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Kaspay Whitepaper

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1 Introduction

1.1 Overview

In the rapidly evolving landscape of digital finance, Kaspay emerges as a groundbreaking solution designed to streamline and enhance cryptocurrency transactions. As the world increasingly embraces digital currencies, the need for efficient, secure, and user-friendly payment platforms becomes paramount. Kaspay leverages the advanced capabilities of Kaspa BlockDAG technology to address and overcome the prevalent challenges in the crypto space, such as high fees, slow transaction speeds, and volatility.

Kaspay is engineered to offer a seamless, fast, and cost-effective payment solution for both online and physical stores. Our platform ensures that transactions are not only quick and secure but also economically viable for businesses and consumers alike. By utilising innovative technology and maintaining a focus on user experience, Kaspay aims to make digital currency transactions as straightforward and reliable as traditional payment methods.

Moreover, Kaspay introduces the KASPAY token and the forthcoming Kaspay Stablecoin concept, which play integral roles in enhancing the platform's functionality and stability. KASPAY tokens facilitate zero-fee¹ transactions within the ecosystem, while the Kaspay Stablecoin provides a stable value for transactions, reducing the typical volatility associated with cryptocurrencies.

This whitepaper outlines Kaspay's vision, technological framework, and strategic initiatives. It deep dives into the intricacies of our platform's architecture, the benefits of our innovative solutions, and our roadmap for future developments. By offering a comprehensive overview, we aim to highlight Kaspay's commitment to revolutionising the way the world transacts with digital currencies, making it an indispensable tool for the future of finance.

1.2 Mission

The mission of Kaspay is to revolutionise the way businesses and consumers engage in crypto transactions by providing a seamless, secure, and cost-effective payment platform.

By leveraging the advanced capabilities of the Kaspa ecosystem, Kaspay aims to facilitate the widespread adoption of cryptocurrency payments in both physical and online stores.

Kaspay is committed to offering zero transaction fees¹, ensuring transaction stability with its own stablecoin, and enhancing the overall financial experience for businesses and consumers alike.



1.3 Vision

Kaspay envisions a future where cryptocurrency payments are universally accepted and seamlessly integrated into everyday transactions, both online and offline. By harnessing the speed, security and scalability of the Kaspa ecosystem, Kaspay aims to create a robust and user-friendly cross-platform that empowers businesses and consumers worldwide. Kaspay aspires to be at the forefront of the crypto revolution, setting new standards for transaction efficiency, cost-effectiveness and reliability.

By fostering a community-driven approach, we aspire to transform the financial landscape, enabling a more inclusive and decentralised economy.



2 Ecosystem

2.1 Overview

The Kaspay ecosystem is designed to revolutionise digital payments by providing a comprehensive, secure, and efficient platform for cryptocurrency transactions. Built on the advanced Kaspa BlockDAG technology, Kaspay ensures rapid transaction processing, robust security, and low transaction costs¹, making it ideal for both online and physical store payments.

At the heart of the ecosystem is the Kaspay payment platform, which integrates seamlessly with major e-commerce systems like WooCommerce, Shopify, Adobe Commerce, etc., enabling businesses to accept crypto payments effortlessly. The KASPAY token, Kaspay's native utility token, offers zero transaction fees within the platform, allowing holders to participate in governance, different utilities and potential airdrops². The forthcoming Kaspay Stablecoin will provide a stable and reliable medium of exchange, minimising volatility and ensuring consistent transaction values.

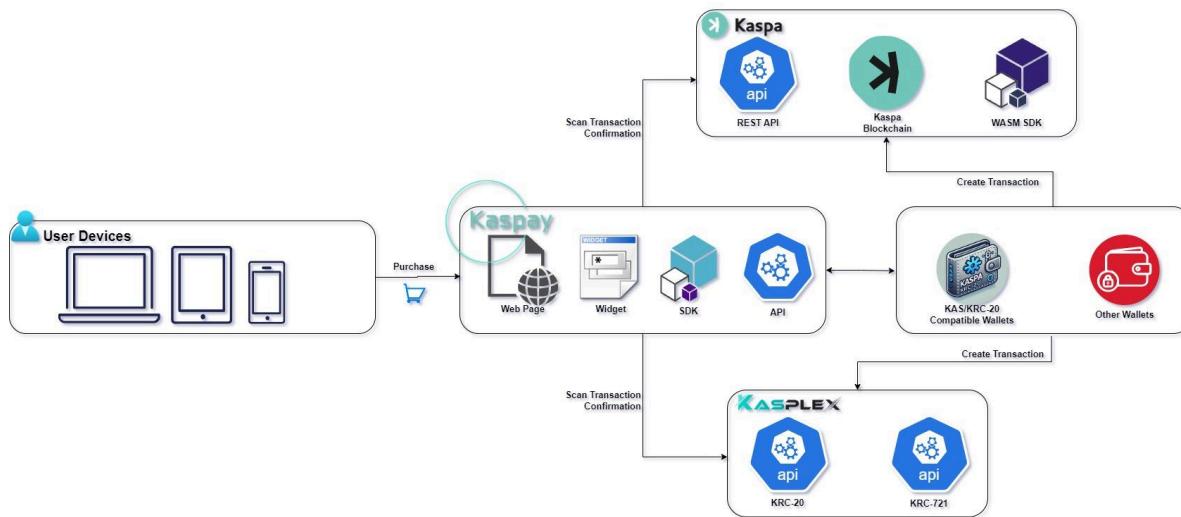
Kaspay leverages Kaspa blockDAG technology for paralleled transactions, speed and scalability, along with the security and performance benefits of the RUST programming. The platform supports multi-platform compatibility, offering a seamless user experience across web, TVs, iOS, and Android devices.

Community governance is a key feature, allowing KASPAY token holders to influence platform decisions, ensuring the ecosystem evolves according to user needs³. Kaspay also promotes financial inclusion, providing accessible digital financial services to unbanked and underbanked populations through its low transaction costs and platform accessibility.

Overall, the Kaspay ecosystem is an innovative platform poised to transform digital payments, making them accessible, secure, and efficient for businesses and consumers worldwide.



2.2 Architecture



The Kaspay platform can be interacted via a web page, embeddable widget, SDK, or API. Upon making a purchase, the user's transaction details are processed through Kaspay's Platform.

Kaspay interacts with the Kaspa blockchain to create the transaction, confirmation of the transaction is scanned and sent back to the user through the Kaspay platform.

Additionally, Kaspay can create transactions using compatible KAS/KRC-20 wallets and other types of wallets. The transaction details are further confirmed and processed through Kasplex's KRC-20 or the upcoming KRC-721 protocol.

This architecture ensures a seamless transaction process from the user device to the blockchain, enabling efficient and secure handling of digital assets by benefiting of the fast and secure Kaspa network.

2.3 Features

Explore Kaspay's cutting-edge features, including lightning-fast transactions powered by Kaspa BlockDAG technology, zero transaction fees¹ with KASPAY token, secure and flexible payment options, seamless multi-platform compatibility, inclusive community governance, exclusive rewards, and financial inclusion for unbanked populations.

2.3.1 Increase in Revenue

Unlike traditional payment systems, Kaspay offers significantly lower transaction costs, setting itself apart from competitors. With a 0% transaction fee¹ for payments made using Kaspay's native token (KASPAY), businesses can maximise their profit margins. This cost-efficiency is particularly beneficial

for businesses with high transaction volumes, as it translates into substantial savings over time. By alleviating the burden of high transaction fees, Kaspay allows businesses to reinvest these savings into growth and development.

At Kaspay, we understand that revenue is the lifeblood of any business entity. It serves as a clear indicator of market demand for a company's products or services and reflects the effectiveness of its sales and marketing strategies. Recognizing this critical aspect, our platform is designed to support and enhance our customers' revenue streams. By providing a payment solution that is both economical and efficient, Kaspay aims to empower businesses to achieve higher profitability and sustained growth.

Our commitment extends beyond just providing a low-cost transaction platform. We strive to create an ecosystem that fosters financial health and growth for our users. By minimising transaction costs and optimising payment processes, Kaspay enables businesses to focus on expanding their market presence and improving customer satisfaction. In turn, this leads to increased revenue and long-term success. Kaspay is dedicated to helping businesses thrive in a competitive market by ensuring that their financial transactions are as cost-effective and seamless as possible.

2.3.2 Fast Transactions

Kaspay stands out in the cryptocurrency landscape by boasting the world's fastest transactions, operating at speeds up to 41 times faster than Bitcoin⁴. This remarkable speed makes Kaspay the quickest cryptocurrency available, redefining what is possible in the realm of digital payments. By leveraging this groundbreaking feature, Kaspay is set to revolutionise the payment experience for both online and physical stores, ensuring that transactions are not only rapid but also seamless and efficient.

In today's digital age, speed is more than just a desirable attribute; it is a fundamental requirement. As consumers and businesses alike demand instant gratification, the ability to process transactions swiftly is crucial. Kaspay harnesses the power of Kaspay's unparalleled transaction speed to meet and exceed these expectations. Whether it's a busy retail environment or a high-traffic e-commerce platform, Kaspay ensures that every payment is completed in the blink of an eye, eliminating delays and enhancing the overall user experience.

For businesses, this speed translates into greater operational efficiency and customer satisfaction. Long checkout times and payment processing delays can frustrate customers and lead to abandoned sales. Kaspay's rapid transaction capability addresses these issues head-on, facilitating smooth and swift transactions that keep customers happy and coming back for more. For consumers, the ability to complete purchases almost instantaneously enhances the convenience of shopping, both online and in-store.



Moreover, the efficiency brought by Kaspay's use of Kaspa's technology supports high transaction volumes without compromising speed or reliability. This scalability is crucial for businesses looking to grow and expand, as it ensures that the payment system can handle increasing demand without performance degradation.

In summary, Kaspa's world-leading transaction speed, when utilised by Kaspay, offers a transformative solution for the payment industry. It supports the modern necessity for rapid transactions, thereby boosting business efficiency and improving customer satisfaction. By setting new standards for transaction speed and efficiency, Kaspay is poised to lead the future of digital payments in an increasingly fast-paced world.

2.3.3 Real-World Value

Kaspay has a visionary goal of raising sufficient funds to develop a stablecoin built on the KRC-20 protocol and in the future to migrate to smart contracts. This strategic initiative is designed to ensure that businesses can rely on a stable real-world value for their money and transactions, mitigating the volatility often associated with cryptocurrencies. By providing a stable and predictable medium of exchange, Kaspay aims to enhance the financial stability and operational reliability for businesses utilising its platform.

This upcoming stablecoin will be crypto-collateralized, which means it will be backed by a reserve of widely used stablecoins⁵. These established stablecoins are known for their consistency and reliability, which will be directly transferred to Kaspay's stablecoin. The backing by these reputable assets ensures that the value of the stablecoin remains stable and trustworthy, providing businesses with a reliable currency for everyday transactions.

In the dynamic world of digital finance, stability is a crucial component that businesses need to plan, budget, and operate efficiently. The introduction of Kaspay's stablecoin will offer a significant advantage by eliminating the risks associated with the fluctuating values of traditional cryptocurrencies. This stability will be particularly beneficial for businesses that deal with large volumes of transactions or that operate in markets where financial predictability is essential.

Moreover, a stablecoin within the Kaspay ecosystem will facilitate smoother, more predictable financial operations. Businesses will be able to make and receive payments with the assurance that the value of the stablecoin will not suddenly fluctuate. This consistency will not only improve financial planning and reporting but will also enhance the overall user experience, as customers and merchants alike can transact with confidence.



The development of this stablecoin also aligns with Kaspay's broader mission to foster financial inclusion and innovation. By offering a stable and reliable cryptocurrency, Kaspay is making digital finance accessible to a wider range of businesses and consumers, including those who might have been hesitant to engage with cryptocurrencies due to concerns about volatility.

In summary, Kaspay's initiative to create a stablecoin based on the KRC-20 protocol (smart contracts in future) is a forward-thinking strategy that aims to provide businesses with a stable and reliable currency for their transactions. Backed by well-known stablecoins⁵, this stablecoin will offer consistency and trustworthiness, ensuring that businesses can operate smoothly and efficiently in the digital economy.

2.3.4 Multi-Platform Compatibility

Kaspay is designed with robust multi-platform compatibility, ensuring seamless integration across a wide range of devices and operating systems. This essential feature allows users to access and utilise Kaspay's comprehensive suite of services on web browsers, smart TVs, iOS, and Android devices, delivering a consistent and unified experience no matter which platform they choose. Whether users are on their desktop computers, mobile devices, or smart televisions, Kaspay guarantees that they can manage their cryptocurrency transactions with ease and efficiency.

One of the standout benefits of Kaspay's multi-platform compatibility is its effortless integration with major e-commerce systems such as WooCommerce, Shopify, Adobe Commerce, etc.. This seamless integration enables businesses to incorporate cryptocurrency payments into their existing online stores without the need for complex modifications or technical hurdles. By supporting these widely-used e-commerce platforms, Kaspay ensures that businesses can quickly and efficiently start accepting cryptocurrency payments, expanding their payment options and reaching a broader customer base.

For consumers, this broad compatibility means that they can enjoy the convenience and speed of Kaspay's payment solutions across multiple devices. Whether shopping online from a computer, browsing products on a smart TV, or making purchases via a mobile device, users experience the same high level of service, security, and efficiency. This flexibility not only enhances user satisfaction but also promotes wider adoption of cryptocurrency payments by making them more accessible and user-friendly.

For merchants, the ability to integrate Kaspay into their e-commerce platforms means they can offer their customers a fast, secure, and cost-effective payment method. The reduced transaction costs and the enhanced security of blockchain technology provided by Kaspay make it an attractive option for businesses looking to modernise their payment systems and offer additional value to their customers. This integration helps businesses stay competitive in a rapidly evolving digital



marketplace, attracting tech-savvy consumers who prefer using cryptocurrencies for their transactions.

Moreover, Kaspay's commitment to providing a unified experience across platforms ensures that both consumers and merchants benefit from its innovative features regardless of the device they use. This consistency builds trust and reliability, key factors in fostering long-term relationships between businesses and their customers. With Kaspay, users can expect seamless transactions, whether they are buying a product online, paying for a service through an app, or making a purchase directly from their smart TV.

In conclusion, Kaspay's robust multi-platform compatibility offers significant advantages for both consumers and merchants. By ensuring seamless integration across web browsers, smart TVs, iOS, and Android devices, and by effortlessly connecting with major e-commerce systems like WooCommerce and Adobe Commerce, Kaspay provides a consistent, secure, and efficient payment solution. This broad compatibility not only enhances the user experience but also supports the widespread adoption of cryptocurrency payments, driving growth and innovation in the digital economy.

2.3.5 Enhanced Security

Kaspay places the utmost priority on the security of all its transactions and operations, ensuring that users can trust the platform with their sensitive financial activities. Built on the secure and robust Kaspay blockDAG technology, Kaspay employs advanced cryptographic methods to protect every transaction, providing a fortified environment against potential threats. This state-of-the-art security framework ensures that user data and assets are safeguarded at all times.

Kaspay's unwavering commitment to security extends beyond its foundational technology. The platform adheres to the Open Web Application Security Project (OWASP) standards, ensuring comprehensive protection against common security vulnerabilities. This compliance demonstrates Kaspay's dedication to maintaining the highest security standards in the industry.

