

TOKEN ISSUANCE WHITEPAPER

For the issuance of tokens by Byppay Global SL

At a nominal value of between 0.5 and 1.65 Euros per share issued in public offering, starting on May 15th, 2023, and ending on October 31st, 2024.

LAST UPDATED: APRIL 11TH, 2023

The products described in this document may be very high-risk, including the risk of total loss of the amount invested. The tokens that may be acquired will not be held by entities legally authorized to provide investment services and the registry technology that is planned to be used (Blockchain) is novel and may involve significant risks.

«The issuer of the crypto assets is solely responsible for the content of this white paper for the issuance of tokens. This has not been reviewed or approved by any competent authority of any Member State of the European Union.»

This is a translation from the Spanish Whitepaper, version of which was analyzed by the Spanish CNMV on 4 April 2023

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1. GENERAL INFORMATION ABOUT THE ISSUER

Issuer name:	Byppay Global SL.
Registered address:	Calle Damià Estela 1, 1r 3a, 17007 Girona
Date of registration in the Mercantile Registry:	December 13, 2022
Tax Identification Number:	B- 72868102
Management body:	Administrator

WARNING

The crypto assets or tokens subject to the issuance described in this document may:

- a) lose their value entirely or partially.***
- b) not always be tradable on organized markets.***
- c) not be liquid; and***
- d) may not be exchangeable for the goods or services described in this document, especially in cases of failure or interruption of the project carried out by the issuance.***

Possible conflicts of interest

Any party related to the Issuer, such as majority shareholders, companies controlled by the Issuer or in which the Issuer has an interest, and any other type of subsidiary, may carry out and continue to carry out transactions with other related entities, which could generate conflicts of interest.

In case of a conflict of interest between any of the affiliates of the Issuer and any party related to the Issuer, this could result in the suspension of token transactions for reasons unrelated to market forces.

However, in case a conflict of interest is detected, the management body of the Issuer will do everything possible to prioritize the interests of the token holder over any other.

2. PROJECTE BACKGROUND

A. Project background

History: Tell the story of the project, milestones achieved, and expectations.

Byppay Global SL was born from a project at the University College London - Centre for Blockchain Technologies (UCL-CBT) in its 2022 call for proposals <http://blockchain.cs.ucl.ac.uk/call-for-proposals-2022-awards/> which was granted to Dr. José Luis de la Rosa Esteva personally to develop new decentralized methods of finance and payments. With the project results presented in London on February 13, 2023, a European patent is applied for, and Dr. de la Rosa Esteva creates a living lab with a webapp version as an MVP to test the benefits of the new service and designs improvements in payments with an instrumental token that will be launched in the same year 2023 with the company Byppay Global SL.

B. Products and services offered by the Issuer

I. Specifications on the products and services offered

What is it?

Byppay is a decentralized webapp service that helps SMEs pay their invoices without financing, banks, or crowdfunding.

The utility of Byppay is to solve a persistent lack of financing, especially for SMEs, which is exacerbated with each cyclical economic crisis. Originally, the factoring market deals with delays in the payment of commercial invoices: sellers bring outstanding invoices to financial organizations (usually banks) that provide an advance payment. But why not proceed with direct payment, bypassing actors in the value chain? This would have a similar effect to the advance or discounting of invoices.

The financing of invoices receivable through a process known as factoring involves companies selling invoices at a discount to financing companies, which then usually sell them to investors.

Factoring has become an important source of financing for SMEs. An important challenge in managing a business is obtaining enough funds to cover operational costs, especially in the early stages of such companies. While revenue generated from the sale of products and services may cover some expenses, it is often not enough to cover costs that require overall working capital, such as opening a new store, marketing new products, or buying expensive equipment. Byppay focuses on helping SMEs improve their cash flow so they can thrive.

How does it work?

It represents a payment negotiation system among 3 parties based on blockchain and decentralized markets for guarantees called rkAMM (reverse Kelly Automated Market Makers)

Byppay is of a decentralized nature, and its implementation is in groups of three actors (the customer of an actor who pays directly to the provider of the actor, three actors in total), a bottom-up and decentralized approach that genuinely adapts to blockchain/DLT implementations.

Payments are made in various ways: with banks, with open banking, with cryptocurrencies, or with the Byto (Byppay Token) to facilitate payment traceability and apply discounts from the Byppay service and other benefits that will in no case be linked to the evolution of the business.

Our different approach to invoice discounting uses the power of blockchain to allow companies to upload their financial data to the blockchain and only share it with the entity they wish to show the data to, in order to propose the payment of invoices through Byppay.

Comparative Example of Byppay

Starting from this assumption:

1. Your company invoices 10,000 euros to your client to be paid in 60 days.
2. You have an imminent payment of 9,500 euros to a supplier and no available cash.

The mechanics with factoring or invoice financing are:

1. You go to the bank that analyzes you and your client, because they conduct a study of the operation.
2. If you are lucky enough to be granted the loan, the bank will charge you a 2% commission for study and opening, and an interest of 3%, then they will advance you up to 8,000 or 9,000 euros.
3. You always fall short of money, and it may be that you are short of money to pay the 9,500 euros.
4. As it is recourse factoring, if your client does not pay you then you have to return to the bank all 10,000 euros, so you have lost 500 euros in transaction costs.

The process with Byppay is much better:

1. You propose to your customer to pay directly the 9,500 euros to your supplier, offering them a 1% discount, which is 95 euros off, and will be deducted from your invoice to the customer.
2. When your customer pays directly to your supplier the aforementioned 9,500 euros, late payment interest of 0.5% (at an annual rate of 6%) is added, which amounts to 47.50 euros. Thus, your supplier will receive payment earlier than you and will receive a total payment of 9,547.50 euros, fully paying the invoice.
3. You compensate your customer with the amount paid to your supplier plus the 142.50 euros of discounts and interest (remember that it was 95 euros + 47.50 euros). Thus, in total, it is 9,642.50 euros, which means you still have 357.50 euros to collect, which is very interesting.

4. The expenses are the discount of 95 euros to your client + 47.50 euros to your provider + 47.50 euros for the Byppay service, a total of 190 euros, which is three to four times less expensive than with a bank. And if you don't want to pay any cash, your client could also pay for the Byppay service directly.

