



Share
Everything
Lab

Decentralized Vacation Rental Ecosystem

The Evolution of the Sharing Economy



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1. Abstract/Overview

Sharing economy platforms such as Airbnb™, Uber™, Lyft™, and Flipkey™ enable billions of people to be simultaneously both provider and customer of the goods and services within each ecosystem. Many companies have maintained a high degree of centralized power and can dictate how the larger community should function within their respective ecosystems. One perspective is that what is most beneficial for the community may not be implemented if it is at the expense of the company's profitability. Share Everything Lab Pte. Ltd.'s, (SEL) Singapore, is developing a protocol that will decentralize and revolutionize the sharing economy industry. Cozystay, a vacation rental platform that has been operating since 2015, will be the first adopter of SEL's blockchain-based trust protocols, which will solve critical problems that have plagued the vacation-rental sharing economy so far. SEL's strategy is to partner and integrate other sharing economy business verticals to ultimately build a Share Everything community and ecosystem.

Share Everything Lab's mission is to connect people globally with vacation rentals and related services anytime, anywhere, in a decentralized, fair and transparent manner.

We are now moving towards a shared communal economy. This creates a demand for a new generation of decentralized and "dematerialized" organizations.

SEL plans to resolve four key issues that plague all current vacation rental platforms by providing a set of key blockchain protocols and an incentive mechanism. These are essential to build and scale our community:

1. **Empower the users.** Hosts and guests will be in direct control of listings and rental and will not be controlled by a centralized platform. (i.e., hosts are pushed to offer instant booking, hosts need channel manager software to avoid double bookings)
2. **Trust and Security** through implementing smart contracts to validate guests and hosts on the blockchain.
3. **Reduce overall fees** by up to **10-25%** for each transaction for hosts and guests by eliminating transaction and service fees and eliminating third party service providers. (i.e. channel managers, foreign exchange)
4. **Fair and transparent reviews** for each booking to ensure they are honest and not



manipulated by either a centralized platform or malicious participants.

The following whitepaper describes SEL's competitive advantage in providing vacation rental ecosystem protocols and utilizing blockchain technology, which will be provided to our partner adopters, Cozystay Holdings Inc. (cozystay.com) and its subsidiary, an existing vacation rental group headquartered in Vancouver, Canada. The key to success for user adoption is in leveraging existing companies that have a relationship with their existing user base of hosts and guests, and have industry partners to develop and grow a community based on our Token ecosystem.



2. Short Term Rental Industry

A vacation rental is an alternative lodging option which involves properties such as apartments, vacation homes, cabins, beach houses, villas, cottages or chalets for travelers and tourists.

The global vacation rental industry commands a market size of nearly \$120 billion USD in 2016, accounting for 18.1% of the global vacation lodging market share, of which 85% of the consumption is located in Europe and the United States.

Based on studies (cited), from 2017-2021, the average compound annual growth (CAGR) of the global vacation rental market is expected to reach 9.9%. The global vacation rental market is expected to reach \$192 billion USD by 2021, and the number of vacation rental users worldwide will increase from 73.3 million to 120 million people and a CAGR of 10.5%¹.



Figure 1 - Vacation Rental vs Hotel

¹www.statista.com/outlook/268/100/vacation-rentals/worldwide%23&sa=D&ust=1520211885533000&usg=AFQjCNEZOMeRPR6jAn3TkDonj_mGPBionQ