To further bolster security, Kaspay conducts regular penetration and vulnerability tests as well as independent audit reviews by third parties. These recurrent assessments are crucial in identifying and mitigating potential threats, ensuring that the platform remains resilient against evolving cyber threats. By continually testing and improving its defences, Kaspay stays ahead of potential risks, providing a secure environment for its users.

Kaspay is also committed to building a robust internal security department, staffed with security experts and ethical hackers. This team of professionals is tasked with monitoring the platform for vulnerabilities, responding to security incidents, and ensuring that Kaspay remains a fortress against



cyber attacks. The inclusion of ethical hackers is particularly important, as they provide insights into potential weaknesses from a hacker's perspective, allowing Kaspay to strengthen its defences proactively.

This comprehensive approach to security not only protects user data and assets but also fosters trust and confidence in Kaspay's ability to handle sensitive financial transactions. Users can engage with the platform knowing that their information is protected by the most advanced security measures available.

In conclusion, Kaspay's dedication to security is evident in its use of Kaspa blockDAG technology, adherence to OWASP standards, and regular security testing. The platform's dual privacy options cater to diverse user needs, while its internal security team, including ethical hackers, ensures continuous protection against threats. This robust security infrastructure not only safeguards user data and assets but also builds trust and confidence in Kaspay's capability to manage sensitive financial transactions securely.

2.3.6 Easy Online Payments

Kaspay revolutionises the process of making online payments by integrating seamlessly with major e-commerce platforms such as WooCommerce and Adobe Commerce with the goal of integrating all major e-commerce platforms. This seamless integration allows businesses to quickly and easily incorporate cryptocurrency payments into their existing online stores without the need for extensive modifications or technical expertise.

Kaspay's suite of user-friendly widgets, hosted pages, and Software Development Kits (SDKs) simplifies the setup process, enabling businesses to accept cryptocurrency payments with minimal effort. These tools are designed to provide a smooth and efficient checkout experience for customers, reducing friction and making the payment process as straightforward as possible.

The platform's intuitive interface ensures that both merchants and consumers can navigate and use the system with ease. Merchants benefit from a straightforward setup and management process, while customers enjoy a seamless and efficient checkout experience. The low transaction fees associated with Kaspay further enhance its appeal, providing significant cost savings for businesses and making it an attractive option for cost-conscious consumers.

Kaspay's easy online payment feature empowers businesses to expand their payment options, allowing them to cater to a broader range of customers who prefer using cryptocurrencies. By offering additional payment methods, businesses can enhance customer satisfaction, as they provide a convenient and flexible payment experience that meets the diverse preferences of their clientele.



Moreover, the security and speed of Kaspay's transactions ensure that online payments are not only fast but also secure. This reliability builds trust with customers, encouraging repeat business and fostering long-term loyalty. The platform's advanced security measures protect both the business and its customers from fraud and other security threats, ensuring that every transaction is safe.

By integrating Kaspay, businesses can also drive growth. The ability to accept cryptocurrency payments opens up new market segments, particularly among tech-savvy consumers and the growing number of individuals and businesses that prefer to transact using digital currencies. This expanded payment capability can attract new customers and increase sales, contributing to the overall growth and success of the business.

| Average fee/tx | Visa | MasterCard | AMEX | KasPay |
|----------------|----------------------------------|----------------------------------|----------------------------------|---------------------|
| Fees | 1.23% + \$0.05 to 3.15% + \$0.10 | 1.15% + \$0.05 to 3.15% + \$0.10 | 1.10% + \$0.10 to 3.15% + \$0.10 | 2*kaspa network fee |

In conclusion, Kaspay simplifies the process of making online payments through seamless integration with major e-commerce platforms like WooCommerce and Adobe Commerce. Its user-friendly widgets, hosted pages, and SDKs make it easy for businesses to accept cryptocurrency payments, providing a smooth and efficient checkout experience. The platform's intuitive interface, low transaction costs, and robust security measures make it an attractive option for both merchants and consumers, ensuring fast, secure, and hassle-free online transactions. By empowering businesses to expand their payment options and enhancing customer satisfaction, Kaspay drives growth and positions businesses for success in the evolving digital economy.

2.3.7 Privacy Protection

Kaspay places a paramount emphasis on user privacy, incorporating advanced and robust privacy protection features designed to safeguard sensitive information and maintain user trust. The platform employs cutting-edge cryptographic techniques to guarantee that all user data and transactions are secure and confidential.

This strong emphasis on privacy protection ensures that users can conduct their transactions with confidence. Knowing that their personal information and financial activities are well-protected allows users to engage with the platform securely. This trust is fundamental to building a loyal user base and fostering long-term relationships with customers.

Moreover, Kaspay's dedication to privacy protection extends beyond individual transactions. The platform continuously monitors and updates its security protocols to address emerging threats and vulnerabilities. This proactive approach ensures that Kaspay remains at the forefront of privacy and security innovation, providing users with the highest level of protection available.



In conclusion, Kaspay places a strong emphasis on user privacy, offering robust protection features to safeguard sensitive information. This unwavering commitment to privacy enables users to conduct their transactions with confidence, knowing that their personal information and financial activities are thoroughly protected. Kaspay's dedication to maintaining high privacy standards builds trust and ensures a secure and user-friendly environment for all its users.

2.3.8 AML

Anti-Money Laundering (AML) adoption is a critical aspect of Kaspay's commitment to ensuring a secure and compliant financial environment. AML regulations are designed to prevent, detect, and report money laundering activities and other financial crimes. By implementing robust AML practices, Kaspay aims to protect its platform from illicit activities, fostering trust and confidence among its users, and ensuring compliance with global regulatory standards.

2.3.8.1 Comprehensive AML Framework

Kaspay has developed a comprehensive AML framework that integrates advanced technologies, stringent policies, and ongoing monitoring to detect and prevent money laundering activities. This framework encompasses several key components:

- **Customer Due Diligence (CDD) and Know Your Customer (KYC) Procedures:**
 - *Verification:* Kaspay requires all users to undergo thorough identity verification processes. This includes collecting and verifying personal information such as name, address, date of birth, and government-issued identification.
 - *Risk Assessment:* Users are assessed for risk based on various factors, including their transaction behaviour, geographic location, and account activity. Higher-risk users undergo enhanced due diligence (EDD) to ensure thorough scrutiny.
- **Transaction Monitoring:**
 - *Automated Systems:* Kaspay employs automated monitoring systems to continuously analyse transactions for suspicious patterns and behaviours. These systems use machine learning algorithms and rule-based logic to identify anomalies that may indicate money laundering activities.
 - *Real-Time Alerts:* Suspicious transactions trigger real-time alerts for further investigation by Kaspay's compliance team. This proactive approach ensures timely detection and mitigation of potential risks.
- **Suspicious Activity Reporting (SAR):**
 - *Mandatory Reporting:* Kaspay complies with regulatory requirements to report suspicious activities to relevant authorities. The compliance team is trained to identify, document, and report such activities in accordance with legal obligations.
 - *Internal Documentation:* All suspicious activities are meticulously documented within the platform for internal review and future reference, ensuring a robust audit trail.
- **Employee Training and Awareness:**



- o *Ongoing Education:* Kaspay provides regular AML training to its employees, ensuring they are well-versed in identifying and mitigating money laundering risks. This includes understanding AML regulations, recognizing suspicious activities, and following proper reporting procedures.
- o *Awareness Programs:* Continuous awareness programs keep employees updated on the latest trends and regulatory changes in AML, ensuring the organisation stays ahead of potential threats.
- **Collaboration with Authorities and Industry Partners:**
 - o *Regulatory Compliance:* Kaspay collaborates closely with regulatory authorities to ensure compliance with all relevant AML laws and regulations. This includes regular audits and reviews to maintain adherence to legal standards.
 - o *Industry Partnerships:* By partnering with other financial institutions and industry bodies, Kaspay shares knowledge and resources to strengthen its AML efforts. This collaborative approach enhances the overall effectiveness of AML strategies across the industry.
- **Technology and Innovation:**
 - o *Blockchain Analytics:* Kaspay leverages blockchain analytics tools to trace and analyse cryptocurrency transactions. These tools help identify the source and destination of funds, providing insights into potentially illicit activities.
 - o *Artificial Intelligence (AI) and Machine Learning:* Advanced AI and machine learning technologies enhance Kaspay's ability to detect and predict suspicious activities. These technologies continuously learn and adapt to new patterns, improving the accuracy and efficiency of AML measures.

2.3.8.2 Benefits of AML Adoption

Implementing robust AML practices brings numerous benefits to Kaspay and its users:

- **Enhanced Security:** AML measures significantly reduce the risk of money laundering and other financial crimes, ensuring a safer platform for all users.
- **Regulatory Compliance:** Adhering to AML regulations helps Kaspay avoid legal penalties and reputational damage, fostering trust and credibility with regulators and customers.
- **Customer Trust:** Demonstrating a strong commitment to AML practices builds confidence among users, who can be assured that their funds and personal information are protected from illicit activities.
- **Market Integrity:** By preventing money laundering, Kaspay contributes to the integrity and stability of the financial market, promoting a fair and transparent ecosystem.

2.3.8.3 Conclusion

Kaspay's adoption of comprehensive AML practices underscores its dedication to providing a secure, compliant, and trustworthy financial platform. Through rigorous customer due diligence, continuous transaction monitoring, employee training, and advanced technology, Kaspay ensures robust protection against money laundering activities. This commitment not only safeguards the platform but

also builds confidence among users and regulators, reinforcing Kaspay's position as a leader in the digital payment industry.

2.3.9 Physical Stores Integration

Kaspay seamlessly integrates with physical stores, enabling businesses to effortlessly accept cryptocurrency payments at their point-of-sale systems. By leveraging advanced technology and user-friendly tools, Kaspay provides a straightforward solution for retailers to incorporate digital currencies into their payment options, enhancing both operational efficiency and customer satisfaction.

Kaspay's integration with physical stores is designed to be as smooth and hassle-free as possible. Retailers can quickly set up Kaspay at their point-of-sale systems, allowing them to accept a variety of digital currencies with minimal effort. This integration utilises cutting-edge technology to ensure that transactions are processed quickly and securely, providing a seamless shopping experience for customers.

One of the key advantages of using Kaspay in physical stores is its zero transaction fees¹, which make it an economical choice for both businesses and consumers. Additionally, Kaspay's robust security features protect every transaction, safeguarding user data and preventing fraud. This combination of cost-efficiency and security makes Kaspay an ideal payment solution for modern retailers looking to embrace the future of digital payments.

For users, the payment process with Kaspay is straightforward and convenient. Users can connect their bank accounts to the Kaspay platform, enabling an automatic exchange between Kaspay credits and their bank account funds. When a user's Kaspay credit falls below a preset limit during a transaction, the platform automatically retrieves funds from the user's bank account to replenish the credit. This ensures that users can seamlessly make payments without worrying about insufficient funds.

When making a purchase in a physical store, users can simply open the Kaspay app and choose one of several easy payment methods: scanning a QR code, using NFC for wireless transactions, or utilising a specific Kaspay device owned by the store. Behind the scenes, the transaction is processed using the Kaspay token based on the KRC-20 protocol, and the platform ensures that the user's credit is automatically updated according to their actions.

Kaspay also offers users the convenience of instant fund access. With a simple tap inside the app, users can transfer funds to their bank accounts whenever needed. This feature ensures that users have quick access to their money, enhancing the overall user experience.



Additionally, the Kaspay platform provides all necessary billing information, receipts, and legal documents required by either the shop or the consumer. This compliance with legal requirements ensures transparency and accountability, further building trust between retailers and customers.

By integrating Kaspay, physical stores can expand their payment options, offering customers the flexibility to pay with cryptocurrency. This not only meets the growing demand for digital payment methods but also boosts operational efficiency by streamlining the payment process. The quick and secure transactions facilitated by Kaspay enhance the shopping experience, leading to higher customer satisfaction and loyalty.

In conclusion, Kaspay's seamless integration with physical stores offers a modern, efficient, and secure payment solution that benefits both retailers and consumers. With advanced technology, low transaction fees, robust security features, and user-friendly payment processes, Kaspay is ideally positioned to support the future of digital payments in retail environments. This comprehensive approach not only simplifies the payment process but also ensures compliance with legal requirements, making Kaspay a trusted and reliable partner for businesses embracing cryptocurrency transactions.

2.3.10 Proprietary devices

In addition to enabling payments via QR codes and other methods in physical stores, Kaspay plans to develop initially a proprietary touch screen device called Kaspay Terminal, followed by a comprehensive cash register. These devices will support a variety of payment methods, including cards, NFC, and QR codes. The most distinctive feature of these devices will be the integration of a miner within each unit along with the management of the day by day transactions made by the store through the cash register exactly as the current ones used by the physical stores.

The integration of a miner offers multiple advantages. Firstly, it ensures continuous support and verification of transactions on the Kaspay network. Each miner contributes to the decentralisation and security of the network, making it more stable and improving transaction speeds. This embedded mining capability transforms each payment terminal into a node that actively participates in maintaining the integrity and efficiency of the Kaspay network.

Moreover, this integration fosters a symbiotic relationship between transaction processing and network maintenance. As more merchants adopt these devices, the Kaspay network benefits from increased mining activity, which in turn enhances its security and stability. This creates a positive feedback loop where the growth of Kaspay's merchant network directly contributes to the strength and reliability of the Kaspay network.

In conclusion, the development of Kaspay Terminal devices and Cash Registers with integrated miners represents a significant innovation in the payment processing landscape. It not only provides a seamless and efficient payment solution for merchants and consumers but also strengthens the underlying BlockDAG network, ensuring a more stable and decentralised transaction environment.



Concurrently, this paves the way for an integrated solution that will enable operators to mine their own transactions, as the ongoing development of the Kaspa network will allow us to explore innovative "out of the box" solutions for our operations.

2.3.11 Wallets Integration

Kaspay seamlessly integrates with a wide variety of digital wallets. This comprehensive integration ensures that users can easily manage their funds, conduct transactions, and access Kaspay's extensive range of features directly from their preferred digital wallet. By supporting multiple wallet options, Kaspay significantly enhances user flexibility and convenience, enabling users to choose the wallet that best suits their individual needs and preferences.

Kaspay's integration with various digital wallets offers unparalleled flexibility to its users. Kaspay ensures a seamless and unified experience across all platforms. This multi-wallet support allows users to select their preferred wallet, ensuring that they can manage their cryptocurrency holdings in a manner that aligns with their specific requirements.

The integration process with Kaspay is designed to be straightforward and user-friendly. Users can quickly and effortlessly link their digital wallets to the Kaspay platform, enabling them to start managing their funds and conducting transactions immediately. This ease of integration not only provides a smooth user experience but also minimises the learning curve for new users, allowing them to fully leverage Kaspay's capabilities without unnecessary delays.

Security is a paramount concern for Kaspay, and its wallet integrations reflect this commitment. By incorporating advanced security protocols and cryptographic techniques, Kaspay ensures that user assets and data are protected at all times. This high level of security extends to all integrated wallets, ensuring that users can trust the platform with their sensitive financial information. The robust security measures in place prevent unauthorised access and safeguard user funds from potential threats whenever the user uses the Kaspay Platform.