5. No insurance or hidden costs are applied to you.

6. If your client does not pay your provider on time, you will still have the debt of 9,547.50 euros plus late payment interest from the new due date. In any case, you would have only lost 90 euros, which is 5 to 6 times less costly than with a bank and without any collateral risks.

The benefit of Byppay is:

- You have 3 to 4 times less expenses than with banks and you take on fewer risks, so you are happy.
- In addition to what you have saved, you distribute bonuses and discounts among clients and suppliers, so they will also be happy to do business with you.
- Suppliers accelerate collections as they skip intermediate payments.
- Suppliers get paid even before you do, ensuring their collections, improving your evaluation, and wanting to serve you more as a preferred customer.
- Bonused clients receive a better price and prefer to work with you.
- Your bank scoring remains intact, giving you eligibility for loans for other investments.
- You don't pay anything, as your client does it for you.
- A Byppay agreement is achieved in hours just by negotiating with your supplier and your client, without third-party studies as done by banks, which take their time, several, too many days, due to their centralized and bureaucratized decision-making that requires a lot of paperwork to grant it.

Summary of the cost comparison:

Banks: Compared to a factoring of 10,000 euros

- 200 euros for opening, study, factoring service, etc.
- 300 euros of interests
- Total: 500 euros

And the bank advances a part of the 9,500 euros after thinking about it for several days. You still need more money, and don't be surprised if they ask you for collateral or try to sell you insurance to grant you the loan.

Byppay: Compared to the same 9,500 euros to be paid to the supplier:

- 95 euros to the customer, as a bonus for paying directly to the supplier
- 47.50 euros to the supplier for late payment interest
- 47.50 euros for Byppay service fees
- Total: 190 euros

And you pay the full 9,500 euros, even a little more, to your supplier. Without additional guarantees. The compensation on your invoice to your customer is 9,642.50 euros, and you still have 357.50 euros to collect: these are the savings from using Byppay that add up to the benefits of sharing discounts with your customer and interest on late payments to your supplier so that in reality, out of the **500 euros that the bank would charge, almost all (over 90%) has been distributed among you (310 euros), your customer (90 euros), and your supplier (47.50 euros)**. That's right, it's much better to renegotiate with your customers and suppliers than to turn to banks. Renegotiating with Byppay gets you what you deserve. With banks, you can no longer negotiate, they impose their conditions on you. And all of this can be done from your mobile phone, with the app.byppay.com that uses blockchain to maximize security and trust in the payment agreement.

A liquidity pool can be attached to this Byppay mechanism to advance the committed payments in a decentralized, conventional manner.

How is it?

Technology: whether it's an ERC20 or NFT token.

Blockchain technology has been around for a while, but it's still difficult to find uses for it. This is because blockchain technology has great potential and we are only now beginning to see its true power. In particular, blockchain technology is very suitable for use as a payment system, for many reasons like our case.

Byto is an ERC20 token.

Each NFT token, which is **uniform in content but incorporates a different image and vesting, incorporates 500 ERC20s**, meaning the NFT buyer will acquire the discounts on products and services that the fungible token incorporates.

Later on, uniform NFTs will be issued that incorporate 200, 100, 50, 20, 10, and 5 BYTOs, which are composite tokens according to the EIP4950 standard that represent a bulk purchase with a discount. These NFT tokens have a wallet with 500, 200, 100, 50, 20, 10, and 5 fungible BYTO tokens inside that are not released until after a vesting period.

They are packaged as NFTs to, first, facilitate the management of vesting smart contracts, as it is managed at the level of each distributed NFT that releases the ERC-20s it has in its wallet thanks to the EIP 4950 standard, and second, to facilitate their sale in environments such as Opensea, Rarible, and other NFT marketplaces for the sale of NFTs, or crowdfunding marketplaces, taking advantage of the selling facilities of such marketplaces in a transparent and recognized way, without resorting to liquidity pools, DEX or CEX markets.

II. Stabilization of the Byppay Ecosystem:

A portion of the genesis is reserved for the entire Byppay ecosystem (token holders, liquidity providers to the pool, those who promote the platform via commercial actions and software developers) with the aim of stabilizing the value of the tokens as those who hold BYTOs will be incentivized to retain them. This ecosystem stabilization action is not related to the business profit as we only use the tokens from the Genesis.

III. Treasury:

The liquidity is for the proper functioning of the platform and incentivizes the use of its token and to access payments with it, representing around 20% of the tokens issued.

An Airdrop equivalent to 25% of the tokens issued will be established for those who use the platform regardless of whether they use the fungible token or pay with fiat.

C. INDIVIDUALS AND LEGAL ENTITIES INVOLVED.

HUMAN TEA/ FOUNDERS

- **CEO & R+D & FOUNDER:** Dr. José Luís de la Rosa i Esteva

TECNICAL TEAM

- **CTO:** Dr. Víctor Muñoz

Blockchain Expert ·

COLLABORATORS

- Marketing: Julia Svets + Cronuts Digital

MENTORS

- Regulatory and tokenization area expert: Jose María Manzanares Allén

D. REASONS FOR THE ISSUANCE OF BYTO TOKEN:

The objective of the issuance is to finance reverse R&D, marketing, ecosystem, and adoption of Byppay.

The BYTO (Byppay Token) has been developed with the following purpose:

- 1. To ensure the creation, development, and scalability of our decentralized platform over a period of 4 years and with all its phases complete.*
- 2. To finance, design, and execute international marketing campaigns to promote the Byppay project.*
- 3. Finance, design, and execute multiple auxiliary products and services for the platform that guarantee experiences in Byppay while dynamically and harmoniously advancing its development.*
- 4. To finance, design, and execute the adoption phase of the Byppay platform. By this, the issuer refers to the mechanisms within the Byppay service that foster customer loyalty and encourage reuse of the system while attracting more users.*
- 5. To make it possible to attract and associate with the most highly qualified and valuable professional human capital for the development of decentralized technology for the Byppay web app, DeFi mechanisms for factoring collateralization, and the DAO for stakeholder benefits.*

E. OBJET OF THE ISSUANCE: BYPPAY TOKEN (BYTO)

- **TOKEN DESCRIPTION**

The token subject to this issuance will be called Byto (Byppay Token) and will be considered a utility token, not representative of a negotiable value.

