

THE SELF-GOVERNING BLOCKCHAIN TECHNOLOGY FOUNDATION

THE FOUNDATION: AN ECONOMICS CASE

For more than ten years the blockchain enthusiasts and evangelists along with the rest of the digital community have been working tirelessly on creating a positive public sentiment towards this technology. Today, not only the blockchain is here here to stay, but in the coming years it will underwrite the new economy paradigm.

What is important, however, is not to overlap the importance of the blockchain with the nature of one of its most ubiquitous and controversial derivatives - cryptocurrencies.

Unlike the blockchain technology, cryptocurrencies are an asset class and, like any other asset in a capitalist society, they can't accrue value permanently. As always in the financial market, a recession comes when we least expect it. And, even though the cryptocurrency market as of today is a relatively small one, it's not a question of "whether or not", it's a question of when is it going to burst.

There are plenty of red flags pointing at the global events all but guaranteeing such dire outcome. But the most important contributing factor to the unavoidable cryptocurrency crash is that practically none of the today's cryptocurrencies is owning up to their original claim to fame:

- Decentralization (most of the large exchanges are FDIC insured, which means, they've essentially entered the Federal reserve system)
- Anonymity (the way information leaks works (web trackers using cookies) during ordinary purchases makes it easy to link individuals with a cryptocurrency transactions they make, even when purchasers use additional privacy protections)
- Negligible transaction fees compared to conventional banks and payment services (the transaction fees of 30% and more are raising alarms in the community)
- Independence from any government (as an asset class, cryptocurrency is priced relative to government issued money. That alone should be a clear sign of a failure to achieve autonomusness)
- Accessibility (even though downloading a digital wallet is a fairly straightforward procedure, consciously investing in cryptocurrencies is extremely difficult from many stand points. John McAfee, the cyber security guru and a most fervent cryptocurrency advocate has admitted more than once to losing thousands of dollars as a result of the overwhelming intricacies of the cryptocurrency trade)

In addition, government regulators in several countries have already expressed concern about money laundering and illegal financial transactions in which cryptocurrencies play a key role. China, South Korea and Russia have already implemented prohibitive legislation, thereby banning all activities related to ICOs in their countries while vehemently supporting the blockchain technology.

If a particular cryptocurrency is banned (i.e., the operations and transactions involving the national currency and cryptocurrencies become prohibited by law) in one of the main economies of the world, it can:

- devalue the asset class in general, turning crypto into a line of code nobody cares about
- encourage other national governments to do the same, thereby initiating a downward spiral
- give bad name to the blockchain technology, crippling innovation in the field

In our opinion, the third outcome is the most dangerous one. While all of the above factors can, and will contribute to the fall of the cryptocurrency market, crippling innovation in the blockchain technologies sector will affect the future of the “new economy” in an all-out negative way impeding progress in virtually every aspect of the modern society.

The Blockchain Technology Foundation (BCTF) is the organization dedicated to preventing that from happening by furthering the adoption of the blockchain technology through engaging and educating business leaders, regulators, and global decision and change makers on how to harness this groundbreaking tool to create more secure, equitable, and functional societies.

THE FOUNDATION: A POLITICAL CASE

The chain of transaction blocks - or the blockchain - was first noticed by financiers in the late 2000s when the first ever functioning cryptocurrency - bitcoin - entered the public view. At the heart of this technology is the peer-to-peer principle, similar to the now age-old file-sharing system. And it's this particular trait, this astounding advantage that terrifies bankers: the fact that blockchain does not have a specific center - all users of the network participate in the creation of data packets. The fact that the blockchain was supposed to be completely open, absolutely secure, and, crucially, had no need for intermediaries, drove the financial and political establishment insane.

To destroy, subdue or reset such a network, one must disconnect all the computers connected to it simultaneously. All information on the blockchain is publicly available but it cannot be changed because when one tries to edit the source record, the transaction key changes automatically. If a request for a transaction (for example, money transfer) is entered into the system, it remains there forever, like a brick in an indestructible wall. Theoretically, the system can be corrupted but only if a single source controls more than 50 percent of its processing power. So far, such case remains to be seen.

It's impossible to overstate the importance of the blockchain technology for the future of all peoples and nations. Amazingly, some still strongly believe that it threatens the very existence of the “system” particularly, the legacy financial sector.

It's perfectly understandable. Banks stand to lose trillions in deposits, lending, intermediary services they provide, various clearing systems they set up for their clients, revenues from

currency exchange rates and adjacent services, and so on. It's inevitable that the global financial system will soon be struck by a blockchain revolution and this time "adapting" will not do.

The blockchain *could* revolutionize society as a whole. But in order to do that, it'd have to give rise to the new forms of state government, which until now existed only in the dreams of utopians and philosophers. It's clear as day that those future governments would have to be elected by (or with the help of) political forces strongly opposing the current power structure. And The Blockchain Technology Foundation will make sure that the transition is as smooth, lawful, and swift as possible.

HEAR US!

Blockchain is potentially the most transformational technology since the inception of the Internet. While the internet revolutionized many industries, most assets of value - passports, votes, land titles - have yet to be digitized. Blockchain provides a mechanism for anyone with an internet connection to transfer any asset, anywhere, anytime - with unmatched security, efficiency and integrity.

The Blockchain relies on mathematics to ensure the security and integrity of all the information it stores. Information is distributed across an extensive system of computers on the Blockchain network. These computers perform rigorous mathematical equations to confirm the validity of every transaction before coming to consensus. Once verified, transactions are packaged into blocks of secure data. These blocks are timestamped and added to an ever-growing, unchangeable chain. Any asset of value - including currency, health records and land titles - can be placed on the Blockchain.

The implementation of Blockchain technology in our global economy will enable governments, organizations, institutions and businesses to create records and processes that are highly secure, transparent and more resistant than ever to corruption. As with any new technology, the role of the business sector will be key to maximizing the potential and benefits of Blockchain technology.

Blockchain has tremendous potential to transform the global economy. It is the most secure way to transfer digitized assets and information peer-to-peer or organization-to-organization through the use of distributed ledgers. The adoption of Blockchain technology will enable businesses, governments, and organizations to ensure data integrity and create records, transactions, and systems that are highly secure, transparent and significantly more resilient against manipulation and corruption. The BCTF helps maximize the benefits of Blockchain for industry and society.

JOIN US!

The Blockchain Technology Foundation was founded with the intention of gaining participation of the industry's leading companies, all committed to the belief that Blockchain technology can and will change the way we do business. As this technology grows in acceptance and use, we welcome like-minded businesses, who share our commitments to the technology and

transparency, to join us as we explore and implement this exciting and transformative new way of doing business.

OUR MISSION

Advocacy: The BCTF works with partners from a broad range of sectors to advocate for the adoption of Blockchain technology and support the development of industry standards that enable more efficient use of Blockchain technology across different regions, platforms and sectors.

Education: The BCTF serves as an educational hub for businesses and regulators seeking to learn more about Blockchain technology and benefit from its potential – producing content and events that bring key insights on Blockchain technology to business audiences.

Partnership: The BCTF facilitates partnerships between organizations of all kinds, with a focus on building commercial, educational, and civic alliances that support the needs of our members.

WHY BLOCKCHAIN

The internet has revolutionized the way we approach commerce, communications, financial services, entertainment, intellectual property and so much more. Blockchain technology is the Internet's missing piece, allowing for any asset to be digitized, transferred and recorded on transparent and distributed ledgers that offer real security. Now anyone with an internet connection can transfer assets directly on a system with unmatched security, integrity and efficiency. No more paper and no more slow, expensive and hackable intermediaries.

P2P technology: the Blockchain is a transformational, peer-to-peer technology that facilitates direct asset transfer through a decentralized network.

Security: Blockchain technology can strengthen security and governance and help create a strong foundation for profound global and social change.

Transparency: Transparency is built into the Blockchain, which extends its usability far beyond finance. Blockchain technology has the potential to help address many economic, social and governance challenges by rooting out corruption and restoring trust in hobbled institutions.

Multipurpose usage: From safeguarding property and voting rights, to financing the work of civil society, to combating identity theft and human trafficking, there are many exciting potential uses for Blockchain technology.