The Global Market of Vacation Rental in 2015 - 2021

The Global User Numbers of Vacation Rental in 2015 - 2021

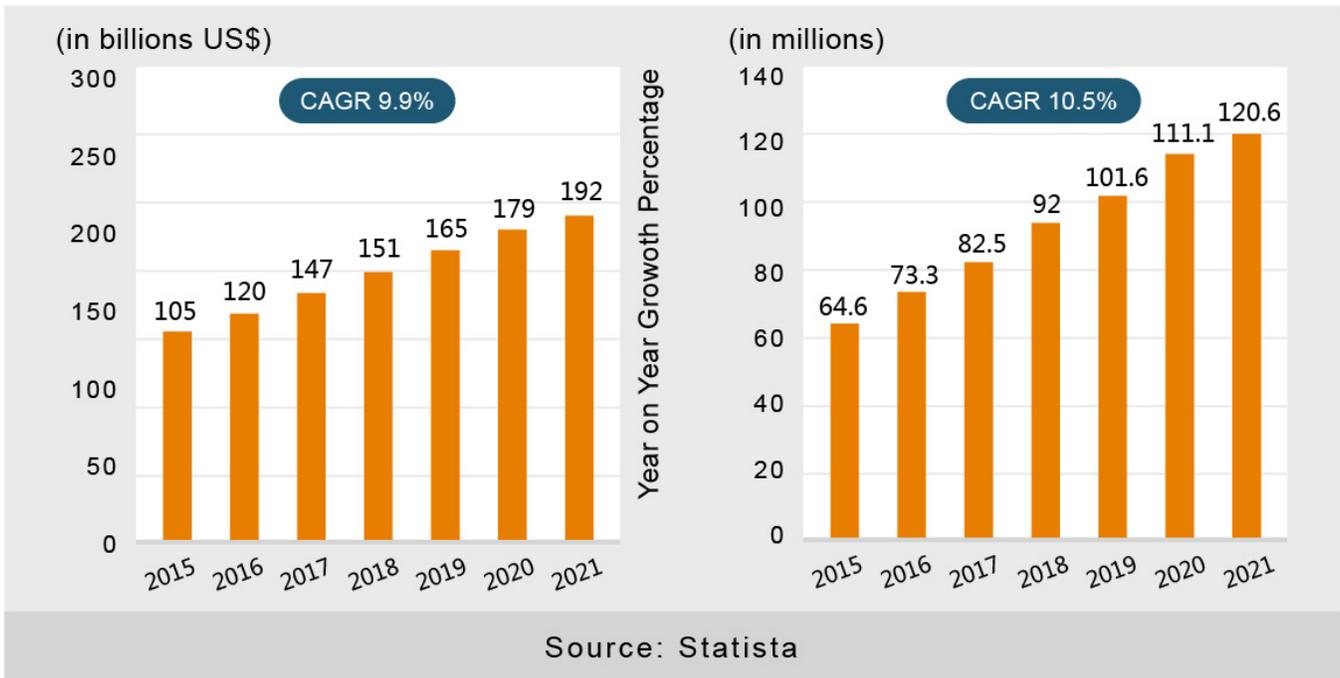


Figure 1.1 - 2015-2022 The global vacation rental market size and growth rate

The Proportion between Vacation Rental and Hotel in 2016

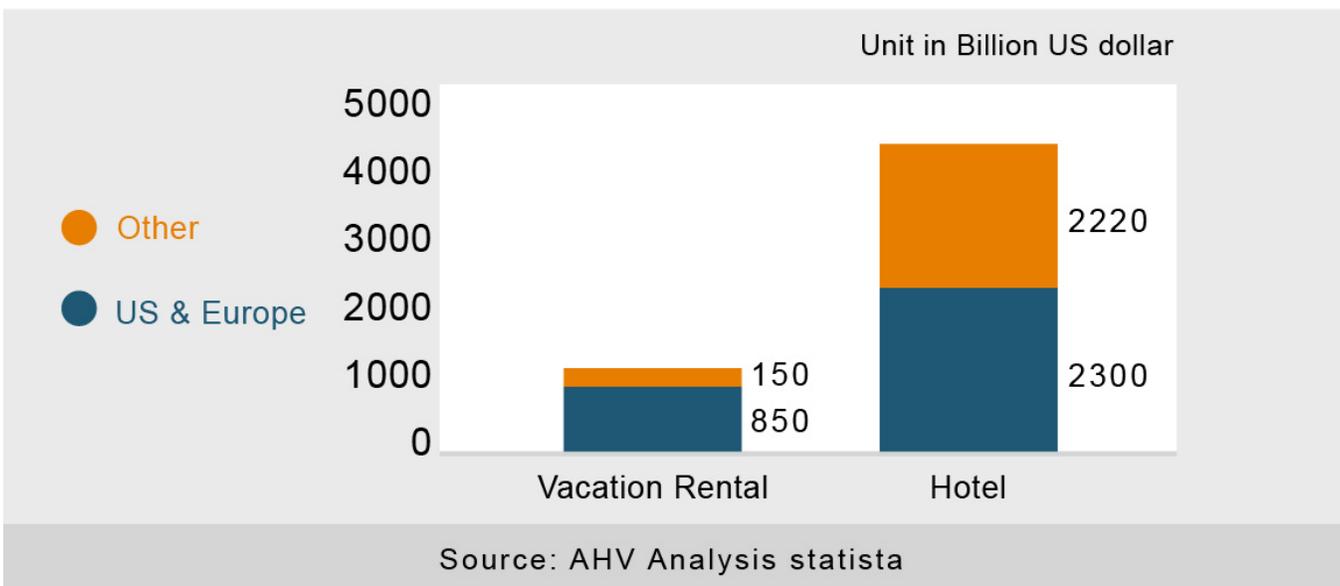


Figure 1.2 - The size of the global vacation rental market in 2016



2.1 Growth of Vacation Rentals

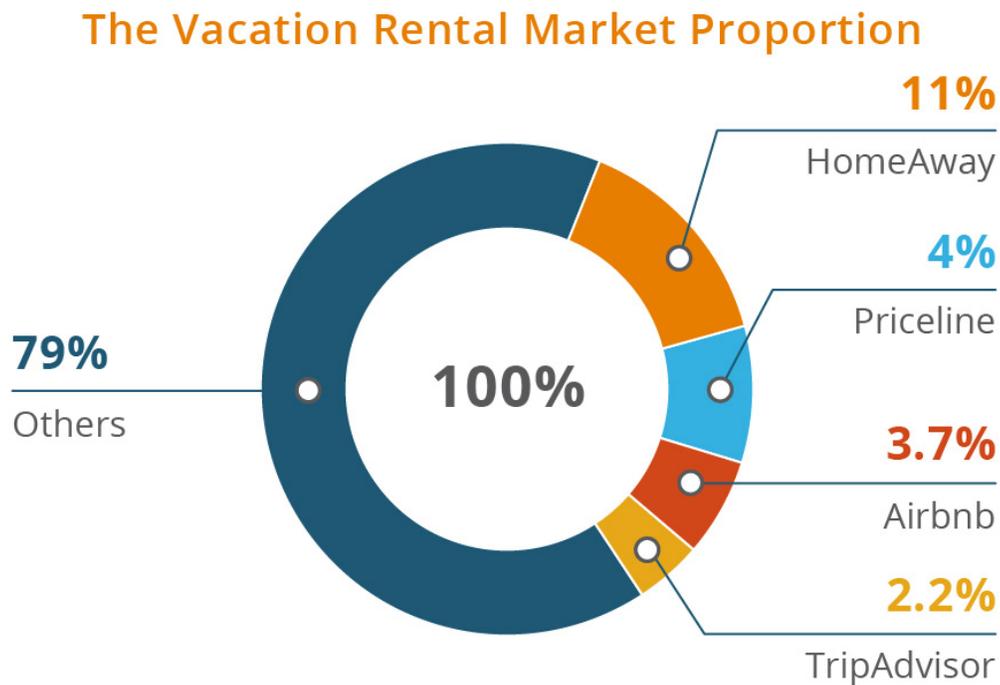
The vacation rental industry has skyrocketed over the last few years and shows no signs of slowing down. Travelers are on the move in growing numbers, and are hungrier to experience higher-quality and home-like vacations. People are booking longer trips, spending more money, and traveling further to find a unique destination. Travelers range from the average vacationer, people travelling for sports or events, business travelers and families wanting to rent a home instead of having separate hotel rooms. In the first four months of 2016 alone, vacation rental startups attracted nearly \$100 million in venture capital funding, concentrated in the U.S. and Europe.²