With Kaspay's wallet integration, managing and using cryptocurrencies becomes more accessible and efficient. Users can view their balances, monitor transaction histories, and execute transfers seamlessly within the Kaspay platform. The ability to perform all these actions from their chosen wallet simplifies cryptocurrency management, providing users with a centralised hub for all their digital currency needs.

Kaspay's wallet integration significantly enhances accessibility for all users. By supporting multiple wallets, the platform ensures that a broader audience can take advantage of its features, regardless of their preferred wallet provider. This inclusivity promotes wider adoption of Kaspay's services and makes it easier for users to incorporate cryptocurrency transactions into their daily lives.



Moreover, the efficiency of the integration process ensures that users can manage their cryptocurrencies without experiencing slowdowns or interruptions. Transactions are processed swiftly and securely, allowing users to enjoy the full benefits of cryptocurrency with minimal hassle.

2.3.12 Development Tools

Kaspay provides a comprehensive suite of development tools meticulously designed to facilitate seamless integration and extensive customization for developers. These tools encompass robust APIs, versatile SDKs, and detailed, easy-to-understand documentation. Together, these resources enable developers to seamlessly incorporate Kaspay's advanced payment solutions into their applications, websites, and e-commerce platforms, ensuring a smooth and efficient integration process.

The APIs offered by Kaspay are powerful and flexible, allowing developers to interact with Kaspay's payment systems in a variety of ways. Whether it's initiating transactions, retrieving transaction histories, or managing user accounts, the APIs provide all the necessary functions to fully integrate Kaspay's capabilities into a wide range of applications. These APIs are designed to be highly intuitive, making it easier for developers to implement them without extensive learning curves.

In addition to APIs, Kaspay's SDKs (Software Development Kits) are tailored to support a wide array of programming languages and frameworks. This ensures that developers working in different technological environments can easily leverage Kaspay's payment solutions. Whether they are developing in JavaScript, Python, Java, or any other popular language, the SDKs provide the tools and libraries needed to implement Kaspay's functionalities effectively. This cross-platform compatibility is crucial for developers looking to integrate Kaspay into diverse technological ecosystems.

The detailed documentation provided by Kaspay plays a pivotal role in assisting developers. It includes comprehensive guides, code examples, and troubleshooting tips that cover every aspect of Kaspay's integration process. This thorough documentation ensures that developers can find answers to their questions and solutions to any issues they may encounter, making the integration process as smooth as possible. It also includes best practices for security and efficiency, helping developers to build robust and reliable payment systems.

By offering such powerful and flexible development tools, Kaspay empowers developers to create secure, efficient, and scalable payment systems. The tools are designed to enhance the overall functionality and user experience of their projects. Developers can customise the integration to meet specific needs, ensuring that the payment systems are tailored to the unique requirements of their applications or platforms.



Furthermore, the scalability provided by Kaspay's development tools allows businesses to grow without worrying about their payment systems keeping pace. As transaction volumes increase, the robust infrastructure of Kaspay ensures that performance remains high and transactions are processed swiftly. This scalability is essential for businesses looking to expand their operations and cater to a larger audience.

Security is another critical aspect that Kaspay's development tools address comprehensively. The APIs and SDKs are built with advanced security features that protect sensitive data and ensure that transactions are secure. This includes encryption, secure data storage, and compliance with industry standards and regulations. By integrating these security measures, developers can build payment systems that not only perform well but also protect user data and maintain trust.

In conclusion, Kaspay offers a robust suite of development tools designed to facilitate seamless integration and extensive customization for developers. These tools include comprehensive APIs, versatile SDKs, and detailed documentation, supporting a wide range of programming languages and frameworks. By providing these powerful resources, Kaspay enables developers to create secure, efficient, and scalable payment systems, significantly enhancing the functionality and user experience of their projects. This comprehensive support empowers developers to leverage Kaspay's advanced payment solutions effectively, driving innovation and growth in the digital payment space.

2.3.13 KASPAY Token

The KASPAY token is the native utility token of the Kaspay platform, meticulously designed to facilitate seamless and cost-effective transactions within the Kaspay ecosystem. As an essential component of the platform, the KASPAY token provides numerous benefits that enhance its attractiveness to both merchants and consumers.

Holders of KASPAY tokens enjoy zero transaction fees when using the token for payments. This significant cost-saving measure makes the KASPAY token an exceptionally appealing choice for users looking to maximise their financial efficiency. For merchants, the elimination of transaction fees translates to higher profit margins and reduced operational costs. For consumers, it means more value for their money and a more economical way to transact digitally.

Beyond the immediate financial advantages, KASPAY token holders gain access to a potential suite of exclusive rewards and potential airdrops². These incentives are designed to foster user engagement and loyalty, ensuring that token holders are continuously rewarded for their participation in the Kaspay ecosystem.

Another critical feature of the KASPAY token is its role in governance³. Token holders have the opportunity to participate in the platform's decision-making process through a decentralised voting

system. This democratic approach allows users to have a direct say in the future direction of the platform, including developments, updates, and strategic initiatives. By empowering the community to influence key decisions, Kaspay ensures that the platform evolves in a way that meets the needs and preferences of its users.

Furthermore, the KASPAY token is integral to the efficient operation and growth of the Kaspay platform and its stablecoin initiatives. By facilitating low-cost and efficient transactions, the token underpins the smooth functioning of the ecosystem. It also plays a pivotal role in the broader adoption of Kaspay's services, as the financial incentives associated with the token attract a wide range of users to the platform.

In addition to its transactional and governance roles, the KASPAY token enhances the overall stability and reliability of the Kaspay ecosystem. Its integration into the platform's various services and mechanisms ensures that the ecosystem remains robust and resilient, capable of supporting continuous growth and development. This stability is crucial for fostering trust and confidence among users, encouraging long-term engagement with the platform.

The strategic role of the KASPAY token extends to its support for Kaspay's stablecoin, ensuring that the platform can offer a stable and reliable medium of exchange. The stablecoin, backed by the strength of the KASPAY token, provides users with a consistent and dependable value for their transactions, further enhancing the platform's utility and appeal.

In conclusion, the KASPAY token is a vital component of the Kaspay ecosystem, offering multiple benefits that drive its efficient operation and growth. With zero transaction fees¹, exclusive rewards, governance participation³, and support for the buyback, the KASPAY token stands out as a powerful tool for both merchants and consumers. Its strategic integration within the platform ensures stability, fosters community involvement, and promotes widespread adoption of Kaspay's innovative payment solutions.

2.3.14 In-game Payments

Kaspay is revolutionising in-game payments by providing a fast, secure, and seamless solution for purchasing in-game items, currencies, and upgrades. Leveraging the power of advanced blockchain technology, Kaspay ensures that transactions are processed almost instantly and with minimal transaction costs, significantly enhancing the gaming experience for players.

The integration of Kaspay into gaming platforms allows for easy and efficient in-game transactions. Players can quickly and effortlessly purchase new skins, weapons, or access premium content without experiencing delays or high transaction costs. The platform's user-friendly interface ensures



that these transactions are as straightforward as possible, allowing players to focus on their gaming experience rather than on the complexities of payment processing.

By streamlining the payment process, Kaspay not only makes in-game purchases more convenient but also boosts player engagement and satisfaction. The almost instant, low-cost transactions mean that players can seamlessly acquire the items or upgrades they desire, leading to a more immersive and enjoyable gaming experience. This efficiency is particularly important in the fast-paced world of online gaming, where every second counts.

Kaspay's robust security measures also play a crucial role in its in-game payment solutions. Advanced cryptographic techniques protect each transaction, ensuring that player data and funds are secure. This high level of security builds trust among players, encouraging them to make in-game purchases with confidence.

Furthermore, Kaspay's integration with gaming platforms is designed to be seamless, minimising any disruption to the gaming environment. Developers can easily incorporate Kaspay's payment solutions into their games, providing a smooth and cohesive experience for players. This ease of integration also allows game developers to focus on creating engaging content rather than on the complexities of payment infrastructure.

In summary, Kaspay revolutionises in-game payments by offering a fast, secure, and seamless solution for purchasing in-game items, currencies, and upgrades. Its use of blockchain technology ensures instant transactions with minimal fees, enhancing the gaming experience. By supporting both traceable and untraceable transactions, Kaspay caters to diverse privacy needs, while its streamlined payment process boosts player engagement and satisfaction. With robust security measures and easy integration into gaming platforms, Kaspay makes in-game purchases more convenient and enjoyable for players.

2.3.15 Easy Integration

Kaspay revolutionises the process of making online payments by seamlessly integrating with major e-commerce platforms such as WooCommerce and Adobe Commerce. This integration is designed to be effortless, allowing businesses to quickly and easily incorporate cryptocurrency payment options into their existing online stores. By providing user-friendly widgets, hosted pages, and comprehensive SDKs, Kaspay enables merchants to accept cryptocurrency payments with minimal effort, ensuring a smooth and efficient checkout experience for their customers.

The platform's intuitive interface is tailored to offer a seamless user experience for both merchants and consumers. For businesses, the setup process is straightforward, requiring no extensive technical expertise. This ease of use means that merchants can focus on their core business

activities while providing their customers with a modern and flexible payment option. For consumers, Kaspay's low transaction costs make it a cost-effective choice, enhancing the overall value of their online shopping experience.

One of the standout features of Kaspay is its ability to empower businesses by expanding their payment options. By accepting cryptocurrencies, merchants can tap into a growing market of digital currency users, increasing their customer base and potentially boosting sales. This flexibility in payment options enhances customer satisfaction, as shoppers appreciate the convenience and security of using cryptocurrencies for their online purchases.

2.4 Choosing Kaspay

Choosing Kaspay means opting for a cutting-edge payment solution that is deeply integrated with and built around the innovative Kaspa ecosystem. By leveraging Kaspa's advanced blockDAG technology, Kaspay offers unparalleled transaction speeds, robust security, and minimal transaction costs, making it an ideal choice for both consumers and merchants looking for efficient and reliable cryptocurrency payment options.

Kaspay is more than just a payment platform; it is a key player in the growth and evolution of the Kaspa ecosystem. As Kaspa continues to develop and expand, Kaspay will evolve alongside it, ensuring that users benefit from the latest advancements in blockchain technology. This symbiotic relationship means that by choosing Kaspay, you are also supporting the broader Kaspa ecosystem, contributing to its success and innovation.

Additionally, Kaspay is committed to helping Kaspa grow by promoting its solutions and integrating them into a wide range of applications and platforms. This commitment not only enhances the functionality and reach of Kaspay but also drives the adoption and development of Kaspa's technology.

For users, this means accessing a payment solution that is not only state-of-the-art but also dedicated to continuous improvement and adaptation. Kaspay's seamless integration with major ecommerce platforms, user-friendly interface, and low transaction costs make it a practical and attractive choice for managing digital payments. By choosing Kaspay, you join a forward-thinking community focused on innovation, security, and growth, ensuring that you are always at the forefront of the digital payment revolution.

In summary, choosing Kaspay means embracing a solution that is designed to evolve with the Kaspa ecosystem, offering fast, secure, and cost-effective transactions. Your support helps drive the growth of both Kaspay and Kaspa, fostering an environment of continuous innovation and improvement.



Make the smart choice for your digital payments by choosing Kaspay, and be part of the future of cryptocurrency.

3 Tokenomics

3.1 Overview

Kaspay's tokenomics are meticulously designed to foster a robust, sustainable, and dynamic ecosystem, focused around its native utility token, KASPAY. The strategic distribution, utility, and governance mechanisms embedded within Kaspay's tokenomics framework ensure the efficient operation and growth of the platform, while providing significant benefits to token holders.

3.2 Token Distribution

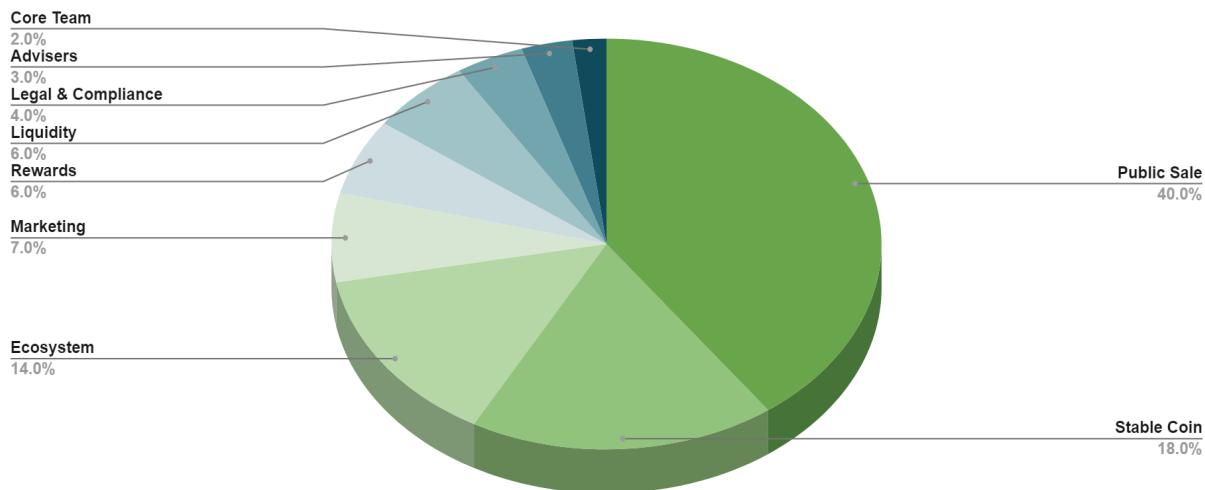
The total supply of KASPAY tokens is set to 16,180,339,887.49894848 and is allocated to support various key areas crucial for the platform's development and sustainability:

- **Foundation and Development:** A significant portion of the tokens is dedicated to the ongoing development, maintenance, and upgrades of the Kaspay platform. This ensures continuous innovation and the integration of new features to meet user needs.
- **Marketing and Partnerships:** Tokens allocated for marketing efforts and strategic partnerships are aimed at driving user adoption and expanding the Kaspay ecosystem. These funds support promotional activities, campaigns, and collaborations with other industry players.
- **Community and Rewards:** A portion of the tokens is reserved for community engagement, including airdrops², loyalty programs, and other incentives. This fosters a strong, active, and loyal user base, encouraging long-term participation in the Kaspay ecosystem.
- **Liquidity and Reserves:** Ensuring sufficient liquidity is essential for the smooth functioning of the platform. Tokens allocated for liquidity and reserves facilitate seamless transactions and enhance the overall stability of the Kaspay ecosystem.
- **Team and Advisors:** A designated allocation of tokens is set aside for the core team and advisors. This aligns their interests with the long-term success of the platform, ensuring that they remain committed to driving Kaspay's growth and development.



3.2.1 Distribution Graph

The tokenomics framework of Kaspay is designed to ensure long-term economic sustainability. By strategically allocating tokens to key areas, supporting continuous innovation, and incentivizing user participation, Kaspay creates a thriving ecosystem that balances growth with stability.