WHY THE CREATION OF THE FOUNDATION IS NECESSARY

- The onslaught of authorities upon the freedoms of business is strong, steady, and inexorable. It can only be stopped by a coordinated communal effort by all affected entities;

- It has been proven throughout history that a strong community is a force to be reckoned with and authorities invariably give concessions to truly united alliances involving large and dedicated groups of citizens;
- The goal, which the Foundation pursues, cannot be achieved by a single individual or an organization limited by jurisdiction, physical borders, and citizenship of its members. Only a concerted global effort made simultaneously on many fronts will fulfill our common goal;
- One of the goals of the Foundation is to create political roadmaps and solutions for preventing the fraud in the future of crypto. Replacing (or adjusting) an existing system with a different structure adhering to polarly different values, if attempted peacefully and lawfully, may only be achieved through parliamentary procedure and legal efforts. For that, citizens of the world need political representation in their respective parliaments, which the Foundation will strive to provide;
- In the early 21st century the cyber-world is well known as a cradle for crime. The Foundation is dedicated to protecting and promoting freedom in cyberspace and offers its services, ecosystem, and its members' expertise at the disposal of the authorities investigating such crimes. Our representatives will mediate in controversial cases supplying expert advice and making certain that the rights and freedoms of the aggrieved parties are observed and protected;
- Undoubtedly, the freedoms that the blockchain technology illuminates, and cryptocurrencies provide, are extremely dangerous for the ruling class. The decentralization of record-keeping, that of the financial services, the alternative money, the looming complete independence of an individual from a state apparatus... The list goes on and on. Knowing that the power will fight tooth and nail for its continuous right to tell people what to do, how to live, and how to conduct business, the global Foundation with the specific purpose of giving a social, legal, and political weight and patronage to all blockchain developments and cryptocurrency enthusiasts on the planet - successful, failing, defrauded, unjustly persecuted etc. - is of utmost importance;
- The ultimate goal and aspiration of the organization is to assist the cryptocurrency and blockchain technology enthusiasts through philanthropy development and funding of projects that address poverty, inequality, education and social support;
- The Foundation is being created to affirm the need for a common global forum to facilitate the exchange and sharing of information, experiences, training programs and best practices and for fostering access to and sharing of accessible and assistive technologies, and experience between the movements of developing and developed countries;

- The Foundation will facilitate coordination between and among local, regional, and national organizations; and to stimulate global advocacy to advance the rights of everyone without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status;
- The Foundation will advance and strengthen the global humanitarian assistance movement through the establishment and strengthening of bonds between the Northern, Southern, Eastern and Western hemispheres, and encompassing persons from countries of all levels of economic and human development;

VOTING

Essentially, the Foundation will replace whatever tokens you lost to the cryptocurrency bubble with its own cryptocurrency 1:1. This means that the quantity of the tokens you'd lost will signify the quantity of the BCTF tokens you will receive from the Foundation as compensation for your loss, and will directly correspond with your voting rights.

We expect this approach to voting to not only democratize the voting process to the point of giving real heft to the voice of every single BCTF member but, in time, to create a revolutionary mechanism of the online presence where the community governance is a truly decentralized, linear all-inclusive consensus-based strategy.

BCTF TOKEN LAUNCH AND DISTRIBUTION

Description of the token

The BCTF token will be consistently implemented in two versions. Such a step-by-step scheme for creating a token will, firstly, allow the token to be put into circulation when the total volume of its emission is finally determined, and secondly, it will allow allocating resources rationally.

The first version of the token is a "simple" token of the Ethereum ERC20 standard. The advantages of this token are:

1. Minimum time and financial resources to create and launch.
2. Reliable technical support of the Ethereum platform.
3. A ready electronic wallet, which any user can download freely.

The total emission of the token will be 3.86 trillion coins, which will be in circulation for five years, after which the unallocated tokens will be cryptographically destroyed, and tokens in circulation will be subject to exchange for the second generation tokens at 1:1.

Advantages of the second generation token:

1. Technologically more advanced token developed on advanced blockchain technologies.

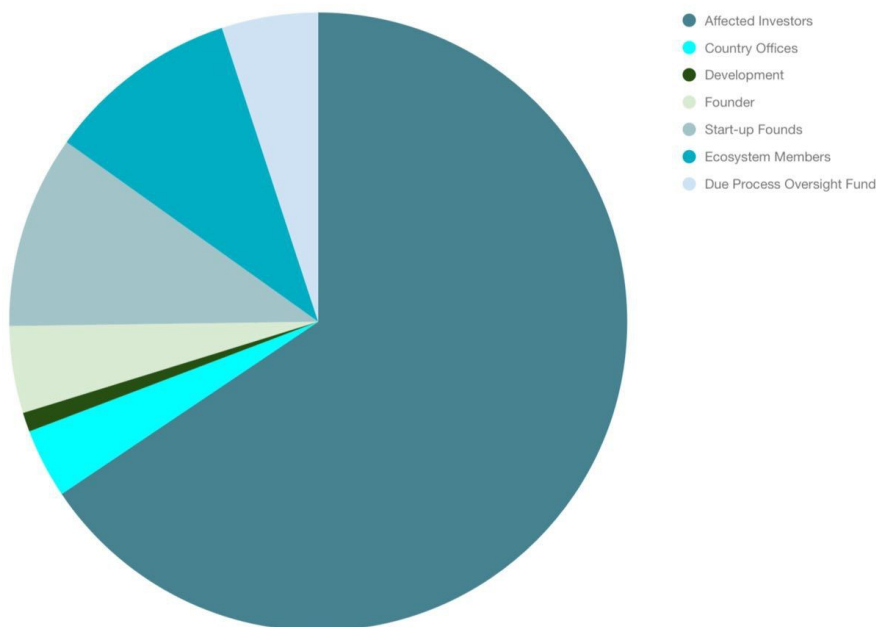
2. Proprietary wallet equipped with an embedded algorithm for voting for the BCTF community decisions.
3. The single commission fee is 0.75% for the transaction and no payment for the mining.

Emission and distribution of the first generation token

By the time the project is launched, the code will have 3.86 trillion coins available, which will be distributed as follows:

- 2.5 trillion tokens (about 65%) - for distribution among the crypto-investors who suffered losses due to the cryptocurrency bubble (within 5 years);
- 0.4 trillion tokens (about 10%) - for distribution among start-ups (within 10 years);
- 152 billion tokens (about 3%) - for distribution among BCTF regional offices (one-time only, locked-in for 5 years);
- 0.2 trillion tokens (about 5%) - Due Process Oversight Fund (DPOF) distributes tokens among legal specialists involved in legal action on behalf of the BCTF members;
- 0.4 billion tokens (about 10%) - for distribution among volunteers and enthusiasts engaged in the development and support of BCTF (one-time only, blocked for 5 years);
- 230 billion tokens (about 4.5%) - as a reward to the creators (one-time only, locked in equal parts for 5 years).

BCTF Token Distribution



Basic smart contract.

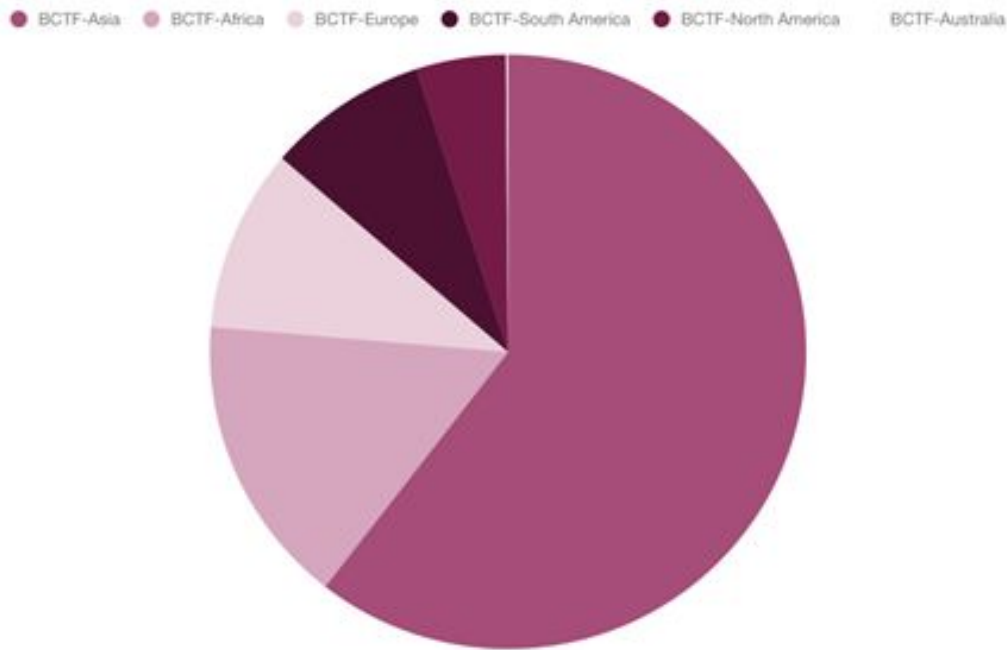
Tokens intended for distribution among investors affected by the cryptocurrency bubble will be automatically transferred to a Base smart contract after emission. Access to the tokens located in

the Base smart contract will be granted in accordance with the blockchain-based roster of eligible BCTF membership applicants who will be confirmed as victims of unscrupulous crypto-currency projects. Thus, the targeted distribution of the tokens in the smart contract will be achieved. At the end of the five-year period, all BCFT tokens that are not distributed among the affected crypto investors are sent to the Genesis account (digitally discarded or "burned").