Token holders, in addition to being able to pay Byppay fees with a discount, will also have access to exclusive services only available on Byppay and will form a select group that will have preferential treatment when receiving discounts on Byppay fees in invoices via the token itself.

- **Specifications**

- Name: BYTO
- Maximum supply: 200.000.000 (*)
- Blockchain network: Polygon
- Standard: ERC-20

(*) A maximum genesis of 200 million tokens is established, but initially, in the ICO, a maximum of 25 million tokens will be issued and the remaining 175 million from 2025 onwards.

F. USE OF FUNDS AND COSTS ASSOCIATED WITH THE ISSUANCE

The revenue obtained from the initial sale of Byto tokens will allow for the acceleration of ecosystem development. The items to which said revenue will be allocated are as follows:

DAO Byppay (foundation)	15.00%
Liquidity	20.00%
Founders and first investors	15.00%
Raffles, CO2 offset, and charity	10.00%
Marketing (Airdrop, bounties, events)	25.00%
Management Team (team, mentors, advisors)	5.00%
Staking Rewards	10.00%

3. INFORMATION ABOUT THE PUBLIC TOKEN OFFERING

A. PUBLIC OFFERING

The contents of this document describe the conditions of the initial sale of BYTO tokens that will be carried out in the following phase:

- Public Offering

The Issuer will offer a maximum of 85% of the total tokens to be generated in the Public Offering through the website <https://www.byppay.com/PublicOffer> during the period from May 15th, 2023, to October 30th, 2024 at 23:59 (Madrid, Spain time).

Hard Cap: The maximum estimated amount for the placement of tokens for public and private sale in the first phase is 25,000,000 tokens.

B. SOFT CAP: 500.000€

C. TOKEN PRICE AND SALE STAGES

- **Public Sale: Phase I:**

- Vesting¹ (release of fungible tokens):

¹ The term "Vesting" refers to the progressive release of tokens during the indicated period. In this case, 4 stages are contemplated, the first one after the conclusion of the public sale and the following 3 as indicated.

100% over 30 months

Cliff: 18 months implemented as vesting for the NFT entangled token

- Purchase limits: minimum of €250 and maximum of €100,000
- Maximum percentage of total issuance: 1%
- Maximum number of tokens to be issued: 2,000,000
- Token price: €0.50
- 1,210,000 (60.50%) goes to R+D reverse (DAO Byppay), marketing (events and campaigns), liquidity, Founders and investors, and CO2 offset/charities, and is sold with VAT
- 790,000 (39.50%) goes to the rest (Management Team, marketing (bounties and airdrops), and staking rewards) and is subject to vesting as compensation.

- **Public Sale: Phase II**

- Vesting (liberation of fungible tokens):
100% over 30 months
Cliff: 18 months implemented as vesting of the NFT entangled token
- Purchase limits: minimum of 200€ and maximum of 100,000€
- Maximum percentage of total issuance: 3%
- Maximum number of tokens to be issued: 6,000,000
- Token price: 0.90€
- 3,420,000 (57%) will go towards R+D reverse (DAO Byppay), a part of marketing (events, campaigns), liquidity, and CO2 offset/charities, and will be sold with VAT
- 2,580,000 (43%) will go towards marketing bounties and airdrops, management team, founders, and investors, and staking rewards, and will be delivered with vesting as a counter performance.

- **Public Sale: Phase III**

- Vesting (release of fungible tokens):
- 100% 24 months
- Cliff: 15 months implemented as vesting of the NFT entangled token
- Limits of purchase: minimum of €200 and maximum of €500,000
- % Maximum of the total issuance: 8.5%
- Maximum number of tokens to be issued: 17,000,000
- Token price: €1.62
- 9,392,500 (55.25%) goes to reverse R&D (DAO Byppay), a portion of marketing (events, campaigns), liquidity, and CO2 offset/charities, and is sold with VAT
- 7,607,500 (44.75%) goes to marketing bounties and airdrops, management team, founders and investors, and staking rewards, and is delivered with vesting as compensation.

D. TARGET MARKET

The present token issuance is aimed at all small and medium business owners and self-employed individuals, as its utility token nature makes it perfect for acquiring products and services on the Byppay platform with a discount.

E. PAYMENT METHODS FOR TOKEN ACQUISITION

The payment methods offered for the purchase of tokens are as follows:

- Bank transfer
- Credit card
- Crypto assets

F. DELIVERY OF TOKENS

The delivery and unlocking of tokens will be carried out as indicated in section 3.a of this information document.

Dates and times based on CET (Central European Time).

- **Public sale Phase I:** 15/05/2023 (0:01h)- 30/06/2023 (23:59h)
- **Public sale Phase II:** 15/11/2024 (0:01h)- 15/12/2023 (23:59h)
- **Public sale Phase III:** 15/09/2024 (0:01h)- 15/10/2024 (23:59h)

The tokens will be delivered to the wallet that the token holder indicates, as long as it supports the Polygon network and is compatible with the ERC-20 standard.

G. TRADING PLATFORM FOR THE TOKENS

No specific trading or exchange platform has been defined at this time.

H. JURISDICTION AND COMPETENCE

Any issues arising from this document and/or its respective subscription terms will be subject to Spanish law.

With the waiver of any other jurisdiction that may correspond to them, buyers submit to the Courts of Tenerife, to resolve any differences that may arise in the interpretation or execution of this document and/or its respective subscription terms.

4. TOKEN DISTRIBUTION

The Issuer, Byppay Global SL, commits not to issue more than 200 million BYTO tokens, whose distribution a priori (which may change in the future) would be configured as follows:

CONCEPT	PERCENTAGE	EURO (millions)*	TOKENS (Millions)
DAO Byppay (foundation)	15%	1.88	3.75
Founders and investors	15%	1.88	3.75
Marketing (Airdrop, bounties, events)	25%	3.13	6.25
Management Team (team, mentors, advisors)	5%	0.63	1.25
Liquidity	20%	2.50	5.00
Staking Rewards	10%	1.25	2.50
Raffles, CO2 offset, and charity	10%	1.25	2.50
TOTAL	100%	12.50	25

(*) Calculated at a price of 0.5 euros from Public Sale Phase I.