3.3 Token Utility

KASPAY tokens play a pivotal role within the Kaspay ecosystem, offering a range of utilities that enhance their value and appeal:

- **Zero Transaction Fees:** KASPAY token holders enjoy zero transaction fees when using the token for payments within the Kaspay platform. This cost-saving feature makes KASPAY an attractive option for both merchants and consumers.
- **Governance Participation:** KASPAY tokens empower holders to participate in the governance of the Kaspay platform and Stablecoin's Governance. Through a decentralised voting system, token holders can influence key decisions, including development priorities and strategic initiatives, ensuring that the platform evolves in line with the community's needs.
- **Exclusive Potential Rewards and Airdrops²:** Holding KASPAY tokens qualifies users for exclusive rewards and airdrops, enhancing their overall return on investment and fostering long-term loyalty.

3.4 Public Sale Strategy

Here at Kaspay we understand the importance of building trust in the crypto space, and that's why we've taken a meticulous approach for our token public sale. Our team is renowned for its care for details and strategic vision.

The importance of a successful token sale cannot be overstated, as it serves as a crucial mechanism for funding project development, building community engagement, and creating value for stakeholders. Achieving the right balance between setting a fair token price, designing an attractive tokenomics model, and generating interest among potential investors is paramount in ensuring the success of the sale.

By demonstrating a deep care for details and a keen strategic vision, a well-executed token sale can not only secure the necessary funding for the project but also lay the foundation for its long-term growth and sustainability.

The KASPAY token will play a vital role in our ecosystem, fueling our mission to become a leading payment platform for everyday transactions, bridging the gap between crypto and traditional finance.

This token sale presents a unique opportunity for you to become a part of our journey. By participating, you'll gain early access to the KASPAY token and express your interest in shaping the future of the Fintech Industry. We've carefully balanced functionality and utility to ensure the token holds significant value for holders.

The public sale period of the KASPAY token will be conducted over a temporal sequence of 16 ($\text{floor}(10\varphi)$) weeks. The tokens will be available for acquisition in discrete lots at a fixed monetary exchange rate. The mechanism resembles the minting process, where a predetermined number of tokens is issued against a fixed monetary amount.

Let us designate this unit as 1 lot. Expressed in human-readable terms, 1 lot falls within the interval $[390; 580]$ KAS, computed at the lowest and highest valuations over the preceding 60 days, and is equivalent to \$80.90 (50φ) in traditional currency.

This valuation is carefully calibrated to ensure it is accessible, preventing an exclusively affluent accumulation while simultaneously incentivizing comprehensive due diligence among potential investors.

Our strategic objective is to exert a significant gravitational force within the Kaspa ecosystem. Thus, the mathematical model governing the temporal distribution of KASPAY tokens within the token sale and the token vesting schedule is formulated to exhibit entanglement with the Kaspa coin issuance rate from the genesis block.



3.4.1 Public Sale Schedule

The public sale is divided into the following phases:

- Pre-Deflationary Phase (first 3 weeks): 1 lot = 50,000 KASPAY tokens;
- Chromatic Phase (weeks 4-15): commencing in week 4, 1 lot = 44,000 KASPAY tokens, with a subsequent weekly decrement governed by a factor of $(1/2)^{(1/12)}$. This phase spans 12 weeks, constituting a complete halving cycle;
- The Last Call (week 16): 1 lot = 22,000 KASPAY tokens.

The fully detailed public sale schedule is presented below:

| Phase | Week | Amount (KASPAY) | Price per token (\$) | Price per lot (\$) |
|------------------------|------|-----------------|----------------------|--------------------|
| Pre-Deflationary Phase | 1 | 50,000.00 | 0.00161803 | 80.90 |
| | 2 | 50,000.00 | 0.00161803 | 80.90 |
| | 3 | 50,000.00 | 0.00161803 | 80.90 |
| Chromatic Phase | 4 | 44,000.00 | 0.00183867 | 80.90 |
| | 5 | 41,530.47 | 0.00194801 | 80.90 |
| | 6 | 39,199.54 | 0.00206384 | 80.90 |
| | 7 | 36,999.44 | 0.00218657 | 80.90 |
| | 8 | 34,922.82 | 0.00231659 | 80.90 |
| | 9 | 32,962.76 | 0.00245434 | 80.90 |
| | 10 | 31,112.70 | 0.00260028 | 80.90 |
| | 11 | 29,366.48 | 0.00275490 | 80.90 |
| | 12 | 27,718.26 | 0.00291871 | 80.90 |
| | 13 | 26,162.56 | 0.00309227 | 80.90 |
| | 14 | 24,694.17 | 0.00327615 | 80.90 |
| | 15 | 23,308.19 | 0.00347096 | 80.90 |
| The Last Call | 16 | 22,000.00 | 0.00367735 | 80.90 |

To ensure a long-term commitment to the project's success, we've implemented a strategic token vesting schedule, both for the participants in the public sale and for the rest of the tokenomics components. This measured release of tokens fosters stability and aligns investor interests with our development roadmap. We believe this balanced approach creates a win-win scenario, allowing you to participate in our growth while we diligently build a sustainable future for Kaspay.

According to our tokenomics, the maximum issuance of KASPAY tokens over the 16-week period is constrained to 6,472,135,955 (40% Public Sale). This corresponds to approximately 129,443 lots during the Pre-Deflationary Phase, around 147,094 lots during the initial week of the Chromatic Phase, and approximately 294,188 lots at the time of The Last Call, thereby optimising the risk-reward ratio for early participants.

If all tokens are sold before the end of the 16th week, the public sale will conclude, and no further contributions will be accepted.



3.4.2 Vesting Schedule

The vesting schedule will commence immediately after the end of the public sale period, under the assumption that all tokens have been sold, with each investor owning a portion of 6,472,135,955 KASPAY. The specific share each investor holds will depend on the number of lots they purchase and the timing of each individual order.

The token release mechanism is designed to emulate the mining process of the Kaspa coin within a framework operating at a frequency of one block per second. The reward for each "block" (interpreted as per second) will commence at ~333.0221 KASPAY for the first month. Subsequently, this reward will decrease each month according to a decay factor of $1/2^{(1/12)}$, which corresponds to a half-life period of 12 months. Following the initial halving, the emission rate will stabilise at ~166.5111 units per second.

The tokens will be distributed on the final day of each month, with each investor in the public sale receiving a proportionate share of the total tokens issued for that month, corresponding to their respective purchases.

At the same time, tokens allocated to various components of tokenomics will be transferred to their designated wallets.

Full details about the token emissions and circulating supply are given below:

| Month | Days | Seconds | Release / sec (KASPAY) | Release per Month (KASPAY) | Circulating supply (KASPAY) | Circulating Supply (%) |
|-------|---------|-----------|---------------------------|-------------------------------|--------------------------------|---------------------------|
| 1 | 30.4375 | 2,629,800 | 333.0221 | 875,781,552.61 | 875,781,552.61 | 5.41% |
| 2 | 30.4375 | 2,629,800 | 314.3310 | 826,627,711.31 | 1,702,409,263.92 | 10.52% |
| 3 | 30.4375 | 2,629,800 | 296.6890 | 780,232,663.12 | 2,482,641,927.03 | 15.34% |
| 4 | 30.4375 | 2,629,800 | 280.0371 | 736,441,568.88 | 3,219,083,495.91 | 19.90% |
| 5 | 30.4375 | 2,629,800 | 264.3198 | 695,108,279.89 | 3,914,191,775.80 | 24.19% |
| 6 | 30.4375 | 2,629,800 | 249.4847 | 656,094,850.14 | 4,570,286,625.94 | 28.25% |
| 7 | 30.4375 | 2,629,800 | 235.4822 | 619,271,075.94 | 5,189,557,701.88 | 32.07% |
| 8 | 30.4375 | 2,629,800 | 222.2656 | 584,514,061.36 | 5,774,071,763.25 | 35.69% |
| 9 | 30.4375 | 2,629,800 | 209.7908 | 551,707,808.11 | 6,325,779,571.36 | 39.10% |
| 10 | 30.4375 | 2,629,800 | 198.0161 | 520,742,828.36 | 6,846,522,399.71 | 42.31% |
| 11 | 30.4375 | 2,629,800 | 186.9023 | 491,515,779.36 | 7,338,038,179.08 | 45.35% |
| 12 | 30.4375 | 2,629,800 | 176.4123 | 463,929,118.58 | 7,801,967,297.65 | 48.22% |
| 13 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 8,239,858,075.73 | 50.93% |
| 14 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 8,677,748,853.81 | 53.63% |
| 15 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 9,115,639,631.88 | 56.34% |
| 16 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 9,553,530,409.96 | 59.04% |
| 17 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 9,991,421,188.03 | 61.75% |



| | | | | | | |
|----|---------|-----------|----------|----------------|-------------------|---------|
| 18 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 10,429,311,966.11 | 64.46% |
| 19 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 10,867,202,744.19 | 67.16% |
| 20 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 11,305,093,522.26 | 69.87% |
| 21 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 11,742,984,300.34 | 72.58% |
| 22 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 12,180,875,078.42 | 75.28% |
| 23 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 12,618,765,856.49 | 77.99% |
| 24 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 13,056,656,634.57 | 80.69% |
| 25 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 13,494,547,412.65 | 83.40% |
| 26 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 13,932,438,190.72 | 86.11% |
| 27 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 14,370,328,968.80 | 88.81% |
| 28 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 14,808,219,746.87 | 91.52% |
| 29 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 15,246,110,524.95 | 94.23% |
| 30 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 15,684,001,303.03 | 96.93% |
| 31 | 30.4375 | 2,629,800 | 166.5111 | 437,890,778.08 | 16,121,892,081.10 | 99.64% |
| 32 | 4.0627 | 351,015 | 166.5111 | 58,447,806.40 | 16,180,339,887.50 | 100.00% |

The monthly issuance of tokens will be distributed in accordance with the subsequent algorithmic protocol:

- **Months 1 - 3:**
 - Public Sale: 100%
- **Months 4 - 12 (public sale tokens will be fully distributed at the end of this period):**
 - Public Sale: 75%
 - Marketing: 8.75%
 - Liquidity: 7.5%
 - Legal & Compliance: 5%
 - Advisers: 3.75%
- **Month 13:**
 - Stable Coin: 50%
 - Ecosystem: 50%
- **Months 14 - 26:**
 - Stable Coin: 30%
 - Ecosystem: 23.33%
 - Marketing: 11.67%
 - Rewards: 10%
 - Liquidity: 10%
 - Legal & Compliance: 6.67%
 - Advisers: 5%
 - Core Team: 3.33%
- **Month 27:**
 - Marketing, Liquidity, Legal & Compliance, and Advisers allocations will be fully completed. The remaining distribution is:
 - Stable Coin: 50%
 - Ecosystem: 50%



- **Months 28 - 30:**
 - Stable Coin: 45%
 - Ecosystem: 35%
 - Rewards: 15%
 - Core Team: 5%
- **Month 31:**
 - Stable Coin and Ecosystem allocations will be fully completed. The remaining distribution is:
 - Rewards: 75%
 - Core Team: 25%
- **Month 32:**
 - Rewards and Core Team allocations will be fully completed.

To express the above algorithm numerically, you can refer to the following table (for viewing reasons, the decimals have been truncated):

| Month | Release per Month (KASPAY) | Public Sale | Stable Coin | Ecosystem | Marketing | Rewards | Liquidity | Legal & Compliance | Advisers | Core Team |
|-------|----------------------------|-------------|-------------|-------------|------------|------------|------------|--------------------|------------|------------|
| 1 | 875,781,553 | 875,781,553 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | 826,627,711 | 826,627,711 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3 | 780,232,663 | 780,232,663 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | 736,441,569 | 552,331,177 | 0 | 0 | 64,438,637 | 0 | 55,233,118 | 36,822,078 | 27,616,559 | 0 |
| 5 | 695,108,280 | 521,331,210 | 0 | 0 | 60,821,974 | 0 | 52,133,121 | 34,755,414 | 26,066,560 | 0 |
| 6 | 656,094,850 | 492,071,138 | 0 | 0 | 57,408,299 | 0 | 49,207,114 | 32,804,743 | 24,603,557 | 0 |
| 7 | 619,271,076 | 464,453,307 | 0 | 0 | 54,186,219 | 0 | 46,445,331 | 30,963,554 | 23,222,665 | 0 |
| 8 | 584,514,061 | 438,385,546 | 0 | 0 | 51,144,980 | 0 | 43,838,555 | 29,225,703 | 21,919,277 | 0 |
| 9 | 551,707,808 | 413,780,856 | 0 | 0 | 48,274,433 | 0 | 41,378,086 | 27,585,390 | 20,689,043 | 0 |
| 10 | 520,742,828 | 390,557,121 | 0 | 0 | 45,564,997 | 0 | 39,055,712 | 26,037,141 | 19,527,856 | 0 |
| 11 | 491,515,779 | 368,636,835 | 0 | 0 | 43,007,631 | 0 | 36,863,683 | 24,575,789 | 18,431,842 | 0 |
| 12 | 463,929,119 | 347,946,839 | 0 | 0 | 40,593,798 | 0 | 34,794,684 | 23,196,456 | 17,397,342 | 0 |
| 13 | 437,890,778 | 0 | 218,945,389 | 218,945,389 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 15 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 16 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 17 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 18 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 19 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 20 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 21 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 22 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 23 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 24 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |

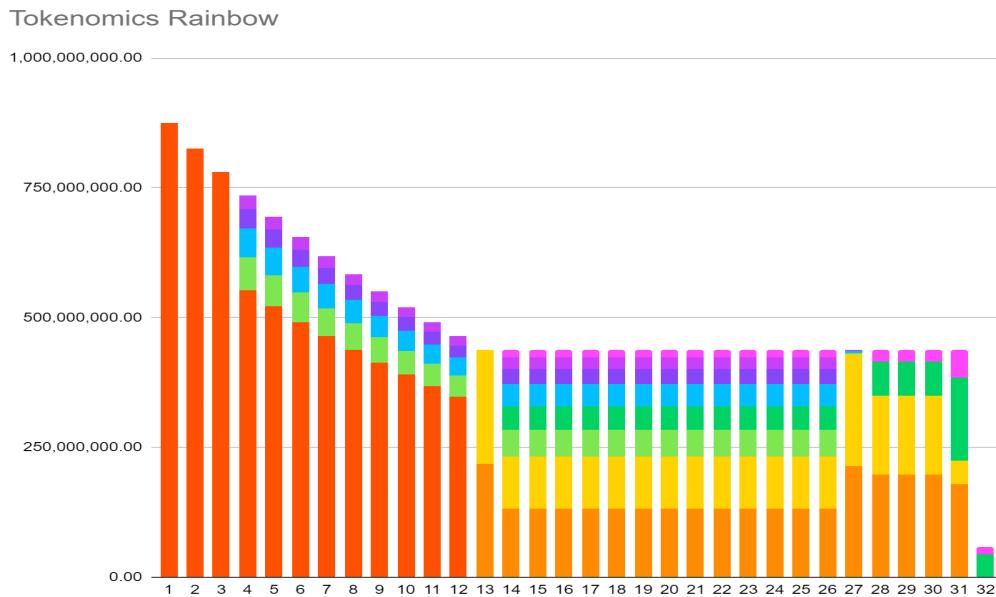


| | | | | | | | | | | |
|----|-------------|---|-------------|-------------|------------|-------------|------------|------------|------------|------------|
| 25 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 26 | 437,890,778 | 0 | 131,367,233 | 102,159,919 | 51,101,854 | 43,789,078 | 43,789,078 | 29,207,315 | 21,894,539 | 14,581,763 |
| 27 | 437,890,778 | 0 | 214,780,177 | 214,780,177 | 2,858,723 | 0 | 2,612,979 | 1,552,233 | 1,306,489 | 0 |
| 28 | 437,890,778 | 0 | 197,050,850 | 153,261,772 | 0 | 65,683,617 | 0 | 0 | 0 | 21,894,539 |
| 29 | 437,890,778 | 0 | 197,050,850 | 153,261,772 | 0 | 65,683,617 | 0 | 0 | 0 | 21,894,539 |
| 30 | 437,890,778 | 0 | 197,050,850 | 153,261,772 | 0 | 65,683,617 | 0 | 0 | 0 | 21,894,539 |
| 31 | 437,890,778 | 0 | 179,809,029 | 43,657,761 | 0 | 160,817,991 | 0 | 0 | 0 | 53,605,997 |
| 32 | 58,447,806 | 0 | 0 | 0 | 0 | 43,693,540 | 0 | 0 | 0 | 14,754,266 |