Start-ups Fund

Tokens intended for distribution among start-ups will be automatically transferred to the Smart Start-up Fund contract after emission. The distribution of tokens from this smart contract will be made once a year on September 1 between the Regional organizations of BCTF in proportion to the population in each region:

Distribution of Start-ups Found by World Population by Region



The transfer of these tokens will be made to an electronic wallet separate from that of the regional organizations'. The funds from the Start-up Fund wallet can be transferred only if there are at least five keys out of seven possible. Each of the keys will be entrusted with one of the seven members of the Startup Commission, respectively. The distribution of tokens from this smart contract will be possible once a quarter on the first Wednesday of the first month of the quarter on the day of the meeting of the Commission.

The Due Process Oversight Fund

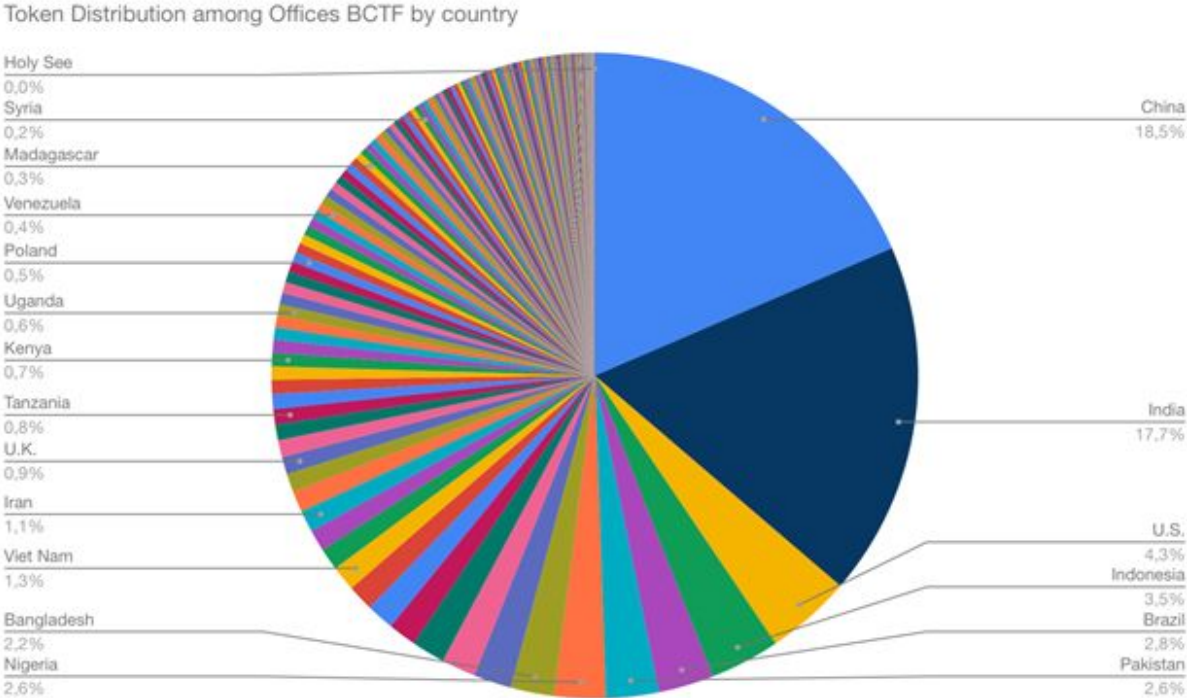
The Due Process Oversight Fund (DPOF) is a smart contract , which will distribute tokens among legal specialists who are involved in legal action on behalf of the BCTF member and advice regional offices on developing legal strategies in accordance with their localities current legislation.

The Ecosystem Member Fund

The Ecosystem Member Fund is a smart contract that distributes tokens as assistance to those platforms that will enter the BCTF ecosystem. For detailed membership conditions see “BCTF ecosystem.”

Electronic wallets of the BCTF regional offices

Tokens intended for distribution among regional offices will be transferred immediately after emission to the electronic wallets of the regional offices. The unlocking of these tokens will occur for five years: 30% in the first year, 20% for the next three years and the remaining 10% in the last fifth year. Electronic wallets of the regional offices will allow transferring funds only if there are three electronic signatures (which will be assigned to the office). The distribution of tokens among the offices will occur in accordance with the principle: 20 tokens per inhabitant of the country*:



**Complete information on the distribution of tokens among the regional offices of BCTF is given in the Appendices.*

Electronic wallet for distribution of the BCTF support tokens

Tokens intended for distribution among volunteers and enthusiasts involved in the creation and development of the BCTF will be locked in a special electronic wallet with a minimum number of required signatures - four out of seven possible (corresponding to the number of the members of the Board). Unlocking tokens will occur once a year as follows:

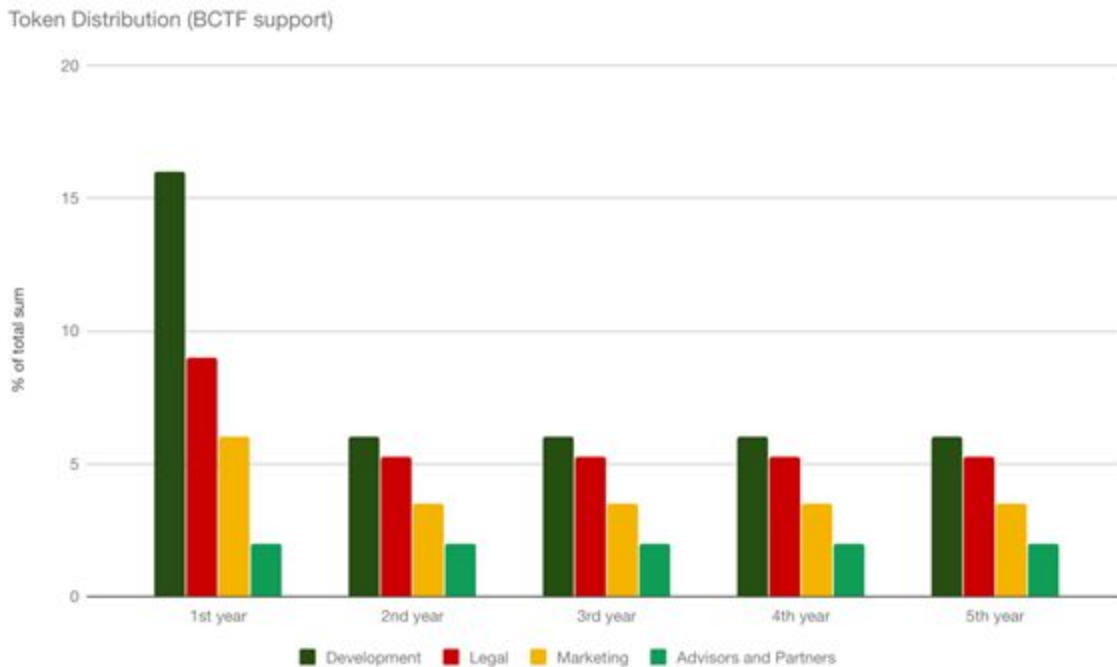
40% - code development and creation of technological elements

30% - legal issues

20% - marketing

10% - consultants and partners

In the first year, 40% of the tokens intended for code development will be paid, 30% for legal issues and marketing and 20% for consultants and partners. The rest of the tokens will be evenly distributed over the next four years.



Note: Until the creation of the relevant organizational structures, signatures to all electronic wallets are stored with the creators of the BCTF.

Algorithm for transferring of the first generation token to the affected crypto-investors

1. Submission of an application by the affected crypto-investor through the BCTF electronic service for membership in the organization. The application must include:

- Personal data of the applicant;
- The name of the project, the amount of tokens (rights) and supporting documents;

- The BCTF authorization to file a claim for this project on behalf of the applicant;

2. Consideration of the application by a potential BCTF member

- Full procedure - if the applicant is not on the Blacklist, BCTF cross-references all available documentation about the project and, in case of a positive conclusion, all information is transferred to an SRO unit.

- Brief procedure - if the applicant's project is already listed on the Blacklist, the only subject for review is the authenticity of the documents provided by the applicant.

3. Decision on membership

In the case of approval, the following occurs:

- The applicant data is transferred to one of two blockchain lists: for token owners or for the rights owners (as a result of ICO). The required information for both lists are: (1) the wallet specified by the applicant for obtaining member tokens, (2) the number of tokens an applicant is entitled to.

The required columns for the owners of the tokens list is: (3) the number of the "black hole" wallet (designed to destroy the tokens) in accordance with the type of the token; (4) the amount and name of the tokens to be destroyed, (5) the confirmation column, which automatically reads the confirmation from the "black hole" wallet when all the conditions match.

- The basic smart contract is programmed to automatically read the data of the first two columns on both lists (in the case of the token owners' list, the read-out condition is the fifth column filled in) once a day at 00:00, which automatically sends the tokens via the basic smart contract.