² Skift - Why the Vacation Rental Industry is Blowing Up Right Now, May 25, 2016



2.2 Global Vacation Rental Platforms

Booking.com™, Airbnb™, Homeaway™ and TripAdvisor™—the top four vacation rental platforms in the world—account for about 21% of the global vacation rental market, with the remaining 79% still claimed by large and small Online Travel Agents (OTAs).³ Choice Hotel™ has entered the vacation rental business, along with Priceline™, to offer vacation rentals and apartments. This category accounts for almost half of Priceline™’s property inventory thanks to Villas.com™, which Priceline™’s Booking.com™ launched in 2014.



Source: AHV Analysis statista

³ Short Term Rental Industry, AHV Associates LLP-July 2016



2.3 Sharing Economy Meets Blockchain

The blockchain can provide the foundation of a genuine peer-to-peer sharing economy by providing a trusted transaction platform, with no intermediaries. Using blockchain technology to run a sharing-economy platform means no central authority is needed.

The non-blockchain offerings in respect of the current sharing economy may appear democratic, but in reality the large companies act as intermediaries that own or control 100% of user data. Users have no control over how these intermediaries use their data. By moving the sharing economy to a blockchain-enabled decentralized network, it is envisaged that community members, will have control over the use of their own data.



3. Industry Pain Points

Although the vacation rental industry continues to grow at an exponential rate, the industry is plagued with issues for hosts and guests. Vacation rentals are largely privately owned and/or managed by local companies which possess little brand recognition. As a result, these owners and managers have been increasingly forced to rely on online marketplaces as a primary source of bookings, and the expense of using these channels is rising.

OTAs have implemented processes over the last year to eliminate contact between the traveler and the homeowner or manager. These actions have caused concern among vacation rental owners and managers as the new process fundamentally changes how vacation rentals are sold. Homeowners and property management companies are challenged with maintaining a high level of quality and cleanliness while scaling operations. The vacation rental industry has struggled to adopt meaningful standards for accommodations. In some vacation rental destinations in the US, homeowners still require guests to bring their own sheets and towels.⁴

The following 4 pain points are issues that SEL's protocols intends to resolve:

- **Double Booking**
- **Security and Fraud**
- **Reviews**
- **High Fees**

By addressing these four industry pain points using blockchain as a trusted ledger, we believe that we can alleviate some of the main issues faced by the industry today.

⁴ VRM Intel: Who is the next disrupter in the vacation rental industry? -Oct 2, 2017



3.1 Booking Process

3.1.1 Instant Booking

Once a guest has selected a property they would like to book, they will usually engage in a messaging conversation with the host, during which the host may ask a series of questions about the guest's background. Messaging conversations back and forth may extend over significant periods of time.

Many existing companies push their hosts to offer Instant Booking. Instant Booking listings do not require approval from the host before they can be booked. Guests will choose their travel dates, book, and discuss check-in plans with the host after the booking has been made; there is neither discussion nor verification steps prior to the booking. Hosts have to trust the booking platform and hope that the guest is a good guest.

There are no additional fees and OTAs will improve your search position and ranking when offering Instant Booking— thus, Instant Booking is a key revenue driver for OTAs. However, there are no assurances of security and peace of mind for guests or hosts, who are forced to trust the booking platform and hope the other party has credibility. If there is damage, the onus is on hosts to go after guests through the platform's self-service resolution center. Furthermore, if hosts are listing their accommodation on multiple vacation rental platforms offering instant booking, the likelihood of double bookings is high.

3.1.2 Double Booking

Double booking is a common problem among hosts and vacation rental platforms. Hosts typically list their accommodations on multiple platforms to have greater visibility for potential guests. Hosts often deal with guests messaging them via text, email and phone via several channels at once. Although implementing a channel manager or property management system (PMS) will effectively help manage the properties, the additional costs will reduce the hosts' overall income. On top of hefty licensing fees, the PMS company takes 1.25% - 3.3% for each booking. These are additional costs that increase overhead.

For example, with our partner Cozystay™ (cozystay.com), on its current platform, if hosts use a channel manager or PMS that Cozystay™ has not integrated with, then the host will likely not upload their accommodation on Cozystay's platform. Cozystay™ has integrated with the 5 largest channel managers and continues to integrate with others that specialize in the vacation rental industry, but even then, it is hard for any platform to integrate with all channel managers (currently over 100 channel managers worldwide).



3.2 Security & Fraud

Security and fraudulent activity in the vacation rental space have always been an issue. Many centralized intermediary platforms are unwilling to fully guarantee the credit of guests, and will not share their data to reduce the credit risk. Identity and reputation are increasingly important for interactions inside a sharing economy.

From our partner Cozy Living Suites Inc. (CozyLiving) we have received the following two anecdotal examples:

One typical example of an unpleasant outcome encountered on platforms illustrates the point. Consider the case where guests apply for ‘chargebacks,’ where the guests claim that they never requested a booking, although the guests have already stayed and left the vacation rental. Guests then contact their credit card company and dispute the charges, leaving the company with little recourse. The travel industry’s chargeback rate is more than twice the average of other industries and is on the rise.⁵

Another example includes where guests who had a dispute over their stay damaged the smart home appliances and a door in the bedroom. What happens when, due to a lack of information about their true identity, when the platform tries to collect the funds for the damage, only to find that the guests have already canceled their credit card(s), resulting in a loss of revenue (and in terms of the property damage) for the homeowner.