To conclude, assuming an investor purchased 20 lots during the pre-deflationary phase, so a total of 1,000,000 KASPAY tokens, here is an example of how the token distribution would work based on the algorithm:

| Month | Release per Month (KASPAY) | Public Sale Share (KASPAY) | Public Sale Release (e.g.: 20 lots week 1-3) |
|--------------|----------------------------|----------------------------|--|
| 1 | 875,781,552.61 | 875,781,552.61 | 135,315.69 |
| 2 | 826,627,711.31 | 826,627,711.31 | 127,721.01 |
| 3 | 780,232,663.12 | 780,232,663.12 | 120,552.58 |
| 4 | 736,441,568.88 | 552,331,176.66 | 85,339.86 |
| 5 | 695,108,279.89 | 521,331,209.92 | 80,550.10 |
| 6 | 656,094,850.14 | 492,071,137.61 | 76,029.17 |
| 7 | 619,271,075.94 | 464,453,306.96 | 71,761.98 |
| 8 | 584,514,061.36 | 438,385,546.02 | 67,734.29 |
| 9 | 551,707,808.11 | 413,780,856.08 | 63,932.66 |
| 10 | 520,742,828.36 | 390,557,121.27 | 60,344.39 |
| 11 | 491,515,779.36 | 368,636,834.52 | 56,957.52 |
| 12 | 463,929,118.58 | 347,946,838.93 | 53,760.74 |
| Total | | | 1,000,000.00 |

The following rainbow chart offers a detailed visualisation of the monthly token distribution across the various components of our tokenomics model.



Each month, the difference between the tokens distributed to investors and the total release for that month, representing the quota of unsold tokens, will be allocated (if any) to other critical components of our tokenomics, in the following percentages:

- Stable Coin Concept: 50%;
- Marketing Efforts: 30%;
- Liquidity for listing on Exchanges: 20%.

This strategic decision is made to prioritise investor interests, ensuring benefits in both the medium and long term.

3.5 Cancellation and Refund Policy

This Cancellation and Refund Policy outlines the terms and conditions governing the cancellation and refund of transactions conducted on the Kaspay platform. By using our services, you agree to the terms set forth in this policy.

3.5.1 Cancellation Policy

All transactions made on the Kaspay platform are final and irreversible. Once a transaction is confirmed on the blockchain, it cannot be cancelled, reversed, or refunded under any circumstances. This policy applies to all types of transactions, including but not limited to the purchase, sale, and transfer of cryptocurrencies, as well as the use of Kaspay's native token, KASPAY.

3.5.2 Refund Policy

All transactions completed on the Kaspay platform are final and non-refundable. Once a transaction has been confirmed on the blockchain, it cannot be refunded under any circumstances. This applies to all types of transactions, including but not limited to the purchase, sale, and transfer of cryptocurrencies, as well as the use of Kaspay's native token, KASPAY.

Kaspay enforces a strict no-refund policy with no exceptions. This policy is designed to maintain the integrity and security of the blockchain and to protect all users from potential fraud or disputes.

3.5.3 User Responsibility

Kaspay urges all users to take responsibility for their transactions and exercise diligence when using the Kaspay platform. While we focus to maintain a secure and reliable service, users should be aware of the inherent risks associated with cryptocurrency investments.

Users are solely responsible for verifying the accuracy of transaction details before confirming any transaction on the Kaspay platform. This includes ensuring the correct recipient address, transaction amount, and any other relevant information. Kaspay cannot and will not reverse or modify transactions once they have been confirmed on the blockchain.

3.6 Disclaimer

3.6.1 Disclaimer of Warranties

KASPAY tokens are provided on an "as-is" and "as available" basis. Kaspay makes no warranties or representations regarding the Tokens, including their functionality, value, or suitability for any particular purpose. You acknowledge that the Token ecosystem is subject to various risks derived from the crypto ecosystem and its volatility..

3.6.2 Limitation of Liability

To the maximum extent permitted by applicable law, Kaspay shall not be liable for any direct, indirect, incidental, consequential, or punitive damages arising out of or in connection with the acquisition, possession, or use of KASPAY Tokens. This includes any damages resulting from errors, omissions, interruptions, or delays in the Token ecosystem.

3.7 Modification of Token Terms

Kaspay reserves the right to modify or update these terms and conditions at any time without prior notice. Such changes will become effective immediately upon being posted on the Kaspay website. It is the responsibility of users to review these terms periodically to stay informed about any modifications.



By continuing to access or use the Kaspay platform after any modifications have been made, you agree to be bound by the revised terms and conditions. If you do not agree with the modified terms, you must discontinue your use of the Kaspay platform immediately.

Kaspay aims to keep its users informed about significant changes to the terms and conditions through notifications on the platform or via email. However, it remains the user's responsibility to stay up-to-date with the current terms and conditions.

4 Stablecoin Concept: Kaspay Stablecoin

4.1 Introduction

Kaspay's Stablecoin concept: Kaspay Stablecoin is a pioneering stablecoin managed by Kaspay, a leading crypto payment platform. This innovative stablecoin is built on the KRC-20 protocol, leveraging the advanced capabilities of the Kaspa BlockDAG technology. This integration allows Kaspay Stablecoin to achieve transaction speeds up to 41⁴ times faster than Bitcoin while maintaining some of the lowest fees in the cryptocurrency world, making it an ideal choice for efficient and cost-effective transactions.

Kaspay Stablecoin stands out in the stablecoin market by revolutionising the concept of reserves. Unlike traditional stablecoins that base their reserves on real-world assets or fiat currencies, Kaspay Stablecoin's reserves are composed of a diversified basket of other stablecoins⁵. This unique approach provides a more dynamic and flexible reserve structure, aiming to leverage the stability of multiple established stablecoins⁵.

One of the critical challenges in the cryptocurrency space is the transparency and reliability of stablecoin reserves. Many companies backing stablecoins do not provide complete transparency regarding their reserves, which poses a potential risk of insolvency or financial instability. Kaspay addresses this concern by implementing an Insurance Fund designed to mitigate the risks associated with the potential failure of any stablecoin within the Kaspay Stablecoin reserve basket.

The Insurance Fund acts as a financial safety net, ensuring that in the unlikely event of a stablecoin in the reserve basket facing issues such as lack of transparency or bankruptcy, the value of Kaspay Stablecoin remains protected. This proactive measure enhances the trust and reliability of Kaspay Stablecoin, making it a safer option for users who require stability and security in their digital transactions.

Furthermore, Kaspay Stablecoin's use of the KRC-20 protocol and Kaspa BlockDAG technology ensures not only speed and low costs but also a high level of security and scalability. The BlockDAG architecture allows for multiple blocks to be processed simultaneously, significantly increasing the network's capacity and reducing congestion. This results in faster transaction confirmations and greater overall efficiency, which are crucial for high-frequency trading and everyday transactions.

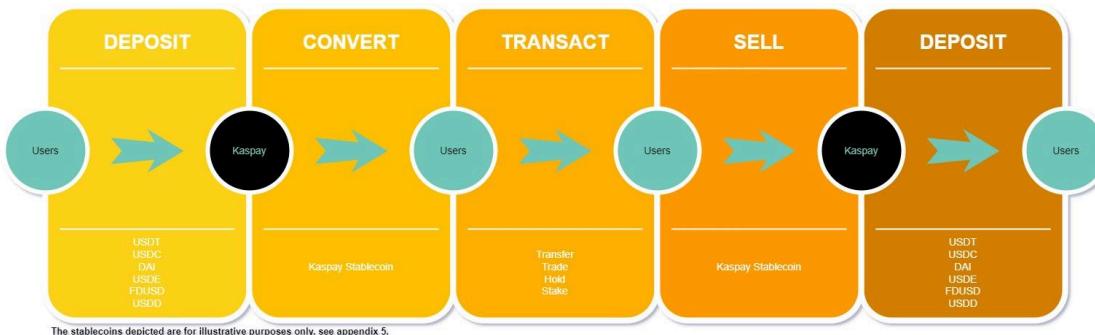
Kaspay's commitment to innovation and security is evident in its management of Kaspay Stablecoin. By choosing a reserve model based on multiple stablecoins and implementing an Insurance Fund,



Kaspay provides a stablecoin that is not only fast and cost-effective but also exceptionally secure and resilient. This approach ensures that users can rely on Kaspay Stablecoin for a wide range of financial activities, from everyday purchases to large-scale transactions, with confidence in the stability and integrity of their funds.

4.2 Workflow

Users can seamlessly manage their stablecoin assets within the Kaspay ecosystem by utilising Kaspay Stablecoin, Kaspay's innovative stablecoin solution. The process is straightforward and designed for flexibility and convenience.



To begin, users deposit their supported stablecoins⁵ (examples above) into Kaspay's stablecoin reserves. Upon receiving these deposits, Kaspay converts the equivalent value into Kaspay Stablecoin and deposits the newly created Kaspay Stablecoin tokens into the user's wallet. This conversion process is swift and efficient, allowing users to start using their Kaspay Stablecoin almost immediately.

Once users have Kaspay Stablecoin in their wallets, they can utilise these tokens in various ways. They can trade Kaspay Stablecoin on supported exchanges, use it for transactions within the Kaspay network, or simply hold the stablecoin as a secure store of value. The flexibility of Kaspay Stablecoin makes it a versatile asset for a wide range of financial activities.

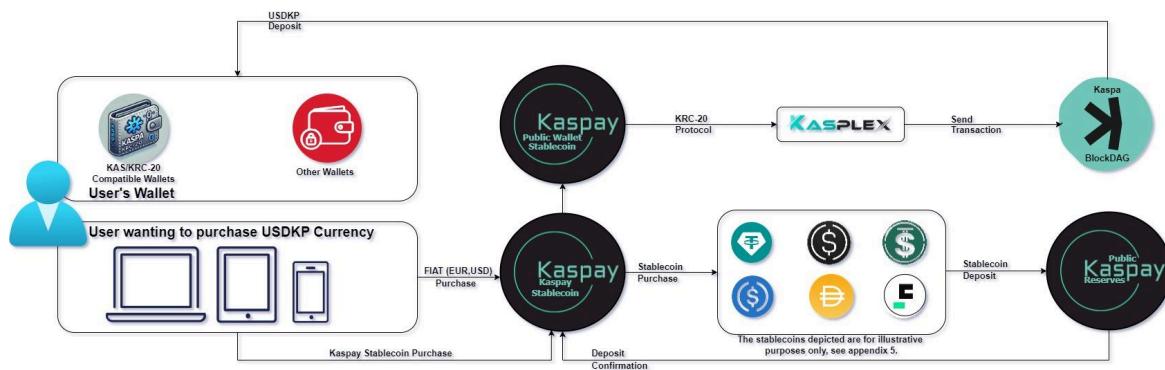
When users wish to convert their Kaspay Stablecoin back into the original stablecoin, they simply deposit the Kaspay Stablecoin tokens into a designated Kaspay address. Kaspay then reconverts the Kaspay Stablecoin into the equivalent amount of the original stablecoin. Alternatively, Kaspay can coordinate with stablecoin platforms to provide users with the equivalent value in fiat currency, depending on the user's preference and needs.

This comprehensive process ensures that managing stablecoin assets within the Kaspay ecosystem is both easy and flexible. Users benefit from the speed and security of Kaspay's platform, making it simple to convert between Kaspay Stablecoin and other stablecoins or fiat currencies as needed. This seamless integration and conversion capability enhance the overall user experience, providing a reliable and efficient way to handle digital assets within the Kaspay ecosystem.

4.3 Architecture

4.3.1 Purchase Flow Architecture

Users can efficiently manage their stablecoin assets within the Kaspay ecosystem by leveraging the platform's advanced technology and streamlined processes. Here's how it works:



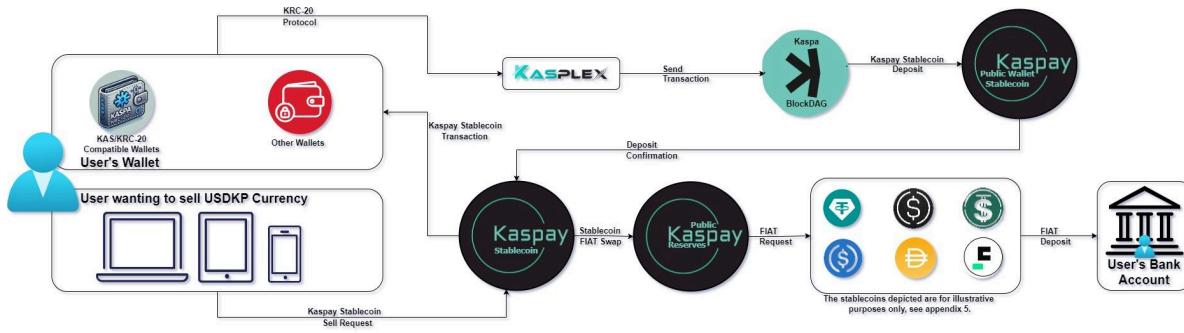
Users start by depositing supported stablecoins⁵, into Kaspay's reserves. Utilising Kaspa's blockDAG technology and the KRC-20 protocol, Kaspay quickly converts these deposits into Kaspay Stablecoin, Kaspay's native stablecoin. The newly converted Kaspay Stablecoin is then credited to the user's wallet, ready for use in various transactions or as a store of value.

For users wishing to purchase Kaspay Stablecoin with fiat currency, Kaspay employs a straightforward process. The platform uses the stablecoin's established purchase flow (e.g., USDT) to acquire the necessary stablecoins. These stablecoins are then deposited into Kaspay's Kaspay Stablecoin reserves, allowing for the seamless conversion of fiat to Kaspay Stablecoin without directly handling fiat currencies.

This efficient and flexible system ensures that users can easily manage their assets within the Kaspay ecosystem. By leveraging cutting-edge technology, Kaspay provides a seamless experience for converting, holding, and transacting with stablecoins, all while maintaining the security and reliability that users expect. This streamlined approach simplifies the management of digital assets, making it accessible and user-friendly for everyone.