Note: to obtain the BCTF membership and receive membership tokens, the applicant must destroy the tokens he or she claims to be issued by a fraudulent or default cryptocurrency project. This is necessary to avoid reusing tokens to obtain membership tokens and BCTF membership. To this end, the corresponding electronic wallets provided by various blockchains will be used. The entire process of destroying tokens and issuing membership tokens after the applicant's entry into the list is fully automated, initiated by the applicant (by transferring tokens to the specified wallet) and does not require third-party interference.

Confirmation of the right to own relevant tokens and confirmation of bad investments occurs by submitting scans of the electronic wallet, receipts of online payments, etc.

The calculation of the amount of tokens a BCTF membership applicant is entitled to is carried out according to the formula:

$$S(\text{bctf}) = S(\text{Xi-coin}) \times R \in (\text{Xi-coin}),$$

Where:

S (bctf) is the sum of the BCTF tokens to be received by an applicant

S (Xi-coin) is the sum of the project Xi tokens that the applicant owned (or had the right to own);

R € (Xi-coin) is the conditional exchange rate of 1 project Xi to euro.

In other words, in return for each euro invested in a "busted" project, the applicant will receive 1 BCFT token.

The "Xi-project token/euro rate" is the cost of the to-be-issued BCTF tokens in euro, determined according to the algorithm given below:

- If the project was stopped after the ICO commenced (or another type of pre-sale of tokens) and before the launch of the project and the subsequent token transfer, the rate is calculated off the amount of the actual investment.

- If the project was launched, the rate can be:

1) the last selling rate on the "busted" project's platform, in the case when the cryptocurrency was created to achieve certain goals (for example, gaming) and was not represented on the main exchanges;

2) the average rate for the last month of trading, in the case when the cryptocurrency was traded in the free market on the main crypto-exchange exchanges;

3) the funds actually paid by the investor.

BCTF Road Map

September 2017 - March 2018 - Conception of the Blockchain Technology Foundation, development of all documentation and regulatory protocols necessary for the initial functioning of the community

March-September 2018 - Announcement of the BCTF creation and involvement of volunteer specialists, ecosystem members, partners, and consultants;

April 2018 - Beginning of admission of applications for the management of the BCTF regional offices, screening and selection of candidates by the team of project creators;

June 2018 - Creation of the Self Regulatory Organization (SRO);

July 2018 - Membership applications from the crypto-investors affected by the cryptocurrency bubble are now accepted for review;

July - December 2018 - The work on the code for the first generation of the BCTF token is underway, an electronic wallet and a web resource are created;

August 2018 - The announcement of the appointment of the BCTF regional office managers with authority to further supervise the development of the BCTF organization in their localities; each regional team is given two months to organize the process;

September - October 2018 - The first legal action on behalf of the aggrieved crypto-investors is filed;

09.30.2018 - December 2024 - The period of distribution of the first generation tokens to the aggrieved crypto-investors;

October 2018 - The applications for the positions of curators of the regional organizations are now accepted and considered; the creation of a public database of resumes-applications;

December 2018 - Launch of the decentralized partner news platform;

January 2019 - The first vote by the curators of the regional offices for the BCTF membership aspirants whereupon the curators receive the pass-keys to the electronic wallets containing the membership tokens assigned to the region. The regional curators are allowed three months to choose a country location for the BCTF chapter, build a team, and start the process. The countdown begins with the transfer of the pass-keys;

February 2019 - Launch of "Upwork" - an affiliate blockchain-based partner platform where the home improvement specialists and service providers interact with homeowners;

May 2019 - The Community votes for the seventh member of the BCTF Board of Directors; regional organizations elect their representatives on the Board;

April 2019 - Launch of the partner platform for job seekers/employers;

June 2019 - Launch of the partner educational platform, specializing in modern blockchain technologies and related issues;

July 2019 - The approximate date for the establishment of the Startup Commission; start-ups membership/grant applications are now accepted;

July - August 2019 - The Board is preparing and publicly presenting the first year Action Report;

August 2019 - Launch of the partner social network;

September 2019 - August 2023 - Creation of the second generation token;

October 2019 - Launch of the partner crowdfunding platform;

October 2019 (first Wednesday) - The first meeting of the Start-ups Commission;

December 2019 - Launch of a partner platform offering influencer services;

February 2020 - Launch of a partner search platform for temp-jobs/services;

April 2020 - Launch of a partner ticket sales platform;

June 2020 - Launch of a partner decentralized cloud storage platform;

August 2020 - Launch of a partner gaming platform;

August 2020 - The Board and the regional organizations present their annual reports;

October 2020 - Launch of an affiliate marketing platform specializing in back-link sales;

December 2020 - Launch of an affiliate marketing platform specializing in advertising;

February 2021 - Launch of a partner platform offering content creation and management services, copywriter exchange;

April 2021 - Launch of the partner global catalog of the blockchain projects and ICOs;

August 2021 - The Board and the regional organizations present their annual reports;

October 2021 - The launch of a dating website;

January 2022 - The Loyalty Program begins for all BCTF members and partner platforms (all ecosystem members);

August 2022 - The Board and the regional offices present their annual reports;

August 2022 - The Board elections;

August 2023 - The Board and the regional offices present their annual reports;

October - December 2023 - Both generation tokens are being prepared for exchange;

January 2024 - The introduction of the second generation token;

STATUTE OF THE SELF-GOVERNING BLOCKCHAIN TECHNOLOGY FOUNDATION

DEFINITIONS

“Foundation” means the BCT Foundation.

“Member” means an NGO duly established in accordance with the applicable laws of the country in which it is registered, and which is admitted by the Board of Directors as a Member to the Foundation, having met the fundamental conditions for Membership as prescribed under this Statute.

“Associate Member” means any individual, institution, university, local or national government, international organization, or any other organization other than an NGO which is admitted by the Board of Directors or the General Consortium as an Associate Member to the Foundation, who is not entitled to be elected to the organs of the Foundation or vote.

“Honorary Member” means an individual chosen by the Board of Directors or the General Consortium from among the persons who have had or may have made substantial contributions to advancing the cause of the Foundation and facilitating their full inclusion and participation in society, and to the aims and services of the Foundation. She/he is not entitled to be elected to the organs of the Foundation or vote, and not required to pay the fee prescribed under this Statute.

GENERAL PRINCIPLE

All Members and Associate Members undertake the challenge to ensure and promote adoption of the blockchain technology through engaging and educating business leaders, regulators, and global decision and change makers.

DIVISIONS OF THE FOUNDATION

General Assembly
Board of Directors
Board of Supervisors
Board of Advisors
General Consortium
Eligibility and Strategy Development Committee
Presidency
Expert Commissions

Formation of New Divisions

Other divisions may be formed by a resolution of the General Assembly in order to help the Foundation achieve its objectives.

Election Principles of Foundation Divisions

Members of the divisions other than the General Assembly will be elected with consideration being given to equitable geographical distribution, representation of the different forms of civilization and of the principal legal systems and balanced gender representation.

Accessibility

Meetings of the divisions other than the General Assembly may be held as face-to-face assembly, or with the participation of any number of members or all members through remote voice and/or visual data transfer as a teleconference, video conference, or electronic meeting.

GENERAL ASSEMBLY

Delegates of the General Assembly

The delegates of the General Assembly represent the governing body of the Foundation.

Duties and Powers of the General Assembly

The General Assembly is the most competent decision making body of the Foundation, and its duties and powers are:

- To discuss and adopt the Biannual Investment Plan and the Annual Working Program in accordance with the Investment Plan;
- To discuss and approve or reject the Annual Activity Report;
- To discuss and decide on Membership and Associate Membership applications to the Foundation;
- To adopt the budget and final account, to make transfers between the units which effectuate corporate coding of the budget and the first levels of functional classification;
- To determine credit decisions;
- To decide on sale, purchase, rental and exchange of immovable properties;
- To determine the fee tariff to be applied to the services performed by the Foundation;
- To accept conditional grants;
- To decide on the peaceful settlement of disputes regarding the receivables of the Foundation the amount;
- To decide on Foundation investments to be constructed by means of build- operate or build-operate- transfer models;
- To elect the Foundation President, first deputy presidents and secretary members, and the members of Board of Directors and Board of Supervisors of the Foundation;
- To decide on the establishment of organs and units under the Foundation's organization;
- To adopt the amendments to the Statute as necessary;
- To adopt the regulations to be issued by the Foundation;
- To settle any disputes between the President of the Foundation, the Board of Directors and the General Consortium;
- To elect and dissolve the Board of Directors when necessary;
- To determine the membership fee rates;
- To determine the membership fee categories based on one of the national development or income level indexes published by independent international organizations, with a view to ensuring fairness.

