the project management sectors and client managers who will contribute full-time to build the Luxochain platform and develop partnerships to grow our network.

25% Technology

Luxochain will license a unique technology developed by a prestigious University called FPA - Fingerprint Product Authentication. It will be a system able to recognize the authenticity of a product thanks to a micro-nuance scanning system.

Thanks to this technology, owners of a single luxury product develop an Authentic-ID that allows them to identify a product thanks to the blockchain and define it as authentic and certified. Thanks to Authentic-ID, it will also be possible to block stolen accredited products.

We are also developing integration with a payment processor for payment by credit card and automated sending of the certificate of authenticity of the product at the time of purchase by card.

As a result, we need to increase the scalability and performance of our network, continue to study new and different types of blockchain, to provide our customers with an even better and more performing service, able to process hundreds of millions of product transactions every year.

25% Marketing

Luxochain's success depends on the reputation, brand awareness, and adoption of the Luxochain platform. On these two pillars is based our future in the world of luxury.

We have worked and spent a large part of our energy and our founders' resources to become part of the Virgo alliance, the product dedicated to luxury brands, which was created to provide them with authenticity, sustainability, and reputation.

Luxochain contributes actively to creating Virgo (www.virgo.tech), the first integrated, safe, and transparent solution to trace the value chain and certify the authenticity of luxury goods, from the acquisition phase of raw materials, up to the transfer of ownership on the so-called "second hand" market.

The Virgo platform will allow each manufacturer to self-certify each batch, using the best of different technologies, from RFID, UHF, and NFC to blockchain certification, which we operate in an agnostic way.

The union with these four important players in the market allows us to provide our certificates of authenticity relying on any existing blockchain, both authorized and unauthorized, and to interact with each other, depending on what each brand wants for its needs, monitor its suppliers and give guarantees to its customers.

Virgo is a modular solution able to integrate multiple technologies, allowing Brands and Customers to monitor the entire life cycle of the product, which can be integrated with existing ERPs, aimed at maximum flexibility and ease of use by each actor involved, with a focus on user experience for brands, suppliers and end consumers.

We will focus on the marketing side with a considerable commitment to human resources and capital. The marketing budget consists of all possible actions (online and offline) that lead to Luxo's growth and optimal management of the worldwide community linked to the project.

15% Business Development

Luxo's business model is closely related to developing partnerships with fashion brands, the world of luxury, and the Virgo consortium. We will consolidate our current relationships and establish new relationships with leading players in the world of luxury, and subsequently in other potential application sectors, such as Pharmaceutical, Art, Creation of any type of digital assets such as company shares, Food, and Automotive.

We truly believe that Luxochain can change the world of tomorrow, today.

5% Administration and legal fees

This cost item is represented by legal, accounting, and other associated administrative costs of Luxochain.

## 6.6. The main features of the Luxo token

## 6.6.1. The Luxo token is the basis of the Luxochain ecosystem

After having put on the market the product, already available today on the Apple Store for IOS & PlayStore for Android, and having applied its budget to acquire the first customers, Luxochain has decided to launch the token to quickly gain space and market share to become a global reference for the blockchain certification of luxury products.

This development, which we are already going through, requires energy and new people in the staff to follow the different brands that are coming on board and opening the various markets around the world.

We need strategic partners in Asia, the United Arab Emirates, the Middle East, the Russian territories, Africa, and the United States.

We can also develop parallel markets such as certification of pharmaceutical products, trees planted by companies to certify their carbon-free emissions, food industry, art, automotive, etc. We decided to fund this expansion by issuing the Luxo utility token.

## 6.6.2. What advantages does the Luxo token grant?

Owning a Luxo token will offer the following benefits:

Luxo is a utility token necessary to use the services provided by the Luxochain platform and to be able to become a node of the Luxochain blockchain itself.

Holders of the Luxo token will be able to use Luxochain services by purchasing them with an automated process, with payment by bank transfer, by credit card, or by purchasing Luxo tokens directly through the exchange (connected via API to our site).

The staking of a token will allow you to receive an APY prize (annual percentage yield) of 12% in Luxo tokens for holders of staking tokens. With a minimum deposit instead of 50,000 Luxo tokens and an APY premium of 24% for the execution of the validator node activity, which must have in staking the minimum amount of 100,000 Luxo tokens.

The staking of Luxo tokens is an additional way of investing, which allows you to get rewards for having participated by blocking your tokens in the operation of the Luxochain blockchain.