4.3.2 Sell Flow Architecture

When users decide to sell or revert their Kaspay Stablecoin, the process is designed to be secure, efficient, and straightforward. Users simply deposit their Kaspay Stablecoin back to Kaspay. Upon receiving the deposit, Kaspay converts the Kaspay Stablecoin back into the user's original stablecoin equivalent.



If users prefer to receive fiat currency instead of stablecoins, Kaspay coordinates with the reserves of the supported stablecoins⁵ to facilitate the conversion. This means Kaspay works with these stablecoin providers to convert the stablecoin value into FIAT currency and ensure it is delivered to the user. Importantly, Kaspay itself never directly holds or manages FIAT currency. This approach ensures that all fiat transactions are securely managed by the respective stablecoin reserves, maintaining the integrity and security of the process.

This system guarantees that users can manage their assets within the Kaspay ecosystem with confidence. The use of secure and reliable stablecoin reserves for FIAT transactions ensures that users' funds are handled efficiently and safely. The seamless conversion process, whether reverting to stablecoins or FIAT, provides a hassle-free experience for users, enhancing the overall functionality and trustworthiness of the Kaspay platform.

4.4 Reserves Operations

4.4.1 Overview

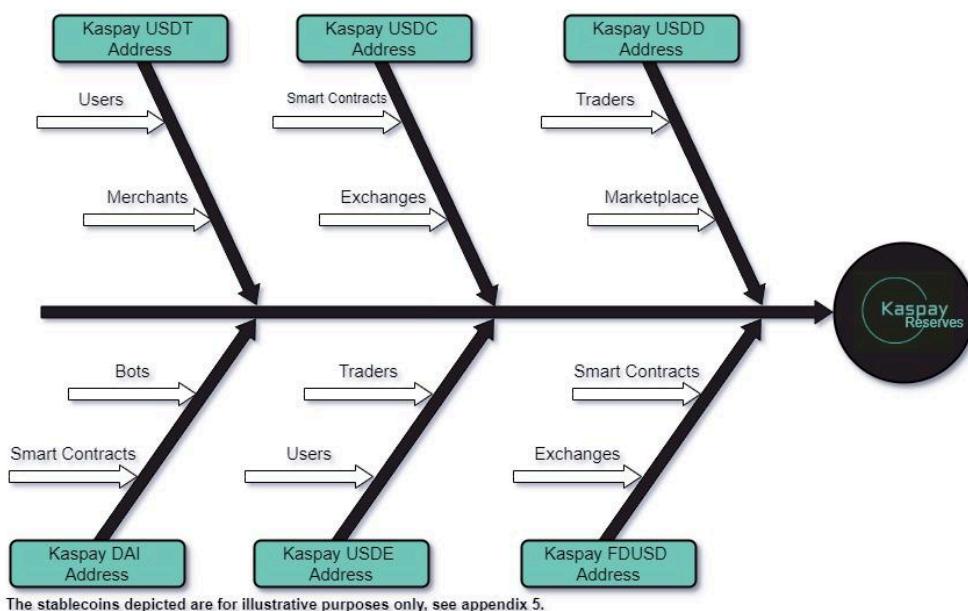
Kaspay Stablecoin is a pioneering stablecoin that sets itself apart by anchoring its reserves exclusively in other stablecoins, rather than traditional real-world assets or fiat currencies. This innovative approach not only enhances the stability of Kaspay Stablecoin but also significantly improves transparency and trustworthiness.

The reserves backing Kaspay Stablecoin are composed of a diverse basket of widely-used stablecoins⁵. By diversifying its reserves across multiple stablecoins, Kaspay Stablecoin mitigates the risks associated with reliance on a single asset, thus ensuring a more stable and reliable value. This multi-stablecoin reserve model leverages the stability and liquidity of established stablecoins, making Kaspay Stablecoin a robust and dependable choice for users.

Kaspay Stablecoin's reserve composition is continuously fueled by various common crypto inflows, including exchanges, smart contracts, traders, and individual users. This dynamic and multi-source funding strategy ensures that the reserves are always adequately supported and diversified, further enhancing the stability of Kaspay Stablecoin.

Transparency is a cornerstone of Kaspay Stablecoin's value proposition. The Kaspay platform, which manages Kaspay Stablecoin, is committed to providing full visibility into the stablecoin's reserves. Real-time audits and reporting of the reserve balances are integral components of this commitment. Users and stakeholders can access detailed information about the composition and status of the reserves, ensuring complete transparency and fostering trust.

This transparent approach is vital for maintaining confidence in Kaspay Stablecoin. By clearly demonstrating the stability and security of its reserves, Kaspay ensures that users can trust Kaspay Stablecoin as a reliable medium of exchange and store of value. The emphasis on transparency also aligns with regulatory standards and best practices in the crypto industry, positioning Kaspay Stablecoin as a forward-thinking and compliant stablecoin.



In conclusion, Kaspay Stablecoin distinguishes itself through its innovative reserve model based entirely on other stablecoins, enhancing both stability and transparency. The diverse and dynamic inflows from various crypto sources ensure robust support for the reserves, while Kaspay's commitment to transparency provides users with full visibility and confidence in the stablecoin's value. This unique approach makes Kaspay Stablecoin a secure, reliable, and transparent choice for all users in the cryptocurrency ecosystem.

4.4.2 Reserves Distribution & Calculation

Kaspay Stablecoin maintains its stability and transparency through a meticulously designed reserve system that equally distributes its backing among multiple stablecoins⁵. This equal distribution strategy is critical in mitigating risk and ensuring that the value of Kaspay Stablecoin remains stable, even if one of the underlying stablecoins experiences volatility or other issues.

Equal Distribution for Risk Mitigation

By allocating its reserves equally across various stablecoins⁵, Kaspay Stablecoin significantly reduces the impact that fluctuations in any single stablecoin can have on its overall value. This diversified approach means that the potential instability of one stablecoin is counterbalanced by the stability of the others, providing a more resilient and reliable value foundation for Kaspay Stablecoin.

Transparent and Verifiable Reserves

To uphold transparency and allow users to verify the reserves, Kaspay Stablecoin employs public blockchain addresses for all wallets holding these stablecoins. This open-access approach ensures that anyone can view the reserves at any time, promoting trust and accountability. The transparency of these reserves is essential for maintaining user confidence and demonstrating that Kaspay Stablecoin is fully backed by equivalent stablecoin assets.

Ensuring Full Backing with a Balanced Formula

Kaspay Stablecoin uses an easy straightforward yet robust balancing formula to ensure that the total amount of Kaspay Stablecoin in circulation is always matched by the combined value of its reserves. The formula is as follows:

$$(1024000000000000 - U) = (S1 + S2 + S3 + S4 + S5 + Sn)$$

Left Side (Circulation): Starting with a hypothetical total supply of 1024 billion Kaspay Stablecoin tokens, subtracting

U (the amount not in circulation) gives the amount of Kaspay Stablecoin currently in circulation.

Right Side (Reserves): Summing the reserves held in the n stablecoins (Stablecoin 1 ($S1$), Stablecoin 2 ($S2$), Stablecoin 3 ($S3$), Stablecoin 4 ($S4$), Stablecoin 5 ($S5$), Stablecoin n (Sn))) provides the total reserves.

This formula ensures that every Kaspay Stablecoin token in circulation is backed by an equivalent amount of stablecoins, creating a transparent and reliable system for users. The rigorous adherence to this formula guarantees that the value of Kaspay Stablecoin is consistently supported by tangible assets, reinforcing its stability.

Real-Time Transparency and User Confidence

Kaspay Stablecoin's commitment to transparency is further demonstrated through real-time reporting of reserve balances. Users can access detailed information about the composition and status of the reserves at any time, providing full visibility into the backing of their Kaspay Stablecoin tokens. This level of transparency not only builds user trust but also aligns with best practices in the crypto industry and regulatory standards.



Conclusion

Kaspay Stablecoin's reserve system is designed to provide a stable, transparent, and reliable stablecoin solution. By equally distributing its reserves among six stablecoins and ensuring that these reserves are fully verifiable through public blockchain addresses, Kaspay Stablecoin mitigates risk and maintains stability. The use of a clear and rigorous formula to match the circulation of Kaspay Stablecoin with its reserves further enhances this stability. Through its commitment to transparency and real-time verification, Kaspay Stablecoin offers users a dependable and trustworthy digital asset, making it a robust choice in the cryptocurrency ecosystem.

4.4.3 Disaster Recovery

Kaspay recognizes the inherent risks associated with holding reserves in stablecoins, given the potential for market volatility, regulatory challenges, and financial instability that could affect these assets. To mitigate these risks and safeguard the stability of Kaspay Stablecoin, Kaspay has established a robust Insurance Fund. This proactive measure is designed to provide an additional layer of security and financial support, ensuring that Kaspay Stablecoin remains a reliable and trustworthy stablecoin even in adverse conditions.

4.4.3.1 Purpose of the Insurance Fund

The primary purpose of the Kaspay Insurance Fund is to protect the value of Kaspay Stablecoin in the event that any of the stablecoins in its reserves experience a catastrophic event. Such events could include:

- **Bankruptcy:** If a stablecoin issuer were to declare bankruptcy, the assets backing that stablecoin could become inaccessible or devalued, posing a significant risk to the reserves of Kaspay Stablecoin.
- **Significant Loss of Value:** Market dynamics or regulatory actions could lead to a sharp decline in the value of a stablecoin, compromising the backing of Kaspay Stablecoin.
- **Operational Failures:** Technical or operational issues within the stablecoin issuer's platform could impact the availability or value of the stablecoin.
- **Legal Compliance:** Legal compliance issues, such as regulatory crackdowns, licensing failures, and litigation, can lead to the demise of a stablecoin by causing operational disruptions and financial insolvency.

By establishing the Insurance Fund, Kaspay ensures that there are sufficient financial resources to cover such contingencies, thereby maintaining the stability and value of Kaspay Stablecoin.

4.4.3.2 Structure and Operation of the Insurance Fund

The Kaspay Insurance Fund is structured to provide a robust safety net, capable of absorbing shocks that might affect the stablecoins in the Kaspay Stablecoin reserves. Key features of the fund include:



- **Capital Allocation:** A portion of the revenue generated from transaction fees, token sales, and other operational activities is allocated to the Insurance Fund. This continuous funding mechanism ensures that the Insurance Fund grows over time, enhancing its capacity to cover potential losses.
- **Diverse Investments:** The fund is invested in a diversified portfolio of low-risk financial instruments and assets. This diversification strategy not only preserves the capital but also generates returns, further bolstering the fund's financial strength.
- **Transparent Management:** The management of the Insurance Fund is transparent, with regular audits and public reporting. This transparency ensures accountability and builds trust among users and stakeholders.

4.4.3.3 Activation and Coverage

In the event of a catastrophic event affecting one or more stablecoins in the Kaspay Stablecoin reserves, the Insurance Fund is activated to cover the shortfall. The process includes:

- **Assessment and Verification:** Kaspay conducts a thorough assessment to verify the extent of the impact on the stablecoin reserves. This involves evaluating the market conditions, regulatory developments, and financial health of the affected stablecoin issuer.
- **Fund Deployment:** Based on the assessment, the necessary amount from the Insurance Fund is deployed to stabilise the value of Kaspay Stablecoin. This could involve purchasing additional stablecoins to replace the affected assets or directly compensating users for any losses incurred.
- **Restoration of Stability:** The primary goal is to restore and maintain the stability of Kaspay Stablecoin, ensuring that its value remains backed by equivalent assets. The Insurance Fund acts swiftly to address the situation, minimising disruption and preserving user confidence.

4.4.3.4 Benefits of the Insurance Fund

The Kaspay Insurance Fund provides several key benefits, reinforcing the stability and trustworthiness of Kaspay Stablecoin:

- **Enhanced Security:** By offering financial protection against significant losses, the Insurance Fund enhances the overall security of Kaspay Stablecoin. Users can be confident that their assets are safeguarded against extreme market conditions.
- **Trust and Confidence:** The existence of the Insurance Fund builds trust among users and stakeholders, as it demonstrates Kaspay's commitment to maintaining a stable and reliable stablecoin. This trust is crucial for long-term adoption and usage of Kaspay Stablecoin.
- **Risk Mitigation:** The fund mitigates the risks associated with relying on multiple stablecoins, ensuring that even if one stablecoin fails, the overall stability of Kaspay Stablecoin is not compromised.

Understanding the potential risks associated with stablecoins, Kaspay has proactively established an Insurance Fund to protect the value and stability of Kaspay Stablecoin. This fund provides a crucial safety net, ensuring that Kaspay Stablecoin remains a secure and trustworthy stablecoin even in the



face of catastrophic events. By allocating resources, diversifying investments, and maintaining transparent management, the Kaspay Insurance Fund enhances the resilience of Kaspay Stablecoin, offering users confidence and peace of mind in their digital transactions.

4.4.4 Real-Time Monitoring

Kaspay is committed to maintaining the highest levels of transparency and trust for users of its Kaspay Stablecoin. To achieve this, all wallets holding Kaspay Stablecoin and its stablecoin reserves have public addresses. This feature allows anyone to verify the reserves and transactions associated with Kaspay Stablecoin, ensuring full transparency in the management and circulation of the stablecoin.

4.4.4.1 Public Addresses for Verification

The public addresses of wallets holding Kaspay Stablecoin and its stablecoin reserves provide a straightforward way for users and stakeholders to verify the integrity of the reserves. By making these addresses publicly accessible, Kaspay enables anyone to monitor the flow of assets in and out of these wallets. This open access to transactional data fosters a transparent environment where users can independently verify that the reserves backing Kaspay Stablecoin are intact and correctly managed.

4.4.4.2 Real-Time Monitoring

To enhance transparency further, users can monitor the status of Kaspay Stablecoin's reserves and circulation in real-time through the Kaspay.tech and Kaspay Stablecoin websites. These platforms provide up-to-date information on the amounts of various stablecoins held in reserve and the total number of Kaspay Stablecoin tokens in circulation. This real-time visibility allows users to stay informed about the current state of Kaspay Stablecoin's financial health and reserve backing at any moment.

4.4.4.3 Continuous Visibility and Trust

The ability to access real-time data on Kaspay Stablecoin's reserves and circulation ensures continuous visibility for all users. This transparency is crucial for maintaining trust and confidence in the stablecoin. Users can see for themselves that the value of Kaspay Stablecoin is fully backed by an equivalent amount of stablecoins, as evidenced by the public blockchain addresses and the transparent reserve calculation formula. This open approach demonstrates Kaspay's commitment to accountability and reliability.

Promoting Confidence Through Transparency

The public addresses and the transparent reserve calculation formula are key elements in promoting user confidence. The formula ensures that the total amount of Kaspay Stablecoin in circulation is always matched by the combined value of the stablecoin reserves. Users can easily verify this



relationship, reinforcing their trust in the stablecoin's stability and reliability. By providing these verification tools, Kaspay empowers users to confidently use Kaspay Stablecoin, knowing that its value is consistently and transparently backed by real assets.

Kaspay's use of public addresses for all wallets holding Kaspay Stablecoin and its stablecoin reserves, coupled with real-time monitoring capabilities on the Kaspay.tech and Kaspay Stablecoin websites, ensures full transparency and continuous visibility. This openness allows anyone to verify the reserves and transactions, promoting trust and confidence in Kaspay Stablecoin. By providing these robust transparency features, Kaspay reinforces its commitment to maintaining a trustworthy and reliable stablecoin for all users.