CONCEPT	PERCENTAGE	EURO (millions)*	TOKENS (Millions)
DAO Byppay (foundation)	15%	1.88	3.75
Founders and investors	15%	1.88	3.75
Marketing (Airdrop, bounties, events)	25%	3.13	6.25
Management Team (team, mentors, advisors)	5%	0.63	1.25
Liquidity	20%	2.50	5.00
Staking Rewards	10%	1.25	2.50
Raffles, CO2 offset, and charity	10%	1.25	2.50

TOTAL	100%	12.50	25
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(*) Calculated at a price of 0.5 euros from Public Sale Phase I.

The destinations of the various private and public sales are as follows:

Reverse R&D, Byppay DAO with progressive decentralization

15% of the total token supply will be sold to finance reverse R&D, Byppay Global SL operations, and the creation of the DAO with progressive decentralization that will manage the Byppay platform. This means that Byppay Global SL assumes the financing in these initial rounds of token issuance and commits in 2024 to create the DAO to transfer all aspects of maintenance and evolution of the Byppay platform to ensure its sustainability in later years, in what is called progressive decentralization, in which players will be added over time that will decrease the initially central role of Byppay Global in the generated Byppay platform.

Marketing and events

12.5% of the total supply will be reserved to:

- finance any marketing campaigns and social media events deemed appropriate by the project management.
- marketing channel

Liquidity for payment pools

20% of the token supply will be used to provide liquidity to the payment pools for invoices.

CO2 offset, charity and raffles

10% of the total token supply will be used for CO2 reduction actions related to the platform's activity, charity actions in developing countries to use Byppay as a means of social development, and incentives for platform usage through random airdrops in the same Byto ERC20 token (planned for 2024 and 2025).

(This means that bonuses for customers will be implemented in tokens instead of discounts.)

And the **destinations for the token issuance that are not sold but transferred to various players** are as follows:

Founders and investors (remuneration via tokens)

13.89% of the total token supply will be allocated to founders and investors who hold fungible tokens as a founders and investors airdrop. These will be in Byto fungible tokens and will have a lock-up period of 24 months.

Team, mentors, advisors, and collaborators

5% of the token supply will be reserved for the team involved in the project with a lock-up period of 24 months. These tokens will also be used to attract new talent to the team in the future, as well as to incentivize and retain existing team members.

A portion will be allocated to project collaborators with deep knowledge and experience in the industry. The lock-up period that prevents their sale will be 24 months.

And it will also be used to compensate professionals with a recognized prestige in the sector who get involved in the project and spread it among their network of social and professional contacts.

Marketing Airdrop, bounties, and events

- 25% of the total supply will be reserved to:
- Award Airdrops and prizes encouraging the spread of the token and its use cases. The tokens distributed in this section will not have a lock-up period.
- bounties for global collaboration in the development of the platform and service

5. INFORMATION ABOUT THE UNDERLYING TECHNOLOGY

A. Technology used

A. Technology Used

Blockchain technology in general, and Polygon Blockchain in particular, allow for the generation and transmission of cryptocurrencies (digital assets created through distributed databases that primarily serve as a unit of account, medium of exchange, and store of value). It also allows for the creation and distribution of account units with purposes other than the first ones, which are called tokens. Depending on the characteristics and properties attributed to such tokens, they will have a different technical and legal treatment.

In the case at hand, as already anticipated, the tokens in question will have the characteristics described in the previous sections.

Regarding their technical structure, the issued tokens will follow the ERC-20 token standard to be issued on the Polygon Blockchain, which is compatible with the Ethereum network.

The Smart Contract will be developed using Solidity programming language, being deployed on the main production network of Polygon.

The Issuer reserves the possibility for the functioning of the tokens to undergo technological changes, always trying to make them as favorable as possible for the buyer.

6. RISKS

A token carries many risks, and we will mention some of them below, although there may be others.

These risks can result in partial or total loss of the tokens or their value.

The token holder fully assumes and understands all the risks associated with a token, and under no circumstances, if the token were to lose value or any other adverse event were to occur, will the issuer of the token compensate the holder in any way.

A. Risks associated with the offer and trading

- **Liquidity risk**

There is a possibility that the token may not be included in any secondary market or that there may be a lack of liquidity in OTC markets (over the counter).

The company is not responsible for fluctuations that the token may suffer in any market or whether such markets allow the token to be listed, which may involve liquidity risks. Even if the token were listed on a third-party platform, such platforms may not have sufficient liquidity or may be subject to regulatory or compliance risks, making them susceptible to failure, collapse, or manipulation.

In addition, to the extent that a third-party platform lists the token, giving it an exchange value (whether in cryptocurrencies or fiat money), that value may experience volatility. As a buyer of such assets, you assume all risks associated with speculation and the risks mentioned above.

B. Risks associated with Project Execution and/or the Issuer

- **Future Information Risks**

Certain information contained in this document is forward-looking, including financial projections and business growth projections. Such forward-looking information is based on what the management of the Company believes are reasonable assumptions, and there can be no assurance that the results will be realized. Future events could differ materially from those anticipated.

- **Unanticipated Risks**

Certain information contained in this document is forward-looking, including financial projections and business growth projections. Such forward-looking information is based on what the management of the Company believes are reasonable assumptions, and there can be no assurance that the results will be realized. Future events could differ materially from those anticipated.

- **Regulatory risks**

Blockchain technology enables new forms of interaction, and it is possible that certain jurisdictions may apply existing regulations or introduce new regulations that address blockchain-based applications, which may be contrary to the current configuration of the Smart Contracts and may, among other things, lead to substantial modifications in them, including their termination and the loss of tokens for the buyer.

Risk of project failure or abandonment

The development of the project presented by the Issuer in this document may be hindered and ceased for different reasons, including lack of interest from the market, lack of funding, lack of commercial success or prospects (for example, caused by competing projects). This token issuance does not guarantee that the milestones set forth in this document will be fully or partially developed or that it will provide benefits to those who hold tokens offered by the Issuer.