In addition to the technical motivation, what interests' investors is the possibility of perceiving returns in Luxo tokens without technically doing much. And with the ability to unlock your tokens quickly.

Staking is an excellent integration of strategies, especially in the medium and long term. Not all cryptocurrencies allow this, and not all of them have the necessary technical skills to intervene in this market.

Staking is, in fact, the reward for nodes that participate by blocking Luxo tokens.

There are rewards, always in cryptocurrency, to attract people who can block sums for the validation of operations. Staking is nothing more than a reward for making the operation of the Luxochain blockchain possible.

In the Luxochain blockchain protocol, it is necessary to deposit a certain amount of Luxo to become a node that contributes to recording transactions to receive rewards. These are very high limits, which do not go well with the possibilities of small and medium-sized investors or those who want to invest in cryptocurrencies only with a small part of their capital.

The economic purpose of staking is to demonstrably engage with the promise that you will not sell the tokens in 'stake' for a set period. This means that you assume the duty to hold your tokens through the inflation process and receive additional Luxo tokens as a reward for this.

Luxochain will also allow its token holders, in addition to the holders of the nodes, to staking even with smaller quantities of Luxo, to consolidate the positions of many micro-customers and distribute equally the results of this specific activity.

The staking of Luxo tokens will be active after Apr 15, 2023.

# 7.   A perfect mix between B2B & B2C: Luxochain's business model

Our first customers are luxury companies that want to certify their products: companies will pay to receive the digital certificate of authenticity, blockchain-based, to certify their products.

This service is already available to B2B customers.

Another service that we will provide will always be aimed at luxury companies: they will be able to pay with the Luxo token for advertising, which we will address to end customers through us.

Our business model is B2B in both of these cases.

By using the Luxo utility token, companies will be entitled to receive the best price on the market for our services, getting a 10% discount compared to the service price with payment in fiat money.

We have also opened the certification service to end consumers. These people want to use our service to certify their properties and keep their digital blockchain-based certificates of authenticity in their wallets. Our business model, in this case, is B2C.

The Luxo token will be the only way to take advantage of our services.

We also provide a service of custody of certificates of authenticity, always aimed at end consumers, thanks to the collaboration with individuals and banking institutions for your most precious goods. Also, in this case, our business model is B2C.

What could be better than keeping your certificates in Switzerland, the safest nation in the world?

# 8. What will we do with the Luxo token?

100% of our turnover generated by the sale of NFTs will always be used to buy Luxo tokens from the market, and consequently, they will be placed in a single wallet and burned to decrease the supply of token circulation.

By releasing the Luxo token, we decided to work on a scarcity effect, the tokens in circulation at the time of listing are less than 8% of the total, and the same will be in the months following the listing.

10% of the LUXO tokens used for purchases of our products or services will be placed by Luxochain in a wallet and burned to reduce the supply of tokens in circulation.

We will do the same thing for all revenue paid in tokens or other cryptocurrencies that will be used to buy our services.

We decided to include a reward mechanism for Luxo token owners.

One of our most forward-looking services is to provide our customers with the ability to send targeted messages directly to their wallet users, providing them with a reward, a privilege, a discount, a personalized invitation in their stores.

The legislation also allows us to provide sponsorships in an aggregate way to registered users of our service. We would like to provide two types of benefits to those who decide to receive these messages from their most beloved luxury brands. The mechanism is as follows:

For revenues obtained from sponsorship through the Luxochain's Virgo Wallet App, we will use 20% of this revenue to staking the Luxo token for 24 months before being available to the company reserve.

# 9. Reward structure for staking token holders

Based on our experience, expertise, and currently active partnerships, we are pretty sure that Luxochain will carve out a leading role within the world of Fashion blockchain. Still, we know that to affirm a brand like this takes several months.

For this reason, we have decided to introduce different reward structures for token holders (see image below) with three main objectives:

❖ Achieve an unprecedented global level of adoption of our technology.

❖ Encourage investors to keep their tokens offering them a reward for the trust they will grant us.

❖ Grant privileges reserved to Luxo holders.

The diagram below describes how tokens intended for reward will be used

## 9.1. Reward period for staking holders

The first structure will consist of continuous launches that follow this pattern:

| REPORTING PERIOD | % OF TOKEN | NUMBER OF TOKEN | BONUS (%) |
|---|---|---|---|
| Staking Period: 12 months | 10% | 100, 000, 000 | |
| Reward in 12 month | 12% | 12,000,000 | 12% |

10% of the total tokens will be distributed in rewards for staking.