5 Why Kaspa

5.1 Overview

Kaspay's decision to integrate with Kaspa is rooted in Kaspa's groundbreaking solutions to the longstanding blockchain trilemma: achieving scalability, security, and decentralisation simultaneously. This choice is driven by Kaspa's exceptional technological innovations, which make it a perfect fit for Kaspay's goals of providing fast, secure, and efficient crypto payment solutions.

5.1.1 Solving the Blockchain Trilemma

The blockchain trilemma posits that decentralised networks can only achieve two out of three desirable properties—scalability, security, and decentralisation—simultaneously. Kaspa, however, effectively addresses all three aspects through its unique approach and advanced technologies:

- **Scalability:**
 - **BlockDAG Technology:** Kaspa's BlockDAG (Directed Acyclic Graph) architecture is a significant departure from traditional linear blockchain structures. This innovation allows for parallel processing of multiple blocks, drastically increasing the network's capacity and throughput. As a result, Kaspa can handle a much larger volume of transactions per second compared to traditional blockchains.
 - **Fast Transactions:** Kaspa's transaction speeds are up to 6000 times faster than Bitcoin. This incredible speed ensures that transactions are confirmed almost instantly, which is crucial for a seamless user experience in digital payments.
- **Security:**
 - **Efficient Proof of Work (PoW):** Kaspa utilises an efficient PoW consensus mechanism, which not only secures the network but also makes it energy-efficient compared to other PoW-based systems. This mechanism ensures that the network remains robust against attacks while maintaining decentralisation.
 - **Generalised Nakamoto Consensus:** Kaspa extends the original Nakamoto consensus to a generalised version that supports its BlockDAG structure. This consensus mechanism ensures that all participants in the network agree on the order of transactions, enhancing security and trust in the system.
- **Decentralisation:**
 - **Wide Participation:** The use of PoW and BlockDAG allows for a high degree of decentralisation. Many nodes can participate in the network without the risk of centralization that often plagues scalable blockchains. This decentralisation is crucial for maintaining the trustless nature of the network.



5.1.2 Additional Technological Innovations

Kaspay's technological advancements go beyond solving the blockchain trilemma. The platform incorporates several other features that enhance its performance and reliability:

- **Pruning:**
 - Kaspay employs a pruning mechanism that removes old and irrelevant data from the network without compromising security. This feature reduces the storage requirements for nodes, making the network more efficient and sustainable.
- **Rust Update:**
 - Kaspay has transitioned its codebase from Golang to RUST, a programming language known for its performance and security. RUST's memory safety features and concurrency capabilities make Kaspay's network more robust and less prone to bugs and vulnerabilities. This update ensures that the platform can handle high volumes of transactions efficiently while maintaining top-notch security.

5.1.3 Innovation and Future-Proofing

Kaspay's commitment to innovation and continuous improvement aligns perfectly with Kaspay's vision for the future of digital payments. The BlockDAG technology not only solves current scalability issues but also provides a foundation for future advancements. Kaspay's proactive approach to incorporating cutting-edge technologies ensures that it will remain at the forefront of blockchain innovation, providing a reliable and future-proof platform for Kaspay.

Kaspay's choice of Kaspay as its underlying blockchain technology is driven by Kaspay's ability to address the blockchain trilemma and its suite of advanced features. With unparalleled transaction speeds, robust security mechanisms, and innovative solutions like BlockDAG and efficient PoW, Kaspay provides a scalable, secure, and decentralised platform that perfectly aligns with Kaspay's goals. The additional benefits of pruning and the RUST update further enhance the network's efficiency and reliability, making Kaspay the ideal foundation for Kaspay's next-generation crypto payment solutions.

5.2 Kaspay's Vision

The vision behind Kaspay's project is to build a Nakamoto-like service that operates as fast as internet speed allows. We wanted to build a system that surpasses the limits of Satoshi's v1 protocol (aka Nakamoto Consensus) yet adheres to the same principles embedded in Bitcoin. Contrary to Satoshi's vision, Bitcoin did not become a peer-to-peer electronic cash system. Instead, it is solidifying as the ultimate store of value, or e-gold, and that's pretty much it from the Bitcoin side. This is not a mild achievement by any measure—it's one of the most important financial revolutions in human history. Yet it leaves lots of room for improvement (of L1) and/or for choosing different tradeoffs (for L1).



For a thorough inspection of Satoshi's vision, we highly recommend Examining a Conspiracy Theory about Satoshi's Intent by Elliot Old.

For Kaspay, we look to silver, which presents a different tradeoff vs. gold. In the original Aramaic text (Dahavav. Kaspay), silver was historically treated as less precious than gold but more circulative, less valuable yet more acceptable as payment. With this prospect we call this project Kaspay, (Aramaic word for "silver" and "money").

The consensus stack of Kaspay is designed to address what we believe to be leading challenges for the second decade of crypto. As the technology matures and its adoption and integration with other web applications gain momentum, we identify two primary vectors which require a deep revisit of the base consensus: the speed of transaction-inclusion in the ledger, and the control over transaction-ordering in the ledger.

We postulate that instant time-to-inclusion (a.k.a. first confirmation) in the ledger is of primary importance to user- and developer-experience, and to integration with other web applications, as well as fast (probabilistic) finality. Kaspay optimises for minimising the latency imposed by the consensus engine on transaction flow and user experience. Additionally, we contend that the ability of peripheral nodes that control a small fraction of the hashrate to mine blocks very frequently, in an asynchronous fashion, is key to mitigating serious frontrunning and MEV threats referring to the ability of miners, and of trading bots, to manipulate transaction ordering and gain an unfair and occasionally undetected advantage over ordinary users. Sub-second block times enable pre-trade privacy, and pre-trade stealth transactions, to protect the users from such manipulations.

Providing instant confirmation is not a trivial task, less of course one is willing to compromise on the principles of decentralisation, or to operate under strong assumptions on the network's topology and with minimal safety margins. Kaspay took the hard path of designing the system based off Satoshi's paradigm and first principles. There has yet to be, in the blooming field of cryptocurrencies, a serious attempt at following Satoshi's v1 protocol, and proving and providing new capabilities based yet on the same fundamentals. While Bitcoin is becoming the Internet's ultimate reserve asset, we believe there is still demand—and an urgent one, at that—for an implementation of Satoshi's original vision: a peer-to-peer electronic cash system.

Since transaction ordering is the main challenge of any consensus protocol, Kaspay's base layer focuses on becoming a fast and scalable transaction sequencing (a.k.a. proof-of-publication) engine. The base consensus will therefore maintain the state of payments only (a.k.a the UTXO set), whereas computing the more general and expressive state will be outsourced to Layer Two operations. This should be done by adopting the thought process and innovation led by several Ethereum researchers and developers who are building rollups. The rollups technology reduces the cost of running base consensus nodes by decoupling computation from data availability.



In fact, a rollups-centric Ethereum will fragment the network, hinder composability, and dramatically change the underlying assumptions and dynamics. Smooth operation between the siloed rollups will require special liquidity providers that serve the purpose of bridging the gap—specifically, providing instant confirmation to circumvent the prohibitive finality periods required for securing optimistic rollups. Providing these rollups with a shared scalable transaction sequencing layer, allowing shorter finality times, enabling stealth pre-trade transactions which protect against censoring miners, and bootstrapping an ecosystem of cross-silo communication, is another natural way in which Kaspay network aims to solve a timely pain point for crypto projects and users. (<https://kaspay.org/vision/>)

5.3 Community

Kaspay's community is a dynamic and proactive force, characterised by a unified passion for cutting-edge technology and a commitment to the platform's ongoing development and success. This vibrant community is composed of a diverse group of active users, enthusiastic developers, and numerous partners and sponsors, all working together to drive innovation and growth.

5.3.1 Proactive and Unified

The Kaspay community stands out for its proactive approach to development and engagement. Members are not only users but also contributors who actively participate in discussions, provide feedback, and collaborate on projects. This unified effort ensures that the platform continuously evolves to meet the needs of its users and stays ahead of technological advancements.

5.3.2 Hunger for Amazing Technology

There is a palpable hunger for innovation within the Kaspay community. This collective enthusiasm drives the pursuit of groundbreaking technologies and solutions that push the boundaries of what is possible in the blockchain space. The community's relentless quest for excellence fosters an environment where new ideas are constantly explored and implemented.

5.3.3 Active Users

Kaspay boasts a large and active user base that spans the globe. These users are deeply engaged with the platform, utilising its features, participating in governance, and contributing to its growth. Their active involvement ensures that Kaspay remains user-centric and responsive to the needs of its diverse audience.

5.3.4 Robust Development Community

At the heart of Kaspay is a robust development community that is dedicated to advancing the platform's technology. These developers are highly skilled and motivated, consistently working on



new features, improvements, and optimizations. Their contributions are critical to maintaining Kaspay's position as a leader in blockchain innovation.

5.3.5 Open Source Excellence

Kaspay's technology is fully open source, reflecting a commitment to transparency and collaborative development. This open-source nature allows developers from around the world to contribute to the project, fostering a spirit of collaboration and shared ownership. The accessibility of Kaspay's codebase invites continuous improvement and innovation from the broader developer community.

5.3.6 Strong Partnerships and Sponsorships

Kaspay benefits from strong partnerships and sponsorships with various organisations that share its vision for the future of blockchain technology. These collaborations provide additional resources, expertise, and support, further enhancing the platform's capabilities and reach. The engagement of these partners and sponsors underscores the widespread confidence in Kaspay's potential and its technological prowess.

5.3.7 Conclusion

Kaspay's community is a cornerstone of its success, marked by proactive engagement, a unified vision, and a relentless pursuit of technological excellence. With an active user base, a dedicated development community, and robust support from partners and sponsors, Kaspay is well-positioned to continue leading the way in blockchain innovation. The open-source nature of its technology ensures ongoing collaboration and improvement, driving Kaspay forward as a beacon of cutting-edge blockchain solutions.



6 Golden Ratio

6.1 Introduction

The Golden Ratio, often denoted by the Greek letter ϕ (phi), is a mathematical constant approximately equal to 1.6180339887. It has been recognized for its unique properties and aesthetic appeal for centuries, and is found in various natural phenomena, art, architecture, and design. The Golden Ratio is derived from the Fibonacci sequence, where each number is the sum of the two preceding ones. The ratio of successive Fibonacci numbers approximates the Golden Ratio as they increase.

Mathematically, the Golden Ratio is defined as:

$$\phi = \frac{1+\sqrt{5}}{2} \approx 1.618$$

It is said to be the most aesthetically pleasing proportion, often referred to as the "divine proportion."

6.2 Why Kaspay Chose the Golden Ratio

Kaspay's decision to incorporate the Golden Ratio into its design and operational philosophy is grounded in several key principles:

- **Aesthetic Harmony and User Experience:**
 - **Visual Appeal:** The Golden Ratio is known for its aesthetically pleasing properties. By integrating this ratio into the design of the Kaspay platform, the user interface becomes more visually appealing, creating a harmonious and attractive environment. This enhances the overall user experience, making it more enjoyable and intuitive.
 - **User-Friendly Design:** The Golden Ratio helps in designing layouts that are naturally pleasing to the eye. This can be particularly beneficial in creating interfaces that are easy to navigate, ensuring that users can find and use features effortlessly.
- **Structural Efficiency and Balance:**
 - **Optimal Proportions:** Using the Golden Ratio in the design and layout of the platform ensures that elements are proportioned in a way that maximises efficiency and balance. This can lead to better organisation of content and features, making the platform more functional and efficient.
 - **Balanced Distribution:** The Golden Ratio aids in achieving a balanced distribution of elements, which is essential for creating a cohesive and stable structure. This balance is not only visually satisfying but also functional, enhancing the usability of the platform.
- **Alignment with Natural and Universal Principles:**



- **Natural Alignment:** The Golden Ratio is found in various natural phenomena and has been used in art and architecture for centuries due to its inherent beauty and balance. By aligning with this universal principle, Kaspay taps into a design philosophy that is both timeless and widely recognized.
- **Consistency and Familiarity:** Utilising the Golden Ratio can make the platform feel familiar and consistent with other well-designed objects and systems, thereby increasing user comfort and trust.
- **Innovation and Excellence:**
 - **Cutting-Edge Design:** Incorporating the Golden Ratio into Kaspay's design philosophy underscores the platform's commitment to innovation and excellence. It reflects a dedication to not only meet functional requirements but also to surpass them by creating a platform that is both efficient and beautiful.
 - **Differentiation:** In a competitive market, the unique application of the Golden Ratio can help differentiate Kaspay from other platforms. It showcases a commitment to quality and attention to detail that can set Kaspay apart.
- **Psychological and Emotional Impact:**
 - **Positive User Perception:** The Golden Ratio is known to elicit positive emotional responses due to its harmonious proportions. By designing Kaspay with these principles, the platform can create a more pleasant and engaging experience for users, fostering a positive emotional connection.
 - **Trust and Satisfaction:** A well-designed platform that adheres to the principles of the Golden Ratio can enhance user satisfaction and trust. When users find a platform visually appealing and easy to use, they are more likely to have confidence in its functionality and reliability.

6.2.1 Conclusion

Kaspay's choice to integrate the Golden Ratio into its platform design reflects a strategic decision to enhance visual appeal, structural balance, and user experience. By leveraging this timeless principle of aesthetic harmony and natural alignment, Kaspay aims to create a platform that is not only functionally superior but also emotionally engaging and intuitively pleasing. This commitment to excellence in design underscores Kaspay's dedication to providing a superior user experience, setting a high standard in the digital payment landscape.

6.3 Kaspay Integration

6.3.1 Max Supply Application

By setting the maximum supply of KASPAY tokens to $16,180,339,887.49894848$ ($\phi \cdot 10^{10}$), Kaspay not only pays homage to the Golden Ratio but also infuses its tokenomics with the essence of this universal principle.

The number $16,180,339,887.49894848$ is a clear nod to the Golden Ratio (approximately 1.6180339887). This symbolic alignment underscores Kaspay's dedication to creating a balanced and harmonious ecosystem, reflecting the same principles that make the Golden Ratio a cornerstone of natural and artistic beauty.



This subtle psychological effect can enhance the overall appeal of the KASPAY token, making it more attractive to potential holders and creating a deeper connection with the community.

Aligning the token supply with a number derived from the Golden Ratio signals a long-term vision and strategic planning. It reflects Kaspay's intention to build a sustainable and stable ecosystem, leveraging timeless principles that have guided successful designs and structures throughout history.