These scams can take a number of forms in the vacation rental industry, from hackers who are finding their way into legitimate property owner’s accounts through popular vacation home rental websites and defrauding potential renters, to other scammers creating fake listings with actual addresses for homes that are in foreclosure or are not for rent. Some property owners are also known to lure renters in with a desirable property, only to claim overbooking or unavailability when they arrive and send them to a different, less suitable rental property they own.⁶

Unsatisfied Guests

There are also instances in which a guest does not feel that the vacation rental they booked was as advertised. The main most common complaints that we see are as follows:

⁵ The Washing Post, Travelers are turning to credit-card disputes..., Christopher Elliot-Nov 12, 2016

⁶ <http://abc7ny.com/travel/consumer-reports-beware-of-vacation-scams/27556/>



1. Place is not as clean as expected
2. Communication with Hosts is inefficient
3. Some of the amenities do not work, e.g. wifi, cable TV
4. Heating or air conditioning is broken
5. Property does not look like the photos suggest

The SHR Protocol aims to provide a way that community members may verify and validate the properties. Guest complaints can likely be reduced in this way.

3.3 Reviews

Guest and host reviews are the final step in the vacation rental experience, where guest and hosts rate their experience. Reviews are assumed to be honest and to advise other users about a potential guest or host. However, the question of whether the reviews are genuine has always been a problem. Reviews can be modified by a centralized platform without leaving a trail, and hosts often do not give honest reviews because they fear retaliation or reputation loss. Guest reviews can also be falsified or exaggerated and overly critical, which can lead to poor occupation rates for the hosts. There are instances when bad or negative reviews were blocked.⁷

Regulators in the UK forced Airbnb to solve an issue where bad reviews were never posted by Airbnb.⁸ They discovered that bad reviews were not posted when a guest decided to leave the accommodation and cancel reservation because it was too filthy.⁹

With the rise of competitive incentives for service providers, manipulated reviews become tools and a mean to attack competitors in order to boost sales volume. It may be difficult for a guest to assess the quality of the accommodation provided by the host based solely on ratings or pictures, but they will benefit from obtaining the host's reputation from other markets or previous transactions.

⁷ My Customer, Why Airbnb was wrong to block negative reviews- Oct 21, 2016

⁸ The Guardian, Airbnb agrees to close review loophole after intervention by UK regulators-July 27, 2017

⁹ The Telegraph, Travel News, Airbnb reviews are untrustworthy user claims- July 22, 2015



Furthermore, reviews can be subject to an unfair ranking system. For example, any reviews by guests that assign fewer than a certain level of rating on certain conventional platforms can actually hurt the hosts ranking system. Hosts need to have meet the minimum ranking consistently in order to achieve special status. Special status hosts receive priority support from customer service, and their listings are ranked higher for more visibility. Certain conventional platforms are known to feature its specially ranked hosts in its newsletter ads. They also receive a special badge that's visible on their online profile. Specially ranked hosts will lose their status if they receive even one review that is below their attained ratings. For this reason, hosts could be tempted to manipulate the system by offering guests an incentive for leaving a review with a specific rating.



3.4 High Fees

Existing conventional platforms rely on multiple intermediaries or third-party service providers to complete the full transaction cycle. As mentioned previously, these services include ID verification, PMS, and channel management; and those providers charge platform fees, bank fees and foreign exchange fees. The cost can range from 7%-25% of the rental after all the fees are aggregated. Each intermediary adds an additional cost that hosts end up paying.

Conversely, here is an estimated side-by-side comparison of a guest-host transaction with and without a blockchain smart contract, where costs have been inflated with the inclusion / use of intermediaries.

Comparing Costs With/ Without Blockchain

Example of Costs	Without Blockchain	With Blockchain
Price per nights	\$100.00	
Total Cost (x 5 nights)	500	
3% Host fee	15	
12% Guest fee	60	
Insurance per day	7	
Channel Manager per booking	1.50%	
Credit Card Average Charge	3.25%	
Additional Expenses		
Property Tax		
Set up Cost	\$5000 for 2 bdr	
Strata Fee	\$200/ month	
Hyrdo, Internet and Gas	\$140/ month	
	Guest Pays	Guest Pays
	560	525
	+ Taxes 11%	+ Taxes 11%
	+ Cleaning Fee 80	+ Cleaning Fee 80
	Total \$701.60	Total \$662.75
	*Does not include additional expenses	Saving \$38.85
		Percentage Savings 5.5%
	Host Receives 485	Host Receives 500
	- Insurance 35	- Insurance 35
	- Channel manager 8	- Channel manager -
	- Credit Card 16	- Credit Card -
	Total for Host \$426.25	Total for Host \$465.00
	*Does not include additional expenses	Saving \$38.75
		Percentage Savings 9%



4. SHR Protocols & SHR Ecosystem

In this whitepaper, we define six protocols that aim to solve the vacation rental industry pain points listed above and that aim to create new opportunities for the short-term rental ecosystem. After the initial launch, the SHR community will be invited and incentivized to help drive improvements and governance of these protocols. Every community member can propose new protocols or alterations to existing protocols that the Company (as defined below) may consider and decide for or against in its sole and absolute discretion. The Protocol Core Group (starting with our own SEL team, and expanding to community members that are willing and able to contribute after initial launch) will maintain, discuss and suggest protocol changes on a periodic basis. For more technical details, please refer to our Technical Whitepaper.

1. Reputation Protocol
2. Community Self-Management Protocol
3. Booking Protocol
4. Ecosystem Partnership Protocol
5. Payment Protocol
6. Smart Lock Payout Protocol

The SHR community along with SHR Protocols and SHR token (the SHR Token) will form a decentralized ecosystem around vacation rental activities, which is created for the community members. We will enable the ability for DApps to be built on top of the ecosystem to provide services to enhance one or more aspects of vacation rental activity in the community. Our partner Cozystay™ (cozystay.com) will rebuild their platform on the SHR ecosystem as the first DApp.