The first reward will take place one year after the day of the start of the staking period, and will be calculated proportionally for staking days.

If Luxo investors do not trade their tokens for a month from the beginning of the staking period, they will receive a reward of 1/12 based on the amount they staked.

78% of the total tokens in our staking reserve will be allocated in this way.

Tokens that will not be used for staking will be burned.

We think this rewards model will help us extend our community globally and reward those who believe in Luxochain.

## 9.2. Cashback - rewards on purchases of luxury goods // 22% of the reserve for staking tokens (4.4% of the total offer)

This structure will give our holders privileges and help us make tokens holders for all those who love luxury. All those who buy in our partner brands will become real champions in the fight against counterfeiting.

We will grant a 10% cashback (according to a policy of each Brand partner) to people who purchase luxury products in stores or e-commerce who have signed an agreement with us that will allow the purchase of their products through Luxo tokens.

For example, if you buy an exclusive asset from our partners for $1,000, you will receive an amount of Luxo tokens equal to a maximum of $100.

It will be effortless to access cashback with our partners. It will be possible to find a QR Code on the receipt or purchase receipt, of which you will perform a scan that will allow you to obtain the tokens.

4.4% of the total offer will be kept in a dedicated reserve.

The cashback prize will be available until there are tokens awarded for this cashback in reserve.

## 9.3. Contest for the protection of the planet - up to 10% of the total offer

The last structure of the reward is the contest. There will be several fantastic competitions where the winners will win many tokens that will help us in our mission to safeguard the planet.

Contests are fun and help us reach a large number of users.

The contest's guidelines will be decided with each partner in the luxury sector to retain customers, reputation, and sustainability of the brand, to improve the overall customer experience.

This allocation will be decided in our future roadmap in agreement with the brands that will join the initiative.

In our overall vision, this will be our contribution to safeguarding the planet, to create a better world, for example, by creating unique blockchain-based certificates for each tree planted by companies, or for charity purposes to certify humanitarian aid or promote the reduction of child labor.

We are sure that this goal will gratify all the people involved in this project. Such a noble purpose we are confident can be worth 10% of the total allocation of the Luxo token.

That's how we thought about growing our company and the value of our Luxo tokens.

We were born with the idea of fighting counterfeiting, a market worth 1.2 trillion dollars a year. Luxochain was born to create a better world.

LUXO

If you have come to read this content, up to this point, there is probably a reason that prompted you to do so:

You are the right person to get on board with us in this fascinating adventure, intending to change the future of tomorrow, today.

Learn more about Luxochain at: www.luxochain.io

Learn more about Luxo token at: www.luxo.io

*Born to change the world of tomorrow, today.*

*Made with love,*

*Luxochain Team*

# 10. LEGAL DISCLAIMER

## LEGAL / TERMS OF USE

## THIS DOCUMENT IS NOT A PROSPECTUS

This document does not constitute or imply an offer to buy or to sell any items, and does not constitute a prospectus of any sort. Nothing contained in this document is to be construed as a solicitation for investment or as investment advice of any kind. This White Paper does not in any manner constitute an offering of securities for sale in any jurisdiction in the world. This White Paper constitutes a technical description of the functionality of the Luxochain business model and the Luxochain tokens, as well as the strategy for the functional utility of the tokens.

## DISCLAIMER OF LIABILITY

To the maximum extent permitted by the applicable laws, regulations, and rules, Luxochain shall not be liable for any indirect, special, incidental, consequential, or other losses of any kind, in tort, contract or otherwise (including, but not limited to, loss of revenue, income or profit, and loss of use or data) arising out of or in connection with any acceptance of or reliance upon this White Paper or any part thereof by users.

## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this White Paper, statements made in press releases, or in any place accessible by the public, and oral statements that may be made by Luxochain or its respective directors, executive officers or employees acting on behalf of Luxochain (as the case may be), that are not statements of historical facts, are considered "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will", or other similar terms. However, such terms are not the exclusive means of identifying forward-looking statements. All statements regarding Luxochain's financial position, business strategies, plans and prospects, and the future prospects of the industry which Luxochain is in are forward-looking statements. The forward-looking statements, including but not limited to statements concerning revenue and profitability, prospects, future plans, other expected industry trends, and other matters discussed in this White Paper regarding Luxochain are matters that are not historical facts, but only predictions.

## RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION

The distribution or dissemination of this White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction should apply, users must gather information on and observe any restrictions consequent to their possession of this White Paper or such part thereof (as the case may be), at their own expense and without liability to Luxochain. Persons to whom a copy of this White Paper has been distributed or disseminated, provided access to, or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce, or otherwise distribute it or any information contained herein for any purpose whatsoever, nor allow or cause the same to be carried out by a third party.

## NO OFFER OF SECURITIES OR REGISTRATION

This White Paper does not constitute a prospectus or offer document of any sort, and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. No person is bound to enter into any contract or binding legal commitment, and no cryptocurrency or other form of payment is to be accepted on the basis of this White Paper. Any agreement in relation to sale and purchase of Luxochain tokens (as referred to in this White Paper) is to be governed only by the Terms and Conditions ["T&Cs"] of such agreement and no other document. In the event of any inconsistencies between the T&Cs and this White Paper, the former shall prevail. Individuals are not eligible to purchase any Luxochain tokens in any Luxochain token sale (as referred to in this White Paper) if they are citizens, residents (for tax purposes or otherwise), or green card holders of the United States of America, unless they are Qualified Investors as defined in Regulation D, Rule 501, of the Securities and Exchange Commission. Citizens or residents of the Republic of Singapore, Canada, or Vietnam are also not eligible. No regulatory authority has examined or approved any of the information set out in this White Paper. No such action has been or will be taken under the laws, regulatory requirements, or rules of any jurisdiction. The publication, distribution, or dissemination of this White Paper does not imply that the applicable laws, regulatory requirements, or rules have been complied with.

Note about Luxochain and LUXO token:

Luxochain SA is a company incorporated in Switzerland with its registered office in Lugano.

The Company has a share capital of CHF 100'000 divided into 100'000 registered shares.

The Company has a partecipation capital of CHF 27'575 divided into 27'575 registered participation certificates. .

21'095 of them was converted from Credit offsetting of CHF 1'827'983.43 from founders, who have renounced their credits and loans to the company

LUXO token can only be used to access to and pay for services provided by the Company.

We therefore qualify LUXO as a hybrid token with utility and payment functions.

**LUXO Token**

The LUXO Token will be a utility token created on the Ethereum blockchain compliant with the ERC 20 protocol of the Ethereum blockchain.

The LUXO Token will function as a private means of payment on the Luxo Platform, which will allow Buyer to make use in the future of the Luxochain services.

By receiving the LUXO Token, the Buyer will acquire the right to access the Luxochain Services.

At the day of execution of this Agreement the Luxo Token would not have the legal qualification as a security pursuant to Swiss Law and would therefore not qualify as an Asset Token pursuant to the Guidelines (the "**Guidelines**") issued on February 16, 2018, by Swiss Financial Market Supervisory Authority ("**FINMA**").

The draft whitepaper description of the Company's services is attached hereto in its current version as of the date of this Agreement as **Enclosure 1** (the "**White Paper**").

The Buyer acknowledges and accepts that the White Paper may be subject to change until the Luxochain platform has been completed.

**LUXO TOKEN SALE**

The Company is offering in the LUXO Private Sale up to 10% of actual total supply of LUXO Tokens (up to 100.000.000 LUXO Tokens on a total supply of 1BL).

The private sale will be active until Apr 15, 2022. The tokens sold in private sale will be blocked by freezing the buyer's address, and after date listed in the distribution conditions, they will be unlocked with an average percentage of 5% monthly (calculated on each block of the Ethereum network).

During the LUXO Token Private Sale, LUXO Token available for presale can only be purchased directly from the Company or through third parties authorized by the Company.

To be able to purchase and receive the LUXO Tokens, the Buyer must have an Ethereum wallet that supports the ERC-20 token standard. The Company reserves the right to prescribe additional guidance regarding specific wallet requirements.

**KNOWLEDGE REQUIRED**

The Buyer confirms that he understands and has significant experience of cryptocurrencies, blockchain systems and services, and understands the risks associated with the purchase of the LUXO Token as well as the mechanisms related to the use and custody of cryptocurrencies.

By purchasing the LUXO Token the Buyer acknowledges having carefully reviewed the White Paper and to understand the risks, costs and benefits associated with the purchase, storage, and use of the LUXO Token.