Meeting and Decision Quorum of the General Assembly

The General Assembly of the Foundation meets every year in April at the Headquarters of the Foundation. The first meeting of each year is called as the opening meeting. The General Assembly meets with participation of at least the majority of the participants. The decision quorum shall not be fewer than one fourth (1/4) of the total number of members of the General Assembly. In cases where the quorum is not satisfied, the President adjourns the meeting to 21 (twenty-one) days later. The second meeting is conducted with the attendance of all available General Assembly members. The General Assembly members may appoint a proxy if they are not able to attend themselves. The General Assembly members may cast their votes in written form, by means of sending them from their institutions to the Foundation Presidency provided that the subject of vote is limited to decisions concerning the dissolution of the Foundation or amending the Statute. The President of the Foundation will call for an extraordinary meeting upon the request in writing of one half (1/2) of the General Consortium, the Board of Directors, or the Board of Supervisors, or when she/he deems necessary in emergencies. The General Assembly members are informed in writing on the call for an extraordinary meeting together with the agenda at least fifteen (15) days prior to such meeting, and the meeting is announced to the public through various ways. Any subject other than the ones causing the extraordinary meeting to be made shall not be discussed in these meetings.

BOARD OF DIRECTORS

Members of the Board of Directors

Board of Directors of the Foundation, besides the President of the Foundation, is composed of seven (7) full and five (5) alternate members elected for four (4) years among the members of the General Assembly. The elections of Board of Directors shall be carried out in the opening meeting and by secret ballot. The members of the Board of Directors shall be elected from among the members of the General Assembly. The members whose terms of office expire may be re-elected. In case of discharge of a member of the Board of Directors for any reason prior to completion of the term of office, an alternate member shall be called upon to take the place of the discharged member. Those whose General Assembly memberships are terminated also lose their Board of Directors membership.

President of the Board of Directors

The President of the Foundation shall also be president of the Board of Directors. In the absence of the President, this duty shall be performed by the Vice President. In the event that the Board of Directors of the Foundation is dissolved, an extraordinary General Assembly meeting called by the Secretary General shall be held within thirty (30) days following dissolution; and in the interim the duties belonging to the Board of Directors shall be carried out by the President of the Foundation until a new Board of Directors is formed.

Duties and Powers of the Board of Directors

The Board of Directors of the Foundation is the decision making and executive body of the Foundation and makes practical decisions and implements the annual working schedule and the Foundation budget in line with the Foundation's Statute and General Assembly resolutions. Other duties and powers of the Board of Directors are to:

- Examine and submit to the General Assembly of the Foundation the Investment Plan and Working Schedule together with the Budget and Final Account;
- Discuss and approve or reject the Annual Activity Report;
- Decide on the existence of public interest in expropriation activities to the benefit of the Foundation;
- Determine resource allocation in the case of unanticipated allowances,
- Effect transfers between the second levels of the functional classifications within the budget;
- Impose fines specified by law;
- To decide on the peaceful settlement of disputes regarding the receivables of the Foundation the amount up to 2,000 US Dollars;
- Decide on the amicable settlement of the cases with a value of up to 10,000 (ten thousand) US Dollars;
- Delegate to the General Consortium questions and decisions that require collective input to advance the solution.
- Accept new ideas and provide responses to all topics brought up by the General Consortium
- Implement the General Assembly resolutions regarding the purchase, sale, rental and exchange of immovable properties;
- Make recommendations to the General Assembly or the President on policies, strategies and operations of the Foundation;
- Determine the duties and job descriptions of the Secretary General of the Foundation, the Director of the Foundation, managers of the units (Editor in Chief, Financial Services Director, etc.) and other personnel.

Meetings of the Board of Directors and Meeting and Decision Quorums

The Board of Directors of the Foundation shall meet at least once (1) per month with the quorum of simple a majority of its members, in the designated place, on the designated day and time, and decides on resolutions with the majority of the participants. All or some of the members of the Board may participate through remote voice and/or visual data transfer as a teleconference, video conference, or electronic meeting. The President may call the Board of Directors for a meeting in emergencies. The Secretary General drafts the agenda of the Board. Board members may propose agenda topics at least 7 days before the meeting.

Management Principles

The Board of Directors shall continuously strive for the development and establishment of a democratic, participatory and transparent organizational administration in line with the Foundation purposes.

BOARD OF SUPERVISORS

Members of the Board of Supervisors

The Board of Supervisors is composed of five (5) full members and three (3) alternate members to be elected from among the members of the General Assembly for two (2) years. A person may not simultaneously hold the offices of both the member of the Board of Supervisors and member of the Board of Directors. Elections of the Board of Supervisors are held in the opening meeting and ballots are cast in secret. The Board of Supervisors shall elect from its members by secret ballot its Chairman. Members whose terms of office expire may be re-elected. In the event that any Board of Supervisors membership is discharged before the completion of the term of office for any reason whatsoever, an associate alternate member shall be called upon to substitute for the discharged member.

Duties of the Board of Supervisors

The Board of Supervisors shall conduct inspections to ensure that the Foundation acts in accordance with its objectives, and the accounts and records are kept in accordance with the legislation and the Foundation's Statute and Regulation; the principles and procedures of which inspections shall be in accordance with those prescribed under the Foundation's Statute and Regulations, at regular intervals not exceeding six (6) months, and submit the outcomes of such inspections in the report form to the Board of Directors and to the General Assembly at their respective meetings.

Duty to avail all information, documents and records to the Board of Supervisors

All kinds of documents, information and records shall be disclosed or given to the Board of Supervisors by the Foundation's authorized representative upon the request of the members of the Board of Supervisors. All Foundation Members shall grant Supervisors unrestricted access to their headquarters, enterprises and attachments.

BOARD OF ADVISORS

Structure of the Board of Advisors

The Board of Advisors shall act as the advisory organ to all other organs of the Foundation, and shall be composed of 7 (seven) members elected by the Board of Directors upon nomination by the General Consortium from academicians, professionals and other persons who have excelled in the promotion of the blockchain technology. New advisors may be elected and the number of advisors may be increased at any time up to a maximum of 14 (fourteen) with a Board of Directors resolution.

Only natural persons may be elected for membership to the Board of Advisors, with an indefinite term of membership. Members shall receive no compensation for their services but must be

reimbursed for their travel and accommodation expenses while engaged in business of the Board of Advisors.

Functions of the Board of Advisors

The Board of Advisors shall:

- Make recommendations to the President on policies, strategies and operations of the Foundation;
- Assist in the evaluation of all proposals and ideas for Foundation activities, initiatives, events, and publications.

GENERAL CONSORTIUM

Structure of the General Consortium

Each Member organization shall be represented by two (2) delegates in the General Consortium. Each Member shall also designate two (2) alternate delegates for the General Consortium. The General Consortium shall elect from its members by secret ballot its Chairman, Deputy Chairman, Secretary and Deputy Secretary, who will serve for a period of 1 year. Members whose terms of office expire may be re-elected. In the event that any General Consortium membership is discharged before the completion of the term of office for any reason whatsoever, the Deputy member shall be called upon to substitute for the discharged member.

Duties, Powers of the General Consortium

The General Consortium is the Member representative decision-making body of the Foundation, and its duties and powers are:

- Identification of eligible recipients for the disbursement of allocated compensations, grants and donations. Eligible recipients can be an individual or an NGO (including the Member organizations);
- Preselection of grant and compensation applications for the annual review and selection by the Board of Directors;
- Vote on the distribution of operational grants and compensations between the Member organizations and individual members;
- Act as the deciding body on all issues brought up by the Board of Directors;
- Suggest experts for expert commissions;
- Promote the Foundation's cause throughout the world;
- Propose new ideas and direction for the Foundation to the Board of Directors;

Capabilities of the General Consortium:

- Access to the Foundation’s network, with support for campaign development, fiscal services, marketing and communications support, grant writing assistance, compensations, strategic planning, fundraising and legal assistance;
- Share of knowledge between like-minded organizations through online media and organizational meeting;
- An option to become part of the General Assembly after 10 years of uninterrupted active membership;
- Attend Foundation organized meetings with leading speakers on charity law and related topics, with opportunities for debate and networking;
- Attend our annual conference;
- Use of our documents and templates for your organization;
- Participate in our working parties, helping shape policy and practice;
- Receive Member only;
- Submit candidacy to the Board of Supervisors;

ELIGIBILITY AND STRATEGY DEVELOPMENT COMMITTEE

Functions of the Committee

The Eligibility and Strategy Development Committee (“Committee”) shall carry out the functions hereinafter provided:

- Identification and developing strategies for promoting the blockchain technologies leading to better business practices;
- Proposing law, policy and good practices to address barriers for the blockchain-oriented businesses and individual entrepreneurs;
- Development of mid- and long-term plans to enhance the social and legal right of the blockchain-oriented businesses and individuals;
- Developing and implementing effective public awareness campaigns and activities;
- Cooperating with local and international organizations that operate in the field of improving the full participation of the blockchain-oriented businesses/individuals in need and conduct joint studies;
- Monitoring and assessing the success of plans devised both by the Committee and other organizations;
- Organizing meetings and symposia on access to the blockchain technologies throughout the world;
- Collecting appropriate information, including statistical and research data, to formulate and implement policies, consistent with legally established safeguards to ensure confidentiality and respect for the privacy;
- Preparing guidelines detailing the features of the reports of Members and Associate Members;
- Proposing events, activities and conferences for the Foundation;
- Reporting annually to the Secretary General of the Foundation on Committee activities;

- Identify the eligibility criteria for businesses and persons in need through a use of statistics and government data for each individual country where the Foundation operates;

Number of Committee Members

The Committee shall be composed of twelve (12) experts.