4.1 Reputation Protocol

Each member will have a reputation score in the SHR community. The reputation score could be increased or decreased based on the activities of a member. Certain entitlements and duties such as Instant Booking or Review Verification require a minimum reputation score. The Reputation Protocol defines the set of processes and rules for community members to increase or decrease the reputation score and grant permissions for activities.

Each action that results in a change of the reputation score is intended to be recorded on the blockchain. For example, if a member receives a good review, the result is an increase of his/her reputation score. Information about the review and score gained will be put on the blockchain to strengthen the authenticity of the member's reputation score. Technically this is basically a reputation "wallet" with transactions that add or subtract reputation points to its balance.

SHR Reputation score consists of three aspects: verification, community services and reviews, with a total score to be 100, where the maximum score for verification is 10, community services maximum is 40, and reviews up to 50.

$$\text{Reputation Score} = \sum_{v=1}^n \text{Verification}(v) + \sum_{c=1}^n \text{Community services}(c) + \sum_{r=1}^n \text{Reviews}(r)$$

Verification refers to identification verification and listing verification.

$$\text{Verification} = \text{KYM} (5) + \left(5 - \frac{5}{1 + \sum \text{Verified listing}} \right) (\text{up to } 5)$$

Community services refers to practices under Community Self-Management Protocol, successfully proposing protocol changes and participating in the Protocol Core Group as well as contributing to SHR Protocols program code changes.



$$\sum \text{Self-management} = S(x) \in (0, 20)$$

$$\sum \text{Protocols management} = P(x) \in (0, 10)$$

$$\sum \text{Coding} = C(x) \in (0, 10)$$

$$\text{Community services} = CS(x) = S(x) + P(x) + C(x) \in (0, 40)$$

Reviews means the reviews received as a guest or host. A host review is weighted twice as heavily as a guest review for reputation score, where the weight factor for guest review is 1 and host review is 2. We use a 5-point review mechanism. Refer to the formula below where k is the weight factor for a review, with a review $\in (0, 5)$.

$$\text{Reviews} = (\sum \text{review} \times k / \sum k) \times 10 \text{ (up to 50)}$$

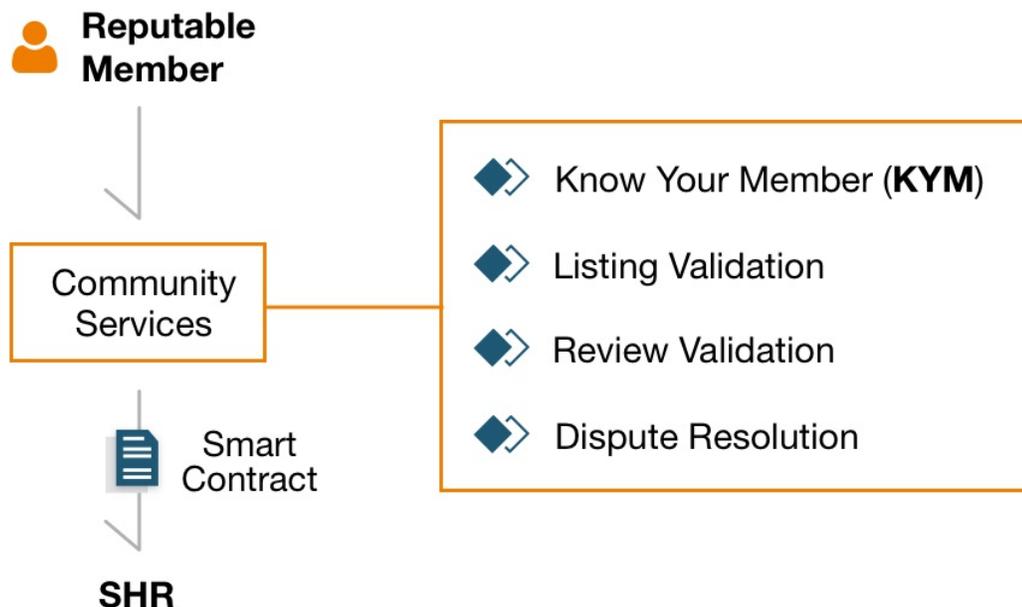
Certain special community roles such as arbitrators for dispute resolution require an application to the Protocol Core Group after the member has achieved the required level of reputation score. The Protocol Core Group will vote on the result of the arbitration, based on the reputation score history and application details. The process will be put on the blockchain for the relevant community member.

The Reputation Protocol is designed to promote good and reduce bad behaviors to enhance the trust between community members and remove fraudulent activities from the SHR ecosystem.



4.2 Community Self-Management Protocol

The set of rules in Community Self-Management Protocol are designed to empower the SHR community members to strengthen the mutual trust, improve the level of services, reward good behaviour and discourage bad behavior in the SHR ecosystem. Community members will be involved in Know Your Member (KYM), listing validation, review verification and dispute resolution processes. Incentives/rewards will be given out to members in all rules of the Community Self-Management Protocol.



Know Your Member:

KYM is the process by which new or existing customer inputs information about himself or herself so that the SHR community has a better profile of the customer. The process involves providing one or more government-issued identifications. Reputable community members could validate the authenticity of the ID provided. The validation steps (e.g. talked to the member over the phone or video chat) and result will be put on blockchain to keep the record and such community members will receive SHR Tokens as a reward. The customer who has gone through the KYM process will gain an initial reputation score and be labeled as having a validated identity by the community in the SHR ecosystem.