**VOLUNTARY KNOW-YOUR CUSTOMER (KYC)**

The Company is, as of the date of the LUXO Token Private Sale, not a financial intermediary according to Swiss Law and is not required to obtain any authorization for Anti-Money Laundering purposes. Notwithstanding the aforesaid, the purchase of the LUXO Token is conditional upon the positive conclusion of an AML/KYC identification process and the Buyer shall provide to the Company all requested documents and information necessary or useful to the Company to complete the AML/KYC process.

The Buyer accepts that it will not be entitled to purchase the LUXO Token if the Company considers that the Buyer does not satisfy the AML requirements set by the Company.

**RISKS**

The Buyer acknowledges and accepts that acquiring and storing the LUXO Token involves various risks, in particular (but not limited to) the risk that the Company may not be able to launch its platform and/or its operations, to develop or exploit its blockchain and/or to provide the services to which the LUXO Token relates or is forced (in particular due to changes in the legal environment and/or issuance of new laws or regulations and/or new leading interpretation of current legal framework and/or case law, which might also have a retroactive effect) to stop its operations or change its business model.

The Buyer confirms having carefully considered the risks, costs, and benefits of acquiring LUXO Token in the context of the LUXO Token Private Sale and obtained independent legal and tax advice in this regard.

## NO INVESTMENT INVITATION

This Agreement shall not and cannot be considered as an invitation to enter into an investment. This Agreement does not constitute or relate in any way, nor should it be considered or interpreted as an offering of securities in any jurisdiction.

This Agreement does not include or contain any information or indication that might be considered or interpreted as a recommendation or that might be used to base any investment decision.

This Agreement does not constitute an offer or an invitation to purchase shares, bonds, securities, or rights belonging to the Company or any related or associated company (the "**Company's Group**"). The LUXO Token will be used as a private mean of payment once the services will be accessible and is not intended to be used as an investment.

## NO SECURITY

The sale of the LUXO Token is final: the LUXO Token is non-refundable and not redeemable.

The LUXO Tokens are not convertible in shares or certificates of the Company or Company's Group and do not grant any right to receive any such share or certificate.

The LUXO Tokens do not confer any direct or indirect right to Company's or Company's Group capital or income and, in particular, do not grant any right to dividends or interests or to any other share or participation to the Company or Company's Group revenue or earnings.

The LUXO Token is not proof of ownership of any assets belonging to the Company or to the Company's Group or of a right of control over the Company or the Company's Group and does not grant to the owner any right to assets of the Company or of the Company's Group.

The LUXO Tokens are not shares or participation certificates and do not give any right to participate to, or vote in, the general meeting of the Company or the Company's Group or to influence in any way the respective corporate governance or the decisions of the corporate bodies of the Company or the Company's Group.

Based on the above, at the date of the LUXO Token Private Sale, the Company considers that the LUXO Token does not have the legal qualification of a security pursuant to Swiss Law and does therefore not qualify as an "Asset Token" in Switzerland as interpreted by FINMA in the Guidelines.

Pursuant to the Guidelines and current practice, the LUXO Token is a utility token which can be used only to access and use the Luxochain Platform and as mean of payment for services of the Company within the Luxochain Platform and is not intended to be used as an investment.

The offering of the LUXO Token on a trading platform, if any, may be done to allow additional buyers to use and/or to access to the Luxochain Platform and not for speculative purposes and does not change the legal qualification of the token as a utility token.

## CHANGES IN THE LEGAL ENVIRONMENT

By purchasing the LUXO Token, the Buyer acknowledges and accepts that the Private Sale and the purchase of the LUXO Token is taking place within a legal environment that is still under development. Regulatory authorities are carefully scrutinizing businesses and operations associated to cryptocurrencies in the world.

The Buyer understands and accepts that regulatory measures, investigations, or actions may impact the Company's business and even limit or prevent it from performing or developing its operations.

By purchasing the LUXO Token the Buyer confirms to be aware that the Company's business model and the T&C may change because of new legal, regulatory and compliance requirements from any applicable laws in any jurisdictions, even with retroactive effect. The Buyer acquiring the LUXO Token therefore acknowledges and accepts that neither the Company nor any company of the Company's Group shall be held liable for any direct or indirect loss or damage caused by such changes.

## NO OFFER – NO INVESTMENT ADVISE – NO REPRESENTATIONS AND WARRANTIES

This Agreement shall not be construed as an offer, personal recommendation, or solicitation to conclude a transaction and should not be treated as giving investment advice.