Nomination of Committee Members

The Committee members shall be elected from a list of the candidates nominated by the Members. Elections shall take place in the sessions of the General Consortium by secret ballot.

Committee Elections

The election shall be held six (6) months at the latest following the President's call to form this committee. The Secretary General of Foundation, by sending a letter to the Members at least four (4) months before each election date, shall request them to nominate their candidates within two (2) months. After that, the Secretary General shall prepare a list of the names of all candidates nominated by these means in alphabetical order together with the names of the Members who nominated these candidates, and submit this list to the General Consortium.

Terms of Office of Committee Members

The Committee Members shall be elected for a period of four (4) years. The members shall be eligible for re-election once.

Substitute for Vacant Memberships

In the event that one of the Committee members dies or resigns from membership or declares for any other cause that he or she cannot perform his/her duties, the Member who had nominated this member shall appoint another expert possessing the required qualifications and meeting the requirements set out in the relevant provisions of this article, to serve for the remainder of the term of office.

Rules of Procedure of the Committee

The Committee shall establish its own rules of procedure and will be guided by international best practices.

Relationship between the President and the Committee

The President of the Foundation shall provide the necessary personnel and facilities for the purpose of enabling the Committee to effectively perform its functions, and shall convene its first meeting.

Remuneration of Committee Members

The Committee members formed in line with this Statute will be remunerated from the resources of the Foundation with the consent of the General Assembly, provisions and conditions of which are to be set by the General Assembly by taking into account the importance of the responsibilities carried out by the Committee.

Cooperation among Members and the Committee

All Members and Associate Members shall cooperate with the Committee in the performance of its duties and assist its members. The Committee shall take into consideration methods and tools for strengthening national capacities to implement the mission of the Foundation, including international cooperation in its relations with Members and Associate Members.

Relationship between the UN and other relevant Institutions

In order to support the effective application of this Statute and the international cooperation within the scope of this Statute, Specialized Institutions and other organs of the United Nations have the right to representation as observers with respect to review of provisions of this Statute that fall under their respective jurisdictions. The Committee may invite the specialized institutions or other competent organs it may deem appropriate in order to obtain expert advice on the application of Statute in the areas that fall under the powers of said specialized institutions and other competent organs. The Committee may invite specialized institutions and other organs of the United Nations to present reports on the application of the Statute in the areas in which they operate.

Report of the Committee

The Committee shall present annual reports to the General Assembly of the Foundation regarding its activities, and may present recommendations and general advice based on the review of reports and information obtained from Members. Such recommendations and general advice shall be included in the Committee report along with statements of Members and Associate Members, if any.

PRESIDENCY

Election of the Presidency

General Assembly shall meet and elect from its members by secret ballot the Foundation's President, the First Deputy President and Secretary Members for a four (4) year term. The same candidate shall not be elected to the Foundation Presidency for more than two (2) successive terms.

Powers of the President

The President of the Foundation shall be the head of the Foundation's management and the representative of its legal entity. The power to spend the Foundation's budget is vested under the President of the Foundation. The General Assembly of the Foundation shall be presided by the President of the Foundation, or by the First Deputy President if the President is not present. The General Assembly meeting where the annual activity report is handled and discussed shall only be presided by the President of the Foundation or by the First Deputy President. In the event that the memberships in the Presidency Council are discharged due to resignation by the members, death of the members, or due to some other reason, a new member shall be elected to fulfill the remainder of the term. The President of the General Assembly is obliged to maintain order during the convening of the General Assembly.

Duties of the President of The Foundation

Duties of the President of the Foundation shall be as follows:

- To operate the Foundation and to protect its rights and interests;
- To prepare, implement, monitor and examine the Investment Plan and Working Schedule together with the Budget and Final Account and submit to the General Assembly the Annual Activity Report to be prepared in relation to these instruments;
- To represent the Foundation or to assign an agent in that respect;
- To preside over the General Assembly and the Board of Directors of the Foundation;
- To manage the movable and immovable properties of the Foundation;
- To follow up and collect the incomes and receivables of the Foundation;
- To execute contracts upon receiving the resolutions of the authorized organs;
- To implement the resolutions of the General Assembly and the Board of Directors of the Foundation;
- To appoint the personnel of the Foundation;
- To supervise the Foundation;
- To accept unconditional grants on behalf of the Foundation;
- To perform the tasks and exercise the powers given to the Foundation by laws which do not require any decision of General Assembly or Board of Directors of the Foundation;

Investment Plan and Work Program

The President of the Foundation shall prepare the Annual Investment Plan and Work Program before the beginning of the year concerned for submission to the General Assembly. The Work Program constitutes a basis for the preparation of the budget and shall be discussed and approved by the General Assembly before the adoption of the budget.

Activity Report

The President of the Foundation shall prepare an Activity Report detailing activities performed in accordance with the Work Program, goals and timetables, performance criteria, the reasons for deviation from such goals, and the status of payables of the Foundation. Activity Report shall also include activities regarding associate organizations and enterprises, and Foundation

partnerships, and reviews thereof. Activity Reports shall be presented by the President of the Foundation to the General Assembly at the first meeting of the term. A copy of the report shall be transmitted to the made public.

EXPERT COMMISSIONS

Expert commissions may be established to further the aims of the Foundation. Such expert commissions shall act in accordance with the aims of the Foundation. The expert commissions are established upon the decision of the General Assembly. The number of the commission members shall not exceed five. Each commission member shall be selected from the representatives of different Members.

ORGANIZATION AND PERSONNEL OF THE FOUNDATION

Organization of the Foundation

The Foundation's organizational structure shall consist of the offices of Secretary General of the Foundation, Director of the Foundation, Chief Clerk of the Foundation, Financial Services Unit and other offices and units to be determined by the General Assembly of the Foundation.

Personnel of the Foundation

The Secretary General of the Foundation, The Director of the Foundation, managers of the units (Editor in Chief, Financial Services Director, etc.) and other personnel shall be appointed by the President of the Foundation. The appointments of Director and Manager of the units shall be communicated to the General Assembly by the President of the Foundation. The Foundation may employ personnel or employees on a full or part time basis, consistent with the service needs of the Foundation. The President of the Foundation is authorized to appoint the Personnel or employ them in accordance with the Statute. The authority to sign on behalf of the President may be given to the personnel with the approval in writing of the President. Civil servants working in public corporations and bodies may be assigned with a task in the organization of the Foundation in accordance with the principles and procedures stated in the founding regulations of their institutions. In such cases, the concerned civil servant continues to benefit from the financial and social rights granted by the public body, and may receive, with a decision of the Board of Directors, additional pay not exceeding the total amount of salary and other payments s/he receives from the public body.

MEMBERSHIP IN THE FOUNDATION

Membership Types

- Member
- Associate Member
- Honorary Member

Admission of Members

One NGO per program per country which subscribes to the objectives of the Foundation and is willing to join the Foundation may become a Member of the Foundation; and in the event that more than one NGO per program per country applies for Membership, each NGO may become a Member of the Foundation as a Coalition Group which shall have a single vote, following:

- The affirmative decision of their own board of directors or equivalent executive organ;
- The adoption of the Foundation's Statute;
- The submittal of a written application for membership to the Foundation by the duly authorized legal representative of the candidate; and,
- The approval by the General Assembly of the Foundation;

Admission of Associate Members

Any institution, university, local or national government, or any other organization other than an NGO which subscribes to the objectives of the Foundation and is willing to join the Foundation may become an Associate Member of the Foundation, following:

- The affirmative decision of their own board of directors or equivalent executive organ;
- The adoption of the Foundation's Statute;
- The submittal of a written application for membership to the Foundation by the duly authorized legal representative of the candidate; and,
- The approval by the General Assembly of the Foundation;

Admission of Individual Associate Members

Any person with legal capacity may become an Associate Member of the Foundation following the submittal of a written application and approval by the General Assembly of the Foundation.

Legal Person Members and Associate Members

All Members and Associate Members, other than Individual Associate Members, should be a legal person duly established and registered in accordance with the applicable laws of the country in which it is registered.