Listing Validation:

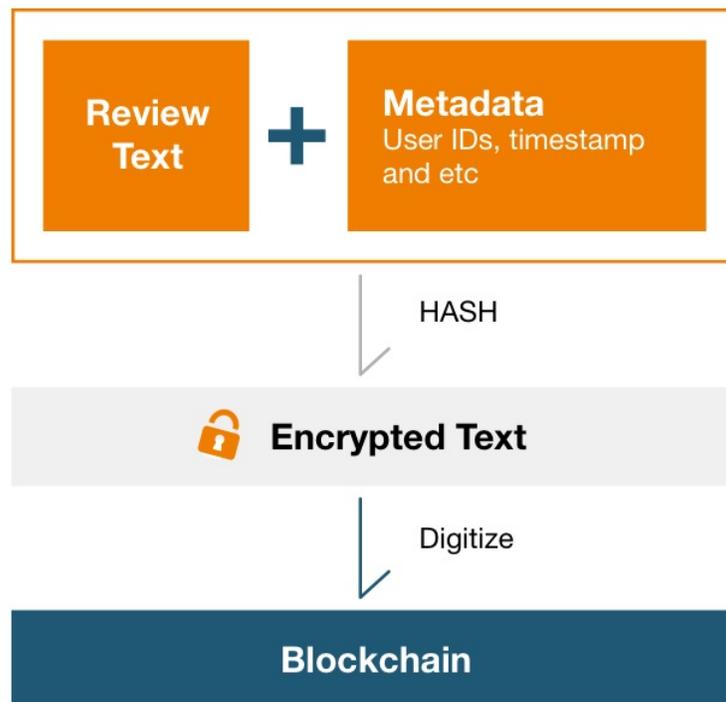
Validating the authenticity of a property mitigates against fraudulent listings and fake pictures. When a host lists a property, he or she will request community validation. A qualified community member will then validate the property. The validation evidence and property



information will be encrypted and put on the blockchain; then, such community member will receive SHR Tokens as a reward. Properties that have gone through this process will be labeled as 'Validated by Community' in the SHR ecosystem. If certain information about the property is updated, it needs to be re-validated again and re-labeled.

Review Verification:

When a review is entered, it is matched, confidentially, to the booking to verify that the actual stay has taken place and that payment was made. The transaction hash, which has the reviewer information, is intended to be included with the review and then hashed and stored as a transaction on the blockchain. This hash will be used to verify that all reviews in the SHR ecosystem cannot be removed or altered without receiving a new signature by the reviewer and a revised hash will be stored.



Revision history will thus be traceable and transparent. The community will ultimately be able to decide on the best applicable rules for reviews. Receiving a good review will result in a reputation score increase and a bad review will result in a decrease. The community member who offers a review will be rewarded a small amount of SHR Tokens as an incentive.



Dispute Resolution:

Community members can dispute a review, security deposit or quality of service. If both parties cannot reach an agreement at the DApp level, the case will be escalated to a dispute resolution system following the steps below:

1. Both parties are granted 72 hours to provide evidence to support their claim.
2. The party who filed the dispute will deposit a service fee in SHR Tokens.
3. Upon receiving evidence, an alert will be sent to 7 qualified community members (arbitrators) to review the evidence, write comments, and vote on the result of the arbitration on the blockchain.

If any party fails to provide evidence or provide a reason for extending the time, the other party will win the claim. The reputation score will be adjusted based on voting results for parties involved. The first three arbitrators to complete the dispute process will receive the service fee. Both parties are able to provide feedback on whether they are happy with the way the dispute was resolved. This information will be used to inform iteration and improvement around the dispute resolution rules.

If any party in the dispute is dissatisfied with the outcome of the arbitration, an appeal may be filed in which additional evidence can be provided. The service fee will double for each appeal, as will the commission payment for arbitration. No additional appeals can be filed after the dispute service fee exceeds the amount of compensation claimed. The Dispute System will allocate the funds to the corresponding Dispute Square on the basis of the final voting result. The arbitrators will start with SEL team, and transfer to qualified community members when SHR community grows large enough.

4.3 Booking Protocol

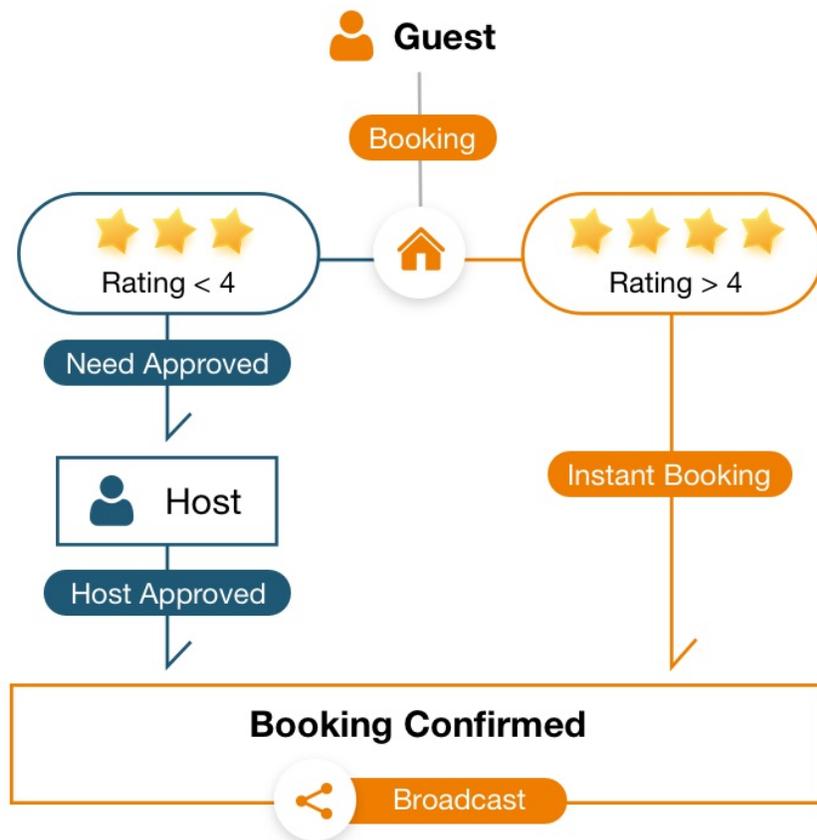
A critical pain point in the vacation rental industry is the level of trust between hosts and guests to engage in a booking. Although many conventional platforms try to enforce instant booking, there are potential problems with properties not matching the images as advertised and delayed payments or chargebacks due to credit card issues. Moreover, data on such conventional platforms and similar short term rentals (STR's) can be altered and is not accessible to benefit the greater community.