The Company is not to be considered as an advisor in any legal, tax or financial matters. Any information in this Agreement and/or in the White Paper is given for general information purpose only and the Company does not provide any representation and/or warranty as to the accuracy and completeness of the information included in this Agreement and/or in the White Paper.

Given the lack of qualification of the crypto token in most countries, the Buyer confirms having carried out a legal and tax analysis concerning the purchase and ownership of the LUXO Token according to his nationality and place of residence

**IMPORTANT DISCLAIMER**

By participating in the LUXO Token Pre-Sale and/or by receiving LUXO Token in the LUXO Token Private Sale, no form of partnership, joint venture or any similar relationship between Buyer and the Company and/or other individuals or entities involved with the deployment of the Luxochain Platform is established/ or created.

The Buyer understands and accepts that for the purpose of the development and execution of the business of the Company, the Company receives the full amount of Eur or Ether or any other currencies received into the Token Private Sale, may be used to cover expenses, charges and other costs that may arise by the Company and/or its subcontractors as part of the development and execution of the Luxochain Platform, the Luxochain Blockchain and the LUXO Token Private Sale as well as such. It remains at the Company's sole discretion to decide how to allocate the funds of purchasing.

The Company will do its utmost to improve its operations and develop the Luxochain Platform and/or provide the services described in this Agreement and/or in the White Paper. By purchasing the LUXO Token the Buyer confirms to be aware that the Company does not provide any guarantee whatsoever about the actual launching of the Platform, the actual performance of the operations and/or the development of the Luxochain Platform and the provisions of Company's services on the Luxochain Platform.

The LUXO Token will be issued by a technical process that uses the «Blockchain» technology. This is an open-source IT protocol over which the Company has no rights or liability in terms of its development and operation. The LUXO Token distribution mechanism will be controlled by a Smart Contract; this involves a computer program that can be executed on the Ethereum network or on another blockchain network that is compatible with the Smart Contract programming language. By purchasing the LUXO Token, the Buyer acknowledges and accepts therefore that the Company (incl. its bodies and employees) assumes no liability or responsibility for any loss or damage that would result from or relate to the incapacity to use the LUXO Token, the Luxochain Blockchain and/or the services available on Luxochain Platform, excepted in case of intentional misconduct or gross negligence.

The LUXO Token is based on the Ethereum protocol. Any malfunction, unplanned function or unexpected operation of the Ethereum protocol may cause the LUXO Token network to malfunction or operate in a way that is not expected. Moreover, the native Ethereum Protocol account unit may itself lose value in a similar way to tokens, and also in other ways. The Company assumes no liability or responsibility in this respect except in case of intentional misconduct or gross negligence directly attributable to the Company.

The Company assumes no liability or responsibility whatsoever for any loss of the LUXO Token or situations making it impossible to access the LUXO Token, which may result from any actions or omissions of the Buyer, as well as in case of hacker attacks.

**BUYER REPRESENTATION AND WARRANTIES**

By participating in the LUXO Token Private Sale and by purchasing the LUXO Token, the Buyer confirms that he:

(i)     has read and understood this Agreement and the White Paper and accepts to be legally bound by their terms.
(ii)    has sufficient knowledge about the nature of the cryptographic tokens and has significant experience with, and functional understanding of, the usage and intricacies of dealing with cryptographic tokens, cryptocurrencies and blockchain-based systems and services.
(iii)   is familiar with all related regulations, in particular (but not limited to) in the specific jurisdiction in which the Buyer is based, and has received competent advice that purchasing cryptographic tokens is not prohibited, restricted or subject to additional conditions of any kind,
(iv)    is entitled to purchase the LUXO Token in the LUXO Token Private Sale without requiring any local authorization and is in compliance with the local, state, and national laws and regulations when purchasing.
(v)     is authorized and has full power to purchase the LUXO Token.
(vi)    is acting in his own name, is and will be the legal and beneficial owner of Purchase Price and of the LUXO Token and confirms that all payments by Buyer under this Agreement will be made directly by the Buyer from [his/her/its] bank account and/or digital wallet.