- **Risks of Project Failure of Abandonment**

The development of the project proposed by the Issuer in this document may be hindered and ceased for different reasons, including lack of market interest, lack of financing, lack of commercial success or prospects (for example, caused by competing projects). The issuance of tokens does not guarantee that the milestones set forth in this document will be fully or partially developed or that it will provide benefits to the holder of tokens offered by the Issuer.

- **Competitive risk**

It is possible that other companies may provide similar services to those of the company. The company may compete with these other companies, which could have a negative impact on the services provided by the company.

C. Risks Associated with the Tokens and Technology Used

- **High-risk product**

This type of product has inherent high risk. The value of the tokens may experience fluctuations up and down and a buyer may not recover the initially used capital.

Changes in tax requirements and/or possible deductions may also occur. Such tax requirements and deductions always refer to those in force and their value will depend on the circumstances of each buyer. Participation in this type of project must always be carried out taking into account all the information provided by the issuer.

- **Software risk**

The computer code (Smart Contract) by which the aforementioned tokens are traded are based on the Ethereum ERC-20 protocol on Polygon. Any malfunction, crash, or abandonment of the Polygon or Ethereum project can have adverse effects on the operation of the tokens in question.

Furthermore, technological advancements in general and in cryptography, such as the development of quantum computing, may bring risks that result in the malfunction of these tokens.

The Smart Contract and the software on which they are based are in an early stage of development. There is no guarantee or way to ensure that the issuance of tokens and their subsequent trading may not be interrupted or suffer any other type of error, therefore there is an inherent risk that defects, failures, and vulnerabilities may occur, which may result in the loss of funds or tokens obtained.

There is a risk of attacks by pirates or hackers on the Issuer's technological infrastructure and on essential networks and technologies. As a result, the Issuer may be partially, temporarily, or even permanently prevented from carrying out its commercial activities.

In the case of proof-of-work consensus mechanisms in Polygon, it could happen that someone could control more than 50% of the computational power of the miners in the blockchain in a so-called 51% attack and, therefore, take control of the network (the blockchain). Using more than 50% of the mining power (hash power), the attacker will always represent the majority, which means that they can impose their version of the blockchain.

In principle, this is also possible with less than 51% of the mining power. Once the attacker has gained control of the network, they could reverse or redirect the transactions they initiated, so it would be possible to "double spend" (i.e., make multiple transactions with the same token). The attacker can also block transactions from others by denying confirmation.

Additionally, other cyberattacks could occur on the Polygon blockchain, software and/or hardware used by the issuer. In addition to cyberattacks by hackers, there is a risk that the issuer's employees or third parties may sabotage the technological systems, which can cause the failure of the issuer's hardware and/or software systems. This could also have a negative impact on the issuer's business activities.

- **Risk of custody/ loss of private keys**

Only tokens issued by the Issuer can be acquired using a digital wallet compatible with the Polygon network, for which the token purchaser must have the respective private key and password. The private key is generally encrypted by a password.

The token purchaser acknowledges, understands, and agrees that if they lose or have their private key or password for the tokens obtained and associated with their Polygon digital wallet stolen, they may permanently lose access to their tokens. In addition, any third party with access to the private key could improperly appropriate the tokens contained in the digital wallet in question. Any error or malfunction caused or related in any way to the digital wallet or token storage system in which the token purchaser wishes to receive their tokens could also result in loss of the tokens.

- **Risk of theft**

The concept of Smart Contract, and the software platform on which they operate (i.e., Polygon) may be exposed to computer attacks or hacks by third parties, either through malware attacks, denial of service attacks, consensus attacks, Sybil attacks, smurfing, and spoofing. Any of these attacks could result in the theft or loss of invested capital or acquired tokens and, in turn, could lead to the failure to achieve the objectives set by the Issuer in this document.

- **Risk of incompatible wallet services**

The provider of digital wallet services or digital wallet used to receive tokens must comply with the ECR-20 token standard to be technically compatible with such tokens. Failure to ensure such compliance may result in the buyer not gaining access to their tokens.

7. MISCELLANEOUS

A. General Description

The subscriber/buyer acknowledges that, having read and understood all the headings contained in the WHITE PAPER, they wish to subscribe/purchase a certain number of tokens in accordance with the terms set forth therein.

The present Token terms do not constitute, and may not be used for the purposes of, an offer or invitation to subscribe, purchase or otherwise acquire the token by any person in any jurisdiction:

- where such offer or invitation is not authorized; or
- where the person making such offer is not qualified to do so; or
- to any person to whom it is unlawful to make such offer or invitation.

Subscribers/buyers should not construe the content of these terms as legal, business, or tax advice. Each subscriber/buyer should consult their own legal, business, and tax advisor with respect to legal, business, tax and related matters concerning this agreement. The contents of the Issuer's website or any website linked directly or indirectly to the Issuer's website are not part of these terms. Therefore, no buyer should rely on the information or other data contained on such websites as a basis for the decision to invest in the tokens.

B. Entry into force and modifications of the Token terms

These terms will come into force and therefore be applicable to the Issuer and the subscriber/buyer, from the moment the following conditions are met: The user has given their consent by clicking on the "I have read and accept the Token terms" button enabled by the issuer.

C. Object

The object of these Token terms is the purchase and sale of the Tokens. As consideration for the payment of the purchase amount by the subscriber/buyer to the Issuer, which is made on the date of subscription to these terms, the Issuer transfers to the subscriber/buyer, and the subscriber/buyer acquires, the corresponding quantity of Tokens, which will be delivered and unlocked as established in section 3.g of this WHITE PAPER.

D. Rights and obligations of the subscriber/buyer

To purchase tokens, the user must be verified by the issuer. To do so, they must go through the KYC and AML (Know Your Customer/Anti-Money Laundering) process.

The token subscriber/buyer has full legal capacity, power and authority to execute, deliver and fulfill their obligations under these terms.

The token subscriber/buyer is obliged to make the effective payment for the tokens in any of the payment methods offered by the issuer.

Every token subscriber/buyer is obliged to comply with the rules of conduct and navigation of the issuer's website, as well as the terms and conditions of the platform.

Every token buyer is obliged to act in good faith.

The token subscriber/buyer makes this purchase personally on their own initiative and on their own account and does not arise from any advisory activity of the issuer or its personnel, nor acts as a representative or agent, nor for the purpose of distribution or resale.