In the SHR ecosystem, the Booking Protocol sets the rules to achieve a fast and secure way of booking. By leveraging the identity and validation protocols, we will be able to ensure a trust based instant booking experience. Both the host and guest need to meet the criteria to be entitled for instant booking.

- Hosts need to have completed the community Listing Validation process and have a minimum 4-star reputation score
- Guests need to be KYM approved and have a minimum 4-star reputation score
- The transaction must be completed with SHR Tokens

With the above three rules, we embed authentic community trust into the booking process to facilitate a fast and secure way of booking.



Every property host who adds to our blockchain will be digitized with a unique identity. With atomic cross-chain swaps technology we will be able to make sure a property could be

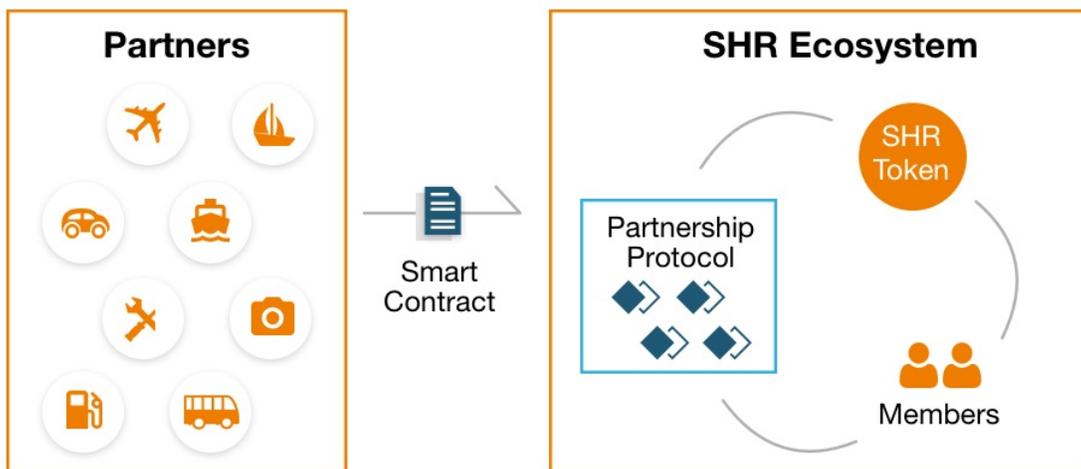


uniquely identified across multiple blockchains and sync its availability status. As a result, we will resolve the double-booking problem if the property is on a blockchain.

In addition, we will launch a webhook event when a booking happens to all subscribed systems, so they would be notified when a property has been booked. With this solution, we will be able to provide a technical solution to double booking even for platforms that are not on blockchain (for more details please refer to our technical white paper).

4.4 Ecosystem Partnership Protocol

There are many services around the vacation rental business such as car-share, flights and vacation activities. We are working with many service providers and nurturing partnerships to build the SHR ecosystem to benefit the community. The Partner Protocol defines the process and rules of how an external partner interacts with the SHR ecosystem. External partners that provide different services will provide their unique rules; once accepted, the partners could then interact with SHR community members. For example, a travel agent partner would provide different smart contract rules than a photographer partner providing pictures for listings.





Below are some provisional rules all customized partner smart contracts will follow:

- Accept payment in SHR Token.
- Have the onboarding process registered as a transaction on the blockchain either through active acquisition or by application and review by the Protocol Core Group.
- A partnership agreement describing the targeted community members, services provided and pricing documented.
- Service offering and pricing to be offered in a format that is accessible to the DApps that are built on top of the protocol.
- Be subject to the community validation, review and governance mechanisms that apply to all service providers in the community.

Some partner specific rules may be different. For example, a travel agent partner contract would include :

- SHR Token payment required up front at booking time by guest.
- Only members with a high enough reputation score (will be defined in the agreement) can be travel agent partners.