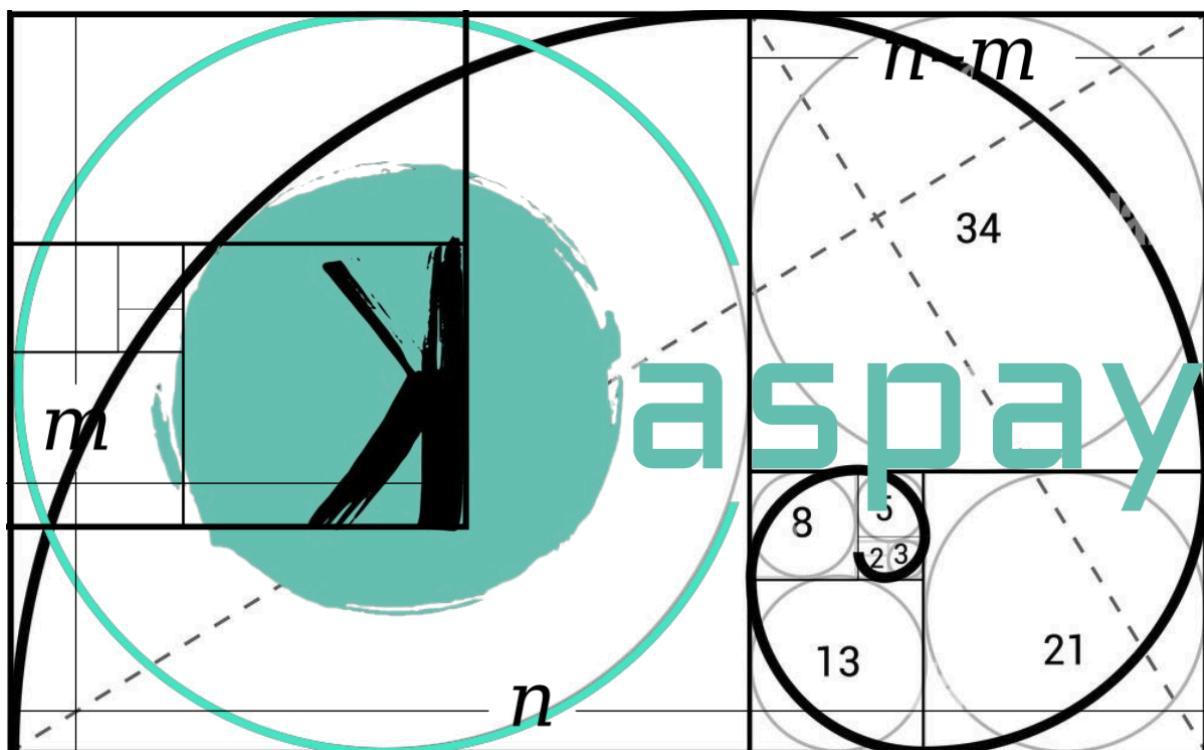
6.3.2 Logo Application

The Kaspay logo was thoughtfully designed to reflect our deep connection to the Kaspa ecosystem while symbolising our innovative approach to evolving the payment world. Drawing inspiration from the Kaspa logo, we incorporated the same inverted "K" letter, but with a twist: we gave it a "vintage" or "older" design to pay homage to the roots and origins of our technological foundation.

The remainder of the Kaspay logo features a sleek, futuristic font, representing the transition from the old to the new. This design choice mirrors how Kaspa revolutionised the crypto world and how Kaspay is set to transform the payment landscape, whether for online transactions or physical store payments.

The Kaspay logo is meticulously designed to be compliant with the Golden Ratio, reflecting our commitment to harmony, balance, and aesthetic excellence. This blend of vintage and futuristic elements, grounded in mathematical precision, encapsulates our mission to innovate while respecting our heritage.

This design principle ensures that the logo is not only visually appealing but also resonates with the timeless beauty found in nature and art, symbolising our dedication to innovation and perfection.



7 Team

The Kaspay team is a powerhouse of expertise, bringing together professionals with extensive experience across various critical fields including technology, fintech, security, management, and legal. Our team members hail from major industries and have a proven track record of delivering top-tier solutions for some of the world's most prestigious events and organisations.

7.1 Diverse and Rich Expertise

- **Technical Excellence:**
 - Our founder and CTO have architected and delivered complex applications and solutions for high-profile clients such as FIFA, Olympic Committee, Cricket Federation, CBC, Discovery+, Eurosport, NBC, Juventus, Tennis Federation, European Tour, Volleyball Federation and many other. His technical prowess ensures that Kaspay's platform is built on solid, innovative foundations along with a brilliant technical team.
- **Financial and Legal Expertise:**
 - With a deep understanding of financial technologies, our fintech expert, currently Director of BRD Bank Romania), has been and is instrumental in developing the Kaspay solutions and to drive the future of digital payments. His experience spans various financial sectors, enabling us to create a robust and legal compliant platform for Kaspay.
- **FinTech Expertise:**
 - With a deep understanding of financial technologies, our fintech expert has been instrumental in developing cutting-edge solutions that drive the future of digital payments. His experience spans various financial sectors, enabling them to create a robust and user-friendly platform for Kaspay.
- **Security Mastery:**
 - Security is paramount in our operations. Our team comprises security experts consultants who have safeguarded sensitive information and systems for major global events such as the FIFA World Cup, Olympic Games, and Cricket World Cup. Their expertise ensures that Kaspay remains a secure and trustworthy platform for all users.
- **Management Acumen:**
 - Our management team brings strategic oversight and leadership, with experience managing large-scale projects and teams. They have overseen the delivery of world-class events and complex projects, ensuring smooth operations and successful outcomes.



7.2 Proven Track Record

Some of the Kaspay team has a distinguished history of delivering world-class projects and solutions. From major sporting events like the FIFA World Cup, Olympic Games, and Cricket World Cups, to top-tier clients like CBC, Discovery+, Eurosport, NBC, Juventus, Tennis.com, European Tour, and the Volleyball Federation, our team has consistently demonstrated their ability to deliver high-quality results on a global stage.

7.3 Vision for Success

Kaspay is seen by our team as a project of significant success and potential. We are dedicated to contributing to the Kaspa ecosystem and its community, helping it to grow and evolve. Our collective expertise and passion drive us to innovate and improve the platform continually, ensuring it meets the highest standards and exceeds user expectations.

In summary, the Kaspay team's extensive expertise across technical, fintech, security, management, and legal domains, combined with their proven track record of delivering world-class solutions, positions Kaspay for significant success. We are committed to advancing the Kaspa ecosystem, fostering growth, and setting new standards in the digital payment landscape.

7.4 Composition

7.4.1 Claudiu Pavel – Founder

7.4.1.1 About

Currently covering the Technology Director role, technology maniac since 12 years old. As someone with more than 20 years of experience in Web and IT Technologies, who has come from the sports world, participating in world-class competitions like the Olympics, the World Cup, and many others, I understand the importance of technology, security, and performance. Kaspay embodies these values, envisioning a future where technology empowers us, where efficiency and security go hand in hand, and where economic opportunity is accessible to all.

7.4.1.2 Location

San Mauro Torinese, Italy

7.4.1.3 Contacts

Linkedid: <https://www.linkedin.com/in/claudiup/>

Email: claudiu.pavel@gmail.com

7.4.2 Marius Bogdan Florea – Founder

7.4.2.1 About

Currently Co-Founder and CEO of Infra DIGIT, with 15 years in the oil & gas and electrical energy sectors, I've seen how technology transforms traditional industries. This experience has given me a



deep understanding of efficiency, innovation, and market stability. Now, I'm bringing this expertise to cryptocurrency with Kaspay. Just as technology revolutionised energy, Kaspay will transform financial transactions, offering unmatched efficiency, significant cost savings, and market stability. Join us in pioneering a more efficient and stable financial future with Kaspay.

7.4.2.2 Location

Turin, Italy

7.4.2.3 Contacts

Linkedin: <https://www.linkedin.com/in/marius-florea-42766371/>

Email: marius.florea@infradigit.it

7.4.3 George aka Kaspador – Co-Founder

7.4.3.1 About

Principal Product Manager with a hobby for developments and IT as a whole.

Among other IT/Finance projects, Implemented Stripe as payment gateway in an international IT company to act as the provider of the payment processing for all products sold.

Owner of kas.live, kastools.com, kasbay.com, Kaspa TG admin, ambassador for Romania, system builder and Community Promoter for Kaspa.

7.4.3.2 Location

Bucharest, Romania

7.4.3.3 Contacts

Twitter: <https://x.com/Kaspador>

Email: kaspador@gmail.com



7.4.4 Catalin Leonte – Co-Founder

7.4.4.1 About

As a Senior Full Stack Web Developer with over a decade of experience, I specialise in developing robust, scalable, and efficient web applications tailored for the telecom industry.

My expertise encompasses the entire development stack, with a particular emphasis on Java for backend development and SQL Server for database management.

I currently hold a position within the Digi Communications company, a premier Internet Service Provider (ISP) in Europe, delivering cutting-edge telecommunication services across Romania, Spain, Portugal, Italy, and Belgium. Known for its innovative solutions and customer-centric approach, DIGI has built a formidable reputation for reliability, speed, and comprehensive service offerings.

Throughout my career, I have consistently demonstrated a strong ability to design, develop, and maintain complex web applications that adhere to the highest standards of performance and reliability.

My proficiency in Java enables me to construct secure and high-performing backend services, while my extensive knowledge of SQL Server ensures that data is managed effectively, with a keen eye for optimising queries and database performance.

7.4.4.2 Location

Bucharest, Romania

7.4.4.3 Contacts

Twitter: <https://x.com/CatalinLeonte3>

Email: catalin.leonte88@gmail.com

7.4.5 Consultants

Several consultants are in touch with Kaspay, here is a list of the most active roles and their position (names are not shown for privacy purposes):

- Financial and Legal Consultant (currently Director at BRD Bank Romania), Location: Romania
- Market Analyst, Location: Italy
- Legal Consultants, several consultants placed in different locations: Italy, Romania, Lithuania
- Data Scientist, Location Italy
- UX Engineers, several consultants placed in Italy and Romania
- Technical Engineers, several consultants placed in Italy, Spain, Romania
- Cyber Security Consultants, several consultant placed in Italy, UK, Romania



8 Conclusions

The Kaspay platform represents a groundbreaking advancement in the digital payment landscape, offering a secure, fast, and cost-effective solution for both online and physical transactions. Leveraging the innovative Kaspa blockDAG technology and integrating with the KRC-20 protocol, Kaspay provides unparalleled transaction speeds and robust security features, setting new standards for efficiency and reliability in cryptocurrency payments.

Our commitment to transparency and user trust is exemplified by the public visibility of our stablecoin reserves and the meticulous design of our tokenomics, which are inspired by the Golden Ratio. The creation of the Kaspay Stablecoin, backed by a diversified basket of stablecoins and protected by an Insurance Fund, further ensures stability and confidence for our users.

The Kaspay team brings together a wealth of expertise from various critical domains, including technology, fintech, security, management, and legal. With a proven track record of delivering world-class projects and solutions for prestigious clients and events, our team is dedicated to driving the success and growth of Kaspay. We are committed to fostering innovation and contributing to the Kaspa ecosystem, ensuring that it continues to evolve and thrive.

As we look to the future, Kaspay aims to be at the forefront of digital financial solutions, continually enhancing our platform to meet the changing needs of users worldwide. By maintaining our focus on security, efficiency, and user experience, we are poised to transform the way transactions are conducted, making digital payments more accessible, reliable, and seamless.

In conclusion, Kaspay stands as a testament to what can be achieved when cutting-edge technology meets a dedicated, experienced team with a clear vision. We invite you to join us on this exciting journey as we continue to innovate and redefine the future of digital payments. Thank you for your trust and support as we work together to build a more secure, efficient, and inclusive financial ecosystem.



Appendices

Appendix 1: Zero-Fee Transactions in Kaspay

Kaspay is committed to providing zero-fee transactions within its ecosystem for transactions processed with KASPAY tokens. This means that Kaspay, as a company, does not apply any fees on these transactions.

However, it is important to note that any transaction on the Kaspa network incurs a network fee. As of June 2024, the average fee is approximately 0.0007 KAS per UTXO (Unspent Transaction Output), with each Kaspay transaction typically involving two UTXOs, resulting in a total fee of approximately 0.0014 KAS. This network fee is paid by the customers and goes to Kaspa miners as a reward for validating the transaction and maintaining the blockchain.

Appendix 2: Strategic Interests and Airdrop Policy

Kaspay is committed to fostering innovation and supporting emerging projects in the cryptocurrency space. This aligns with our vision of promoting a decentralised and inclusive financial system.

Our project will serve as an incubator for emerging initiatives within the KASPA ecosystem, fostering innovation and supporting early-stage ventures. By providing resources, mentorship, and a collaborative environment, we will help these projects to grow and succeed.

In return for our support, these incubated projects will allocate a portion of their tokens for an airdrop to our holders. This symbiotic relationship not only accelerates the growth of new projects but also rewards our community, enhancing the overall value and impact of the Kaspay ecosystem.

Appendix 3: Governance and Decision Making in Kaspay

Kaspay is committed to community governance, empowering KASPAY token holders to influence platform decisions. This ensures the ecosystem evolves according to user needs. However, it is important to clarify the scope of this governance.

Community governance allows KASPAY token holders to vote on and suggest features and services to be implemented within the platform. This includes decisions on new functionalities, improvements, and the types of technology to be adopted. This approach ensures that the platform remains user-centric and responsive to the needs of its community.

While community input is highly valued, Kaspay retains ultimate decision-making authority at the corporate level. This means that strategic business decisions, overall company direction, and critical operational matters remain under the purview of Kaspay's executive management.

Appendix 4: Comparative Transaction Speed and Future Upgrades



Bitcoin's network processes approximately 4,415 transactions per block, with each block being mined roughly every 10 minutes. This results in about 4,415 transactions every 10 minutes.

In comparison, the Kaspa network currently processes 1 block per second, with each block containing around 300 transactions. With the planned upgrade, Kaspa will increase its block generation rate to 10 blocks per second.

To put this in perspective:

- Bitcoin: 4,415 transactions every 10 minutes.
- Kaspa (current 1 BPS): 180,000 transactions every 10 minutes.
- Kaspa (future 10 BPS): 1,800,000 transactions every 10 minutes.

Kaspa currently processes approximately 41 times more transactions than Bitcoin in a 10-minute period. With the upcoming upgrade, Kaspa will be able to process about 408 times more transactions than Bitcoin in the same period.

Appendix 5: Stablecoin Reserve Strategy

Kaspay is committed to ensuring the stability and reliability of our forthcoming stablecoin, Kaspay Stablecoin. To achieve this, our reserves will be distributed evenly across a diversified portfolio of existing and well-established stablecoins in the market.

The reserves backing Kaspay Stablecoin will be allocated in equal percentages among several established stablecoins. This diversification strategy minimises risk and enhances the stability of Kaspay Stablecoin by spreading the reserve across multiple assets rather than relying on a single stablecoin.

The regulatory landscape for cryptocurrencies and stablecoins is continually evolving. At any given time, certain stablecoins may fall out of compliance with the regulations of various countries. To navigate this, Kaspay will meticulously select the stablecoins included in our reserve portfolio based on their regulatory compliance at the time of Kaspay Stablecoin's launch. Furthermore, we retain the flexibility to adjust our reserve composition in the future, ensuring ongoing compliance and stability.

The number of stablecoins in the reserve portfolio will be flexible, adjusting to ensure compliance and stability. Depending on regulatory conditions and market stability, the reserve may include 4, 6, 10, or more different stablecoins. This approach ensures that Kaspay Stablecoin remains robust and compliant with international regulatory standards.

In response to changing regulations or market conditions, Kaspay reserves the right to modify the composition of the stablecoin reserves. This flexibility allows us to replace non-compliant or unstable stablecoins with more suitable options, maintaining the integrity and reliability of Kaspay Stablecoin.