RIGHTS, POWERS AND RESPONSIBILITIES OF THE MEMBERS

- Members, Associate Members, and Honorary Members shall have the right to be present and represented and right of speech at all meetings of the organs of the Foundation, and to enjoy the Foundation's services;
- Only Members shall be entitled to participate in the Foundation's management, be elected to the eligible organs of the Foundation, and vote;

- Membership, Associate Membership or Honorary Membership in the Foundation does not affect the right of the Honorary Member, Member, or Associate Member, or the duly authorized representatives of the Member or Associate Member to participate in the work of other foundations or federations;
- Members and Associate Members are responsible for contributing to the expenses of the Foundation by paying their membership fees in the amount prescribed under this Statute;
- The Foundation's legal personality is liable for any kind of Statute, Regulation and commitments made on behalf of the Foundation. Such liability is limited to the assets of the Foundation and such liability shall not, by any means, be attributed to the legal personalities of the Members, Associate Members, or Honorary Members;

OBLIGATIONS OF MEMBERS

Performing Activities within the Objectives and Activity Areas of the Foundation

The Foundation shall take all effective measures necessary for the achievement of its objectives. The Foundation, to that end, will perform comprehensive services and programs, particularly relating to promotion, adaptation, and proliferation of the blockchain technology throughout the world.

Statistics and Data Collection

Members and Associate Members undertake to collect necessary information, including statistical and research data, for the purpose of furthering the objectives of the Foundation.

International Cooperation

Members and Associate Members acknowledge the importance of international cooperation and its promotion, in support of national efforts, for the realization of the objectives of the Foundation. To this end, Members and Associate Members shall undertake appropriate measures to enhance international cooperation. These activities may include, but are not limited to:

- Working to ensure that international cooperation, including international development programs, are inclusive of Persons in need;
- Facilitating and supporting capacity building, including through the exchange and sharing of information, experiences, training programs and best practices;
- Promoting cooperation in research and access to scientific and technical knowledge;
- Providing, as appropriate, technical and economic assistance, including by facilitating access to and sharing of accessible and assistive technologies and through technology transfer;

Commission Works

Members shall conduct effective works in the fields of activity of the Foundation within such commissions as the Plan, Budget and Expertise Commissions established by the General Assembly Foundation.

Membership Fee

Membership fee rates and the criterion on which membership fee categories are based shall be decided by the General Assembly. The annual membership fee rates that each Member and Associate Member shall pay according to the corresponding fee category of the country in which they are registered or domiciled are as follows:

- Category A: (High Income) (greater than or equal to 5,000,000.00 US Dollars)
Members and Non-Individual Associate Members: 100,000.00 US Dollars / year
Individual Associate Members: 10,000 US Dollars / year
- Category B: (Upper Middle Income) (greater than or equal to 500,000.00 US Dollars)
Members and Non-Individual Associate Members: 10,000.00 US Dollars / year
Individual Associate Members: 1,000.00 US Dollars / year
- Category C: (Lower Middle income) (greater than or equal to 50,000.00 US Dollars)
Members and Non-Individual Associate Members: 1,000.00 US Dollars / year
Individual Associate Members: 100.00 US Dollars / year
- Category D: (Low Income) (less than 50,000.00 US Dollars)
Members and Non-Individual Associate Members: 100.00 US Dollars / year
Individual Associate Members: 10.00 US Dollars / year

TERMINATION OF MEMBERSHIP

Resignation from Membership

Members, Associate Members or Honorary Members may resign from Foundation Membership by a resolution taken by their own institutions' governing body and in accordance with its internal rules. However, such Member or Associate Member is obliged to pay its debts to the Foundation within 1 (one) month from the date when the decision to resign is made. Individual Associate Members may resign from Foundation Membership at will.

Removal from Membership

In the event that any of the conditions below are detected, the Board of Directors may submit a proposal to the General Assembly for the Member's or Associate Member's removal from membership, in which case the Member or Associate Member shall be invited to the General Assembly meeting to entertain the right to present a defense:

- Not meeting the requirements for membership prescribed under Article 19 after being admitted to Membership or Associate Membership;
- Violating the provisions of the Statute;
- Failing to pay the membership fee for two consecutive years;

ACCOUNTING AND FINANCIAL PROVISIONS

Budget and Final Account

The budget of the Foundation details income and expense projections for one fiscal year and the following two (2) years, and the rules and principles governing the application thereof. The budget year mirrors that of the Gregorian calendar. No extra-budgetary expenditures are allowed. The President of the Foundation and the Foundation Director appointed thereby as expenditures officer are responsible for ensuring that budget allowances are spent efficiently, prudently and appropriately. General Assembly of the Foundation discusses and adopts the budget at the annual meeting.

Finalization and Entry into Force of the Budget

The provisions of the Regulation on the Budget and Accounting shall be applicable on matters relating to the finalization and entry into force of the budget.

Purchase, Sales, Procurement and Accounting Affairs

The Foundation is subject to the rules governed by section 501(c)3 of the US Internal Revenue Service.

Books maintained by the Foundation

The Foundation shall maintain its books in accordance with the Regulation on the Budget and Accounting.

Revenues of the Foundation

- Membership Fees;
- Returns received for the services rendered by the Foundation or by the non-compulsory bodies of the Foundation;
- Grants that are transferred from public bodies and institutions to the Foundation;
- Grants allocated to the Foundation by local administrations;
- Remuneration paid to the Foundation in consideration of projects, initiatives, services, campaigns, organizations, coordination, and other activities;
- Unconditional aid and donations granted to the Foundation from national and international funds;
- Revenues received in consideration of services rendered, including training and publishing services carried out by the Foundation;
- Profit shares obtained from Foundation partnerships and enterprises;
- Revenues generated from renting, purchasing or other utilization of movable and immovable properties of the Foundation;
- Rent and interest incomes of the Foundation;

- Donations and any other source of revenue of the Foundation.

Expenditures of the Foundation

- Expenses to be made for the purpose of performing the Foundation's services;
- Any salary, wage, allowance, attendance fee, transportation allowance, training expenses concerning services and any other expenses paid to the personnel of the Foundation or the members of its elected organs;
- Expenses to be made for the enforcement and collection of the fees to be received in consideration of services and other incomes;
- Expenses to be made for the supply, construction, maintenance and repair of the service buildings, facilities, equipment and supplies of the Foundation;
- Other costs related to interest payments, finance cost and insurance expenses;
- Expenses related to legal and enforcement proceedings;
- Attorney fees, consultant fees and auditor's fees;
- Copyright fees, fees for courses, lectures, seminars and conferences, costs of publications;
- Costs of services performed jointly with the public and private bodies and other project costs;
- Contribution fees to be paid to the local, national and international Foundations which have been established or will be established or to the local administrative bodies having similar objectives to the Foundation;
- Expenses related to representations, ceremonies and accommodation;
- Other expenses connected to the fulfillment of the purposes of the Foundation.

REPORTS OF MEMBERS

Progress Reports

Each Member shall, within two (2) years of this Statute entering into force for the Member, submit to the Committee through the Presidency of the Foundation a thorough report on the situation and progress made in their country with respect to the objectives of the Foundation.

Reports Requested by the Committee

Members shall then, upon the request of the Committee, present reports at least every four (4) years.

Reports Submitted by Associate Members

Submittal of such reports is optional and not mandatory for Associate Members.

Features of the Reports of Members

The Committee shall set forth all rules governing the content of the reports. Members shall prepare such Reports in an open and transparent manner, and comply with the provisions prescribed under Committee guidelines and this Statute. Reports may point out the matters or challenges affecting the level of achievement of objectives within the scope of this Statute.

Circulation of Reports

The Secretary General of the Foundation shall transmit its reports to all its Members and Associate Members. Members shall make these reports public in their respective countries and facilitate access to recommendations and general advice on said reports. The Committee shall, wherever it may deem appropriate, transmit its reports to Specialized Institutions, funds and programs of the Foundation reports received from Members, together with the Committee's observations and recommendations.

BENEFITING FROM SERVICES OF THE FOUNDATION

Members, Associate Members and all Persons in need domiciled in a Member country may benefit directly or indirectly from Foundation services, access information, participate in and contribute to Foundation activities in accordance with the principles of public law. Participation and contribution of citizens and NGOs in planning and project activities conducted by the Foundation shall be ensured.

DRAFTING OF REGULATIONS

Principles and procedures regarding the application of this Statute may be regulated in detail by Regulations to be adopted by the General Assembly of the Foundation, or Guidelines to be adopted by the Presidency of the Foundation in accordance with said Regulation.

FORMALIZATION OF THE Statute AND AMENDMENTS

The Statute of the Foundation and Statute amendments become formalized and enter into force upon proposal by one-fourths (1/4) of the Members, adoption by a two-thirds (2/3) majority vote of the members present in a meeting of the General Assembly convened by a simple majority, and attestation per Applicable Provisions.

DISSOLUTION OF THE FOUNDATION

The Foundation may be dissolved with a decision taken by two-thirds (2/3) majority of its Members. Dissolution of the Foundation shall be carried out by three (3) persons appointed by the Board of Directors. Dissolution proceedings shall be finalized within one (1) year. Assets of the Foundation shall be distributed in accordance with the decisions of the General Assembly of the Foundation and taking into account the rate of participation of each Member or Associate Member to Foundation assets.