The subscriber/buyer declares that they have knowledge and experience in financial and business matters such that they can evaluate the risks and benefits of accepting these terms and assuming their rights and obligations under them. They are also capable of incurring a total loss of such

contribution without adversely affecting their financial situation and can bear the economic risk of such contribution for an indefinite period of time.

Although the subscriber/buyer subscribes to everything stated in this document with the expectation of benefiting from its functionalities on the Issuer's platform, derived from the efforts of the Issuer and its employees for the development of the Issuer's platform, the subscriber/buyer acknowledges and accepts that the development of the Issuer's Platform may or may not occur, be subject to uncertainties and certain risks, which may or may not have been disclosed in this document, and which may or may not be under the control of the Issuer.

E. The Issuer of the Token has the following obligations:

The Issuer accepts responsibility for the content of this WHITE PAPER and declares that, to the best of its knowledge and belief, the information contained in this Document is accurate and that no relevant data has been omitted.

The Issuer declares that, in preparing this document, it has taken all reasonable precautions to ensure that, in its opinion, the information contained in the document is correct and does not omit any facts that may affect the statements made in the document.

If claims are made before a court based on the information contained in this document, the buyer acting as plaintiff may, under the individual national laws of the Member States of the European Economic Area, have to pay the costs of translating the document before the start of the legal proceedings.

Considering that the European Commission has issued a Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on markets in crypto-assets and amending Directive (EU) 2019/1937, which aims to regulate, among other things, token issuances including the token subject to this issuance, the Issuer has chosen, in the absence of other regulation on the matter and despite the fact that the regulation is not in force as of the last update of this document, to follow the criteria and recommendations of said Regulation Project in drafting this white paper.

The Issuer declares that it is a company duly incorporated, validly existing and in good standing under the laws of Spain, and has the power and authority to own, maintain and operate its assets and rights under a valid legal title and carry out its activities as currently conducted.

The execution, delivery, and performance of this document by the Issuer are within the purposes and powers of the Issuer, and have been duly authorized by all necessary bodies, shareholders, and other organs of the Issuer.

The WHITE PAPER constitutes a legal, valid, and binding obligation of the Issuer, enforceable against it in accordance with its terms, subject to the limitations imposed by bankruptcy, insolvency or other general laws that relate to or affect the enforcement of the rights of creditors in general and the general principles of equity.

The Issuer has obtained all necessary internal corporate approvals in connection with the execution of this document.

F. Taxes

Each Party will be responsible for all direct and indirect taxes charged by the authorities to such Party.

G. Liability

Each Party shall be responsible for the breach of the obligations that correspond to it, as provided in these terms of the Token.

H. Nullity of any provision

If for any reason any clause or provision of these terms of the Token were to be considered null, this shall not affect the rest of the clauses or provisions that shall remain in force.

I. Prevention of Money Laundering

The issuance of Virtual Assets is subject to Law 10/2010 on the Prevention of Money Laundering and the Financing of Terrorism, with operations or transactions with cryptocurrencies included within the typology of obligated parties established by Article 2, 1. z) of the Law 10/2010 de PBC.

As stated in the TERMS AND CONDITIONS described in this White Paper, the Issuer informs the subscriber/purchaser that said regulations require, among other obligations, the documentary identification of its users, the collection of information about the nature of their professional or business activity, and reporting, either at the request of the Executive Service of the Commission for the Prevention of Money Laundering and Monetary Infractions or ex officio, any fact or operation in relation to which there is an indication or certainty that it is related to money laundering.

J. Data Protection

As established in the TERMS AND GENERAL CONDITIONS OF THE SERVICES of the Issuer, the processing of personal data for the management of these Token terms will be carried out in accordance with Reglamento (UE) 2016/679 del Parlamento Europeo y del Consejo, de 27 de abril de 2016, relativo a la protección de las personas físicas en lo que respecta al tratamiento de datos personales y a la libre circulación de estos datos y por el que se deroga la (RGPD), la Ley Orgánica 3/2018, de Protección de Datos y Garantía de los Derechos Digitales (LOPDGDD), and other data protection regulations.

The subscriber/buyer acknowledges that the Privacy Policy of the Issuer's website has been accepted prior to the acceptance of these Token terms. The complete Privacy Policy is accessible at the following link <https://byppay.com/>.

K. Subscriber/Buyer Support

As established in the GENERAL TERMS AND CONDITIONS OF SERVICES of the Issuer, the subscriber/buyer has access to a Customer Support Service to be able to contact directly with an agent at the following address: info@byppay.com

8. NOTICES

- **Notice to residents of EU/EEA**

The token described in this White Paper is not a security or a financial instrument within the meaning of the Markets in Financial Instruments Directive (MiFID II) of the European Parliament (2014/65/EU), securities, or other laws of member states. The Token is not a guarantee of any kind and does not represent any voting rights, management, or participation in the profits of any entity. The Token does not represent ownership of any physical asset and is non-refundable.

- **Notice to residents of The United States**

The offer and sale of the token have not been registered under the United States Securities Act of 1933, as amended, or under the securities laws of certain states. The Token may not be offered, sold or transferred, pledged or hypothecated, except as permitted by law and applicable state securities laws pursuant to an effective registration statement or exemption therefrom.

- **Notice to residents of Australia**

No SAFT, placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission in relation to the offering. The SAFT and any documents used in connection with it and any related documents do not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001. In Australia, the Token may only be offered to "sophisticated investors" or "professional investors" or otherwise in accordance with one or more exemptions contained in the Corporations Act, such that offering the Token is lawful in compliance with applicable laws.

- **Notice to residents of China**

The rights to the Token are not offered or sold and cannot be directly or indirectly offered or sold within the People's Republic of China, except as expressly permitted by the laws and regulations of the People's Republic of China.

- **Notice to residents of Japan**

The Token has not been and will not be registered under the financial or securities laws of Japan. Potential buyers of the Token undertake not to retransmit or reassign the Token to anyone who is a resident of Japan except pursuant to a private placement exemption from the registration requirements and in compliance with the relevant laws and regulations of Japan.