By participating in the LUXO Token Private Sale and by purchasing the LUXO Token, the moreover, the Buyer confirms that he:
(i)     has not acquired the Purchase Price from any activity that contravenes the laws and regulations of any jurisdiction, including anti-money laundering laws and regulations.
(ii)    The buyer is and will not be at the time of the purchasing a U.S. citizen, resident, or entity (i.e., a **"U.S. Person"**) nor is the Buyer purchasing the LUXO Token on behalf of a U.S. Person.
(iii)   acknowledges and accepts that the LUXO Token may not be resold or used on the platform.
(iv)    acknowledges and accepts that the LUXO Token may not be resold to US Persons.
(v)     is not a Chinese resident or entity nor is the Buyer purchasing the LUXO Token on behalf of a Chinese resident.
(vi)    will not use the LUXO Token Pre-Sale for any illegal activity, including, but not limited to, for money laundering and/or financing of terrorism.

(i)     is acquiring the LUXO Token exclusively in order to be able use the Luxochain Platform and/or the services available on the Luxochain Platform.

(ii)    acknowledges and accepts that the value of LUXO Token (if any) over time may experience extreme volatility or depreciate in full; *and*

(iii)   is not purchasing the LUXO Token for the purpose of speculative investment or usage.

## NO RESPONSIBILITY / NO LIABILITY

**T**o the fullest extent permitted by applicable law, the Company will not be responsible nor liable for any damages to the buyer arising out of or related to the purchase of LUXO Tokens, irrespective of whether such damages would be foreseeable, known or otherwise by the Company. No refund, indemnity or similar can be claimed and sought by the Buyer to the Company, regardless of reason or of whether the reason is covered by these terms. Accordingly, the Buyer disclaims any right or cause of action against the Company of any type and in any jurisdiction that would result in any damages whatsoever. Without prejudice for this provision, the Buyer agrees that in any case the aggregate liability of the Company for damages occurred to the buyer will be limited to the Purchase Price.

## INTELLECTUAL PROPERTY RIGHTS

To the extent that copyright trademark or any other intellectual property rights, such as software, know-how, analysis or programs, existing and future copyrights and other intellectual and industrial rights (hereinafter "**IP Rights**"), exist in the LUXO Token, in the Luxochain Platform and/or in the services available on the Luxochain Platform, they belong solely to the Company and/or its affiliated companies and Buyer as buyer and Buyer of the LUXO Token and as Buyer of the Luxochain Platform and/or in the services available on the Luxochain Platform does not and will not have any related rights in such IP Rights.

## MISCELLANEOUS

*Completeness of the Agreement*
This Agreement, together with the Enclosures and Recitals, constitutes the entire agreement between the Parties and supersedes and replaces any prior written or oral agreements, understandings, negotiations, and dealings.

*Severability*
If any of the provisions of this Agreement is deemed to be invalid, void, or unenforceable, the remaining provisions shall continue in full force and effect.

*Amendments or Modifications*
This Agreement shall not be modified or amended except by agreement in writing signed by the Parties.

*No Assignment*
The Buyer shall not assign this Agreement without the prior written consent of the Company. Any assignment or transfer in violation of this Section will be void. The Company may assign the Agreement to an affiliate, in which case this Agreement and the rights and obligations of the Parties hereunder will be binding upon and inure to the benefit of the Company's respective successors, assigns, heirs, executors, administrators and legal representatives.

## APPLICABLE LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the substantive laws of Switzerland without regard to the conflicts of law rules and without regard to the rules of the Vienna Convention on the International Sale of Goods dated 11 April 1980.

Any dispute, controversy or claim arising out of or in connection with this Agreement, shall be finally settled in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be 3 (three), the arbitrators to be appointed in accordance with the said Rules. The seat of the arbitration shall be Lugano, Switzerland. The language of the arbitration shall be English or Italian.

Enclosure: 1 (current version of Technical white paper, attached)

# 11. Luxo summary

Luxochain is a Swiss company, based in Lugano, with world-class expertise on product certification.

Our mission is to deliver sustainability, reputation and authenticity into the Luxury market, tracing goods on the blockchain, from raw material up to the distribution chain, providing Certificates of Authenticity and Passports of goods, to protect Brands and Customers, guaranteeing purchases of authentic goods.

We combine products with their own unique NFTs, such as Digital Certificates of Authenticity, registered on the Blockchain, secure, readable, and transferable by any smartphone. The product's NFT becomes its authenticity passport, with a guarantee of non-duplicability thanks to the underlying technology. Luxochain offers a service to end consumers, protecting them in the purchase of their products. At the same time, we works alongside the luxury brand, providing them a transparency, loyalty, and couponing system towards their customers.

LUXO is the token on which Luxochain ecosystem is based. Luxochain allows you to safely create, receive, storage and send Digital Certificates of Authenticity and Ownership of your Luxury goods. Using our services, which can be purchased with the Luxo tokens, Brands can certify sustainability, traceability, ad authenticity of their products, improving their reputation.