APPLICABLE PROVISIONS

Relevant provisions in other laws in United States law shall be applicable – provided that such application is limited with the services delegated to the Foundation by the Foundation Statute – in matters which the Law or this Statute do not prescribe, regarding work programs, delegation of power, conflict between the Foundation and the President of the Foundation, removal from duty of Foundation organs or the members thereof, inspection, annual activity report, budget and other financial matters, debt incurring except bond issuance, enterprise facility within the budget, debt or receivable set-off, foreign relations, relations with other organizations, correspondence, and the application of the revaluation rate in Foundations.

ESTABLISHMENT OF BRANCHES, LIAISON OFFICES, REPRESENTATION OFFICES, COMMERCIAL ENTERPRISES, AGENCIES, COMMERCIAL AGENCIES, FUNDS AND ACADEMIC DEPARTMENTS

- The Foundation may establish branches, liaison offices, representation offices, commercial enterprises, agencies, commercial agencies, funds and academic departments in the countries where its Members or Associate Members are registered or where its Individual Associate Members are domiciled if such establishment is deemed necessary to further the aims of the Foundation. The decision to establish these shall be taken by the General Assembly.
- If a decision to establish a branch is taken, the president of such branch is entitled with the authority to act in the name of the branch as the member of the General Assembly. Each branch which is established in accordance with this Article shall be represented in the General Assembly. The branches shall not exceed the scope of field of activity mentioned in this Statute. The duties and powers of the branches shall be determined by a Statute.

PUBLIC INTEREST FOUNDATION

Applications to attain public interest foundation status shall be lodged on behalf of the Foundation within one (1) year of the founding of the Foundation.

DEPOSITARY

The President of the Foundation shall act as Depositary of this Statute.

SIGNATURE

This Statute shall be opened for signature by all Members and Associate Members at the Headquarters of the Foundation in New York, NY USA as of April 01, 2018.

RESERVATIONS

Reservations incompatible with the objectives and purposes of the present Statute shall not be permitted. Reservations may be rescinded at any time.

ENTRY INTO FORCE

The present Statute shall enter into force upon its adoption by the Board of Directors of the Foundation and approval of the related authorities. The Statute will be submitted for the information of Members and Associate Members upon its entry into force. Every Member or Associate Member who has ratified the Statute and has received an official confirmation becomes a Member or Associate Member of the Foundation.

EXECUTION

This Statute is executed by the President of the Foundation.

We, as the officials of the Blockchain Technology Foundation, hereby accept, declare and undertake on behalf of our organizations and entities, the principles, values, objectives, content, aims, projects, activities, and our rights, powers, duties and responsibilities stated in this Statute as the Members and Associate Members of the BCT Foundation.

APPENDIX – I: General Assembly

#	Name	Country	Elected Position
1	Dmitry Guzik	USA	President
2	Maksim Zaslavskiy	USA	Board of Directors Member
3	Dennis Krasilshchikov	USA	
4	Andrei Malonogiy	Ukraine	
5	Joseph Sierra	USA	
6	Boris Zaslavskiy	USA	Secretary

APPENDIX - II: General Consortium (Members)

#	Name	Country	Elected Position
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1			
2			
3			
4			
5			
6			

APPENDIX - III: ASSOCIATE MEMBERS

#	Name	Country	Elected Position
1			
2			
3			
4			
5			
6			

APPENDIX - IV: HONORARY MEMBERS

#	Name	Country	Elected Position
1			
2			
3			
4			

5			
6			

PERSPECTIVE AND OUTLOOK

The Foundation is created to maintain public confidence in the fact that all challenges presented to the public by the cryptocurrency bubble will be addressed and are in no way an impediment on the blockchain technology as a whole. The Foundation cannot guarantee the return of all of deposits and investments. However, in the majority of cases and within certain limits, in the event of a verified by a smart contract failure by a member to recover funds lost to a fraudulent cryptocurrency enterprise, the Foundation will compensate a member's losses in BCTF (see **Voting**) or compatible products.

The Foundation also acts as receiver for failed institutions and has resolution planning responsibilities for its members carrying out its mission through three major programs:

- compensation
- supervision
- consulting and management

The Compensation Program encompasses the activities undertaken by the Foundation to administer the Loss Prevention Fund (LPF), which is funded through the community's investment income, and to provide the aggrieved parties with compensation of their losses by way of exchanging them into the Foundation's token 1:1 (see **Voting**).

The Supervision Program encompasses the activities undertaken by the Foundation to promote safe and sound operations utilizing the blockchain technologies and compliance with fair practices, consumer protection, and other applicable statutes and regulations, of which the Foundation is a determined practitioner and a passionate advocate. The Foundation shares with its members the joint responsibility for reviewing resolution plans submitted by individuals, exchanges, banks, holding companies, and designated nonbank financial companies that demonstrate how they would be resolved in a rapid and orderly manner under their countries' respective legislations in the event of financial distress and with the help of the blockchain technologies.

The Consulting and Management Program encompasses activities undertaken by the Foundation to resolve the members grievances in the least costly manner; maximize net recoveries to the creditors of receiverships; and, under specified circumstances, administer the orderly liquidations of recovered assets using the proprietary blockchain-based solutions.

Over the next five years, the Foundation will face numerous issues and challenges in each of these major programs due to inevitable collapse of the cryptocurrency-based markets, continuing changes in the nature of the cryptocurrency industry, expected changes in regulation. The Foundation's *C&M Program*'s goal is to not let the emerging consumer protection issues affect the cryptocurrency industry and cripple innovation in the blockchain technology sector. Some of the major issues and challenges are addressed in more detail below.

THE MAJOR ISSUES AND CHALLENGES FOR THE FOUNDATION

The upcoming failure of the cryptocurrency-based economy will directly affect the business strategies of individuals, financial institutions, and the industry's overall performance. The lending, funding, and crowdfunding strategies of the crypto-entrepreneurs are going to be influenced by interest rates, inflation, and changes in the numerous business sectors such as IT industry, housing, commercial real estate, energy, and others. Adverse economic or financial conditions are bound to affect not only regional economies but global actors.

The global economy continues to recover from the deep recession that ended in 2009. The recovery has been long and slow, as is typical of economic recoveries that follow a severe financial crisis. The housing market downturn that began in 2007 lasted several years and impaired consumer and bank balance sheets, resulting in prolonged weakness across key sectors of the economy. The recovery has also been uneven, as areas that experienced a more dramatic housing market correction or have been disproportionately affected by the recession have seen a much slower recovery. Select cryptocurrency entrepreneurs and blockchain-based businesses have made attempts to correct the market through use of new digital assets tokenizing housing market as well as real estate market in general. Their efforts fell short due to inadequacies in legislation, lack of publicity, and generally less than inviting for the blockchain enthusiasts business environment.

The cryptoeconomy and the blockchain technology, having once vowed to dismantle conventional banking, has in a way helped the banking industry to strengthen its global outlook. Banks have generally repaired their balance sheets, asset quality has improved; low interest rates have compressed net interest margins and encouraged banks to invest in higher yielding assets that are of higher risk - digital assets. But, should the global economy suffer a blow of similar magnitude to the 2008-2009 crisis, the highly speculative assets such as cryptocurrency investments are going to be the first to go, inevitably victimizing yet again the untrained investors. It is the most important goal of the Foundation that the blockchain technology remains in the center of attention regardless of the abovementioned developments.

OTHER MAJOR STRATEGIC CHALLENGES FOR THE FOUNDATION

In addition to the challenges posed by the economy, the Foundation expects to face other challenges that will shape its priorities over the next five years.

- *Future of the blockchain community development.* With hundreds of thousands of discouraged former crypto-enthusiasts, it's our mission to convince them that the

blockchain technology and its derivatives are undoubtedly the future of the global economy.

- *Relationships with large and complex financial institutions.* Although the Foundation is neither a bank, nor regulator, it has responsibilities to its members to classify and evaluate assets and services within the banking industry. These assets and services are concentrated today in a small number of large, complex banks and other financial institutions that have highly diverse business strategies and complex legal and business structures that make it difficult for the Foundation members to manage risks. Putting those assets on the Foundation's blockchain will considerably simplify their further development showcasing the obvious advantages of the blockchain technology to the world;
- *Information technology and cybersecurity.* Cybersecurity and cryptocurrencies go hand in hand from the very beginning, the breaches of one inevitably cause damage (many times irreparable) for the other. The Foundation will work collaboratively with its members, banks, and regulatory agencies to help ensure that all blockchain-based enterprises and businesses of its members take appropriate steps to address this risk.
- *Economic inclusion.* Based on a 2013 World Bank survey, more than one-quarter of all households do not have an account or access to financial services. The Foundation recognizes the blockchain technologies and its derivative, cryptocurrencies, as groundbreaking instruments of global financial inclusion. We will strive to continuously increase public confidence in new modes of operating with cryptocurrency, when households will be able to deposit funds securely, conduct basic financial transactions, accumulate savings, store value, and access credit on safe and affordable terms - all on the blockchain.