- **Notice to residents of the Russian Federation**

The SAFT and any related documents are not an offer, or an invitation to make offers, to sell, buy, exchange or otherwise transfer foreign securities or financial instruments for the benefit of any person or entity resident, incorporated, established or having its habitual residence in the Russian Federation. The SAFT and any documents used in connection with the offer and sale of the Token are not announcements related to the placement of securities or public circulation as determined by Russian legislation. The Token is not intended for placement or public circulation in the Russian Federation. Neither the SAFT nor any other document related to it has been or will be registered with the Central Bank of the Russian Federation.

- **Notice to residents of Switzerland**

The Token may not be publicly offered in Switzerland and will not be listed on Swiss exchanges or on any other securities exchange or trading facility regulated in Switzerland. The SAFT and any related documents have been prepared without regard to the disclosure rules of the issuance prospectuses under the Swiss Code of Obligations or the disclosure rules of the listing prospectuses. Neither the SAFT nor any related marketing material may be publicly distributed or made available to the public in Switzerland. The SAFT and any related marketing material have not been and will not be filed or approved by any Swiss regulatory authority, primarily the Swiss Financial Market Supervisory Authority. The offer and sale of tokens have not been authorized under the Swiss Federal Act on Collective Investment Schemes.

- **Notice to residents of The United Kingdom**

In the United Kingdom, the SAFT is being distributed and is directed only at (and any purchase activity to which it relates will be engaged in only with) investment professionals (within the meaning of Article 19(5) of the Financial Promotion Order); (ii) persons or entities of the type described in Article 49 of the FPO; (iii) certified sophisticated investors (within the meaning of Article 50(1) of the FPO); and (iv) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action in respect of the SAFT or based on any document used in connection with it. It is a condition to the acquisition of the Token that the person warrants that he is a relevant person. The SAFT and the documents used in connection with it have not been approved by any UK regulatory authority.

- **Notice to residents of all jurisdictions**

Notice to residents of all jurisdictions No action has been taken to permit the offer, sale, possession, or distribution of the Token or any related document in any jurisdiction where such action is required. You are required to inform yourself and observe any restrictions related to the offer of the Token, the SAFT, and any related document in your jurisdiction.

There is no economic return envisaged for the purchase of the Token, and you should not purchase the Token for speculative purposes. Participation in the Token sale should have no expectation of profits, dividends, capital gains, financial returns or any other payment or income of any kind. Purchasing the Token involves

substantial risk that could lead to loss. There is no guarantee that the objectives will be achieved or that the Tokens will always have or maintain their value within the ecosystem.

Any resale of the Token must be made by exemptions from securities requirements and in compliance with the requirements of applicable laws.

ANNEX I – TOKEN SUBSCRIPTION AGREEMENT

This agreement is made [*] on [*] 2023

BETWEEN:

1. Byppay Global SL, a limited liability company with Spanish tax ID [B-72868102];
2. [buyer's information*] (the "Buyer").

The Issuer and the Buyer will be jointly referred to as the "Parties" or, as the case may be, as the "Party" when the context of the situation so requires.

PREMISES:

1. The Issuer is a company dedicated to information technologies to facilitate negotiations and payment agreements between companies. More information about the Issuer can be found at the following link <http://byppay.com/>. The information contained in the previous link is purely descriptive in nature and does not form part of this Agreement.
2. The Issuer intends to carry out a sale of tokens based on Blockchain technology.
3. In exchange for the contribution from the buyer(s) during the issuance period, they will receive Tokens issued through a Smart Contract based on a Blockchain technology called Polygon, unless the Issuer decides to use another technology as described in this white paper.
4. The Buyer is interested in participating in the aforementioned issuance in exchange for receiving the referred tokens in accordance with the terms of this agreement and the white paper.

THE PARTIES AGREE AS FOLLOWS, (hereinafter the "Agreement" or the "Investment Commitment"):

- 1. Acceptance of the terms of the present Agreement and Whitepaper**

Participation in the issuance is subject to the terms of this agreement and the Whitepaper. In the event of any discrepancies between both documents, the provisions established in this agreement shall prevail.

2. Functioning of the Issuance and the Contribution

The Issuer will make available to the Buyer a Smart Contract based on the Polygon Blockchain with the intention of generating and delivering the cryptographic tokens as a counterpart to their payment.

3. Price

The price attributed to each token during the issuance period will be determined in the whitepaper according to the sales phase in which it is located (hereinafter "Issuance Price").

The reference currency for calculating the contribution will always be the Euro, in accordance with the exchange rate established on the website (<https://coinmarketcap.com>) at 12:00 UTC on the date of the last day of the Subscription Period (the "Conversion"). The Issuer is not responsible for any loss that the buyer may suffer as a result of said conversion.

4. Payment

The Buyer agrees to make their contribution to the issuance in Euro (€), Euroe, Euroc, Ether (ETH), Bitcoin (BTC), USDC, or MATIC. The Buyer agrees to transfer their contribution to the address of each currency platform or to the bank account established by the Issuer. Details of the transfer will be provided by the Issuer within two business days of signing this Agreement.

The amount contributed by the Buyer is considered non-refundable, except in the event that the Softcap is not reached.

5. Receipt of Tokens

To receive the tokens, the Buyer must have a Polygon address that is compatible with ERC-20 tokens and supports the Polygon network, in other words, the Buyer's digital wallet must have technical infrastructure that is compatible for receiving, storing, and transferring the tokens in question, which are based on the ERC-20 standard. The issuer reserves the right to unilaterally modify the requirements for digital wallets to store such tokens at any time.

6. Risks

The buyer understands and assumes all risks specified in the whitepaper in order to formalize this agreement.

7. Responsibilities and Indemnifications

The buyer will indemnify the Company, its employees, directors, contractors, consultants, partners, suppliers, parent companies, subsidiaries and affiliates, agents and representatives (hereinafter "**Company Affiliates**") against any and all claims, legal actions, damages, losses, costs and/or expenses (including reasonable professional and legal fees) that may arise in connection with:

- a. The acquisition or use by the Buyer of the tokens under this Agreement;
- b. The failure of the Buyer to meet its responsibilities or obligations under this Agreement;
- c. The performance or non-performance by the Buyer of its responsibilities or obligations under this Agreement;
- d. The Buyer's failure to comply with any rights (including, among others, intellectual property rights) of any other person or entity.