Application industries we are serving are Luxury & Fashion, Art, Public Institutions, Media & Press Agencies, Medical, Pharmaceutical, Food, Automotive, Valuable goods. In the supply chain of goods, all authentic products will be equipped with Tag NFC, that contain an encrypted serial number. The product ID is associated with an NFT token that is uniquely identifiable, which Luxochain will record on the blockchain. Once entered, the information cannot be changed externally.

Luxochain combats the counterfeit of Luxury goods, guaranteeing the purchase of authentic products though the blockchain, ensure ownership of real products certified on the blockchain and guaranteed by luxury goods companies.

With Virgo Wallet, the App provided to the market from Luxochain, available for iOS and Android, any buyer, before a purchase, can verify the authenticity of each product, in store, on-line, or in second-hand market, verifying with the smartphone the information written into an NFT on to the blockchain, simply approaching to the product itself.

In the store, customers will be able to scan the code and ascertain the authenticity of the product and verify the official images, the most important information and details before purchasing, such as brand, model, size, history, video of usage, e-commerce links, colors, materials, manufacturing details, and all previous property transfers and verify their origin and materials, consult the manufacturer's information. People can also access to their personal gallery of luxury goods, select their favorites, and show everyone their collections right from their phone.

After purchase, the customer receives a link to make the claim of the NFT linked to the purchased product, as a certificate of digital property, that can become the passport of the product itself, and in case of theft or loss he will be able to block the asset, to facilitate the recovery of the object and return it to its rightful owner, fighting thefts and the counterfeiting market.

Into the second-hand market, resellers can use the blockchain to transfer ownership rights from themselves to new owners with the same ease and speed with which a credit card transaction is made today.

# LUXO

Easy to use: "Click, Check, & Collect" your Digital Certificates of Authenticity using Virgo Wallet, powered by Luxochain.

What could be better for uniquely identify each of your luxury product?

Everyone wants to be sure of what they are buying.

Luxochain, changing tomorrow, today.

For more information, discover Virgo Wallet on iOS or Android, that allows you to:

- - Create your NFTs in a simple and freeway, by importing or taking photos from your mobile.

- - Receiving, safekeeping and sending NFTs and Digital Certificates of Authenticity and Ownership.

- - View previous transactions of your luxury item before purchasing it.

- - Scan and read NFC or QR Code of products, representing NFTs of goods before purchasing it.

- - Claim the NFTs of you purchased goods from Brands.

- - Synchronize your contact list.

- - Reporting the event of theft or register a lost object and assign a prize for finding it.

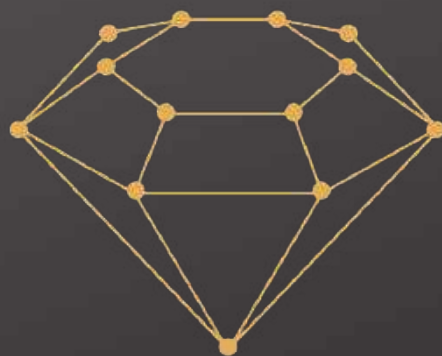- - Receive privileges and rewards from your most loved brands.

Video preview: https://youtu.be/DnNGLgumeRE

Company Website: www.luxochain.io

Luxo tokens: www.luxo.io

❖ Video preview: https://youtu.be/DnNGLgumeRE

❖ Luxochain Website: www.luxochain.io

❖ Luxo token Website: www.luxo.io

❖ contract Address: 0xd39a2cecba2657e125ba6a5c98ad2f6b6d7e83fd

❖ Etherscan: https://etherscan.io/token/0xd39a2cecba2657e125ba6a5c98ad2f6b6d7e83fd

❖ Github: https://github.com/luxochain

❖ Twitter: https://twitter.com/luxochain

❖ Instagram : https://www.instagram.com/luxochainofficial/?hl=it

❖ Facebook: https://www.facebook.com/luxochainbrand/

❖ Linkedin: https://www.linkedin.com/company/swissborgchsb

❖ Telegram Official Channel: https://t.me/Luxochain_Channel

❖ Telegram Group chat: https://t.me/+ghLhv9dn1-Q1NTY0

❖ Luxochain explorer : https://explorer.luxochain.io

❖ Luxochain blockchain nodes : https://nodes.luxochain.io