Notwithstanding the foregoing, the maximum total liability of the Issuer to the Buyer under or in connection with this Agreement shall not exceed the amount of the contribution.

8. Confidential Information/Disclosure

The contents of this Investment Agreement shall be deemed confidential information (hereinafter, "Confidential Information"). The Confidential Information of a Party shall not include information that:

- a. Becomes publicly known;
- b. Is in the lawful possession of the other Party prior to disclosure and has not been obtained by the other Party, directly or indirectly, from the disclosing Party;
- c. Is disclosed to the other Party by a third party without restriction on disclosure;
- d. Is independently developed by the other Party; e. Must be disclosed pursuant to any judicial or governmental requirement or order (provided that the recipient shall give prompt notice to the disclosing Party of such requirement)).

The parties agree to maintain confidentiality regarding the content of this Agreement for a period of 2 years from the date of signature. The Parties agree not to use the Confidential Information for any purpose other than the implementation of this Agreement. Each party agrees to take all reasonable measures to ensure

that Confidential Information is not disclosed or distributed by its employees or agents who violate this Agreement.

Without the prior written consent of the other party, neither party may make public announcements or issue any press release or advertising related to this Agreement. Neither party will use the trademarks, trade names, logos or other intellectual property rights of the other party without obtaining its prior written consent.

9. Miscellaneous

This Agreement, including the whitepaper, constitutes the entire agreement between the parties in relation to its subject matter and shall be read and interpreted as a single document. Furthermore, it replaces and extinguishes all prior agreements, drafts of agreements, warranties, statements and commitments of any nature made by or on behalf of the Parties, whether orally or in writing in relation to this subject matter.

Each Party acknowledges that in entering into this Agreement, it has not relied on any oral or written statements, warranties, representations or commitments made by or on behalf of the other Party in relation to the subject matter of this Agreement at any time prior to its signing (hereinafter "pre-contractual statements") other than those set out in this Agreement or the whitepaper. Each Party hereby waives all rights and remedies that might otherwise be available in relation to such pre-contractual statements.

If any court or public authority determines that any provision of this Agreement or the whitepaper is invalid or unenforceable, any such invalidity or unenforceability shall affect only such provision and shall not render any other provision of this Agreement or the whitepaper invalid or unenforceable. If any provision is found to be invalid or unenforceable as set out above, such provision shall be modified or limited only to the extent necessary to make it valid and enforceable.

Nothing contained in this Agreement or in the whitepaper shall be deemed to make either party a partner, joint venture, or employee of the other for any purpose. This Agreement, the whitepaper, and any dispute or complaint arising out of or in connection with them, their subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with Spanish law.

The parties irrevocably agree that the Spanish courts shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or

the whitepaper, its subject matter or formation (including non-contractual disputes and claims).

10. DETAILS OF TOKEN SUBSCRIPTION

a. Amount of token subscription by the buyer

b. Currency of the investment commitment:

- Euro

c. Polygon digital wallet address to receive the tokens

0XXX_____

d. Digital wallet address to be used for payment of the token purchase (if to be carried out in cryptocurrency)

- ETH
- USDC
- EUROCC

e. Bank details of the Issuer

- Recipient
- IBAN
- [*]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written.

Issuer:

[*]

Buyer:

[*]

Representative:

[Name of the representative*]

Representative (if applicable):

[Name of the representative*]

Representative's position:

[Title]

Representative's title (if applicable):

[Title]

Signature:

Signature:

**ANNEX II – Transcript of the response dated April 4th, 2023 to the
query to the CNMV (National Securities Market
Commission)**

Dear Sirs,

Regarding the query you made to the Fintech Portal regarding the issuance of Byto tokens by BYPPAY GLOBAL S.L., whose description provided by you we attach, we inform you that, given these characteristics, said tokens would not have the nature of financial instruments included in the MIFID Directive and, with the current regulations in force, would not be subject to CNMV supervision. They cannot be classified as other negotiable securities in accordance with the definition of negotiable securities set out in the aforementioned annex, as interpreted by the CNMV itself in the Criteria for ICOs published on September 20, 2018.

<http://cnmv.es/DocPortal/Fintech/CriteriosICOs.pdf>

However, please note that if the characteristics of the token were to change or other types of benefits were attributed to it different from those described in your query, its nature would have to be evaluated again.

However, it should be noted that, in accordance with Article 247 of Law 6/2023, of March 17, on Securities Markets and Investment Services (LMVSI), the CNMV may subject the advertising of crypto assets or other assets and instruments presented as investment objects to authorization or other forms of administrative control, including the introduction of risk and feature warnings, with comparable advertising dissemination, even if they are not activities or products provided for in the LMV. Circular 1/2022, of January 10, 2022, of the National Securities Market Commission, was published in the Official State Gazette on January 17, 2022, relating to advertising on crypto assets presented as investment objects, which establishes a series of regulatory rules for the advertising activity of crypto assets.

On the other hand, it should also be taken into consideration that a Proposal for a Regulation on crypto asset markets, known as MICA, is currently being negotiated within the European Union, which, when approved, could change these obligations.

<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020PC0593&qid=1606240860589>

Given the characteristics of the token, these regulations would also not apply to it, but we reiterate that if these characteristics were to change, it would be necessary to reevaluate the possible application of the regulations in case they were not financial instruments. We hope to have been helpful, and we remind you that this is an informal opinion to guide you in your FinTech project. Finally, we appreciate your contact with us.

Sincerely, the team

FinTech



Contacts through the FinTech portal do not imply the initiation of an administrative procedure. The opinions expressed by the CNMV through the FinTech portal are solely for informational purposes, in accordance with Law 7/2020 of November 13, on the digital transformation of the financial system, and are in no way considered resolutions or communications with binding effect.

Legal Notice - National Securities Market Commission

This message and, if applicable, any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this message in error or are not the intended recipient, please notify us immediately and delete this message from your system, as any unauthorized disclosure, use, transmission, or reproduction of this message or its contents is strictly prohibited. CNMV reserves the right to take legal action against any person accessing any message external to the entity without authorization.

For information and inquiries, please visit our website: <http://www.cnmv.es>