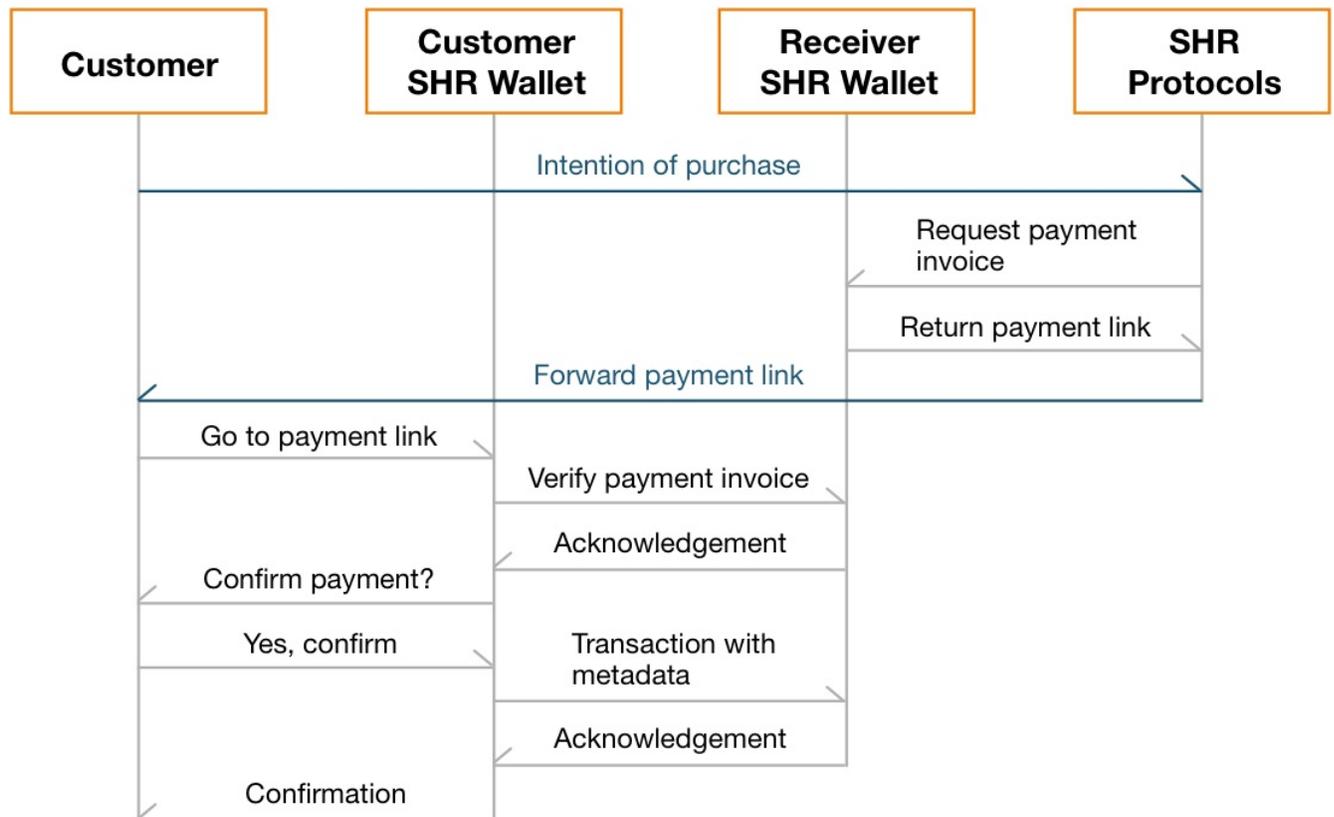
Whereas a photographer providing a photo-shoot of the accommodation would get a contract that includes terms such as:

- SHR Token payment is held in a smart contract before the service is provided
- Photographer claims service has been provided. Signs smart contract
- Host agrees the service has been delivered and signs smart contract
- SHR Token is released via the smart contract, and transferred to the photographer who provided the service.



4.5 Payment Protocol

The payment protocol defines a set of rules when using SHR Tokens as the payment method, to achieve a faster and more secure payment mechanism. In order to pay and accept SHR Tokens, users must go through the Know Your Member (KYM) process mentioned in the Community Protocol section. Once the KYM process is completed, a SHR wallet will be created for this member on the SHR Protocol platform, and DApps built on the protocol will be embedded in this wallet.



By using SHR Token as the payment method, we avoid the following costs:

- Transaction fees by payment merchant providers (e.g., Visa, Paypal, etc.)
- Credit Card chargeback fees (which is not a problem in crypto transactions)
- Currency exchange charges for settling cross border payments



The protocol returns the benefits to the community members: whether they are looking for places to rent or they have listed properties, they will realize cost savings when using the SHR Token.

For customers looking for places to rent:

When guests pay with SHR Tokens, they will receive up to 5% discount and an up to 2% rebate in the form of SHR Tokens in their SHR wallet, which they can spend after check-out (cancellation will result in losing the 2% rebate). Additional service charges or benefits could be applied by each DApp built on top of this protocol.

For example, if the guest pays with SHR Token when booking \$100/night accommodation, the actual charge will be \$95.00/night (5% discount) + service charge in SHR Token based on the exchange price at that moment, and \$2.00 (2% rebate) worth of SHR Token will be deposited to the guest's SHR wallet.

For hosts of the property:

When hosts accept SHR Token, hosts will owe a transaction fee not higher than 3%. DApps built on top of this protocol will also not be able to charge a service fee for listing above 3%.

For example, we will not charge service fee for hosts accepting SHR Token. When a host lists a property for \$100/night and accepts SHR Tokens as payment, and the guest pays in SHR Tokens (customers could choose not to pay in SHR Token), the host will receive the full \$100/night worth of SHR Tokens (exclusive of possible discounts).

We will build an instant exchange service providing a fast and easy way to convert your SHR Token to fiat currency with a minimal exchange fee (normally around 0.5%), which could be leveraged by any DApps built on top of this Protocol. We strongly recommend users hold their SHR Token as it is the preferred payment method in the SHR ecosystem with many other uses.



4.6 Smart Lock Payout Protocol

The Smart Lock Payout Protocol defines the process to automatically payout the host after a guest enter a PIN on a smart lock that will trigger a smart contract payment to the host in SHR Token on the blockchain. Traditional payouts to host goes through third party centralized institutions such as banks or payment providers (e.g. Paypal); therefore, there are high transaction fees and clearance periods associated with the services. As a result, the platform accounting usually performs a periodic (e.g., monthly) payout to hosts to reduce fees and unify payout dates.

Using smart locks and SHR Tokens, we will be able to detect when the guest moves to the accommodation; and then pay the host in SHR Token format and transfer the service fee to the smart lock company all at once.



With an IoT (Internet of Things) solution like a smart lock and using SHR Tokens, we are able to:

- Detect that the accommodation service is delivered
- Instantly pay the host in SHR Tokens
- Instantly transfer a service fee to the smart lock company in SHR Tokens
- Eliminate institutional transaction fees and clearance periods
- Reduce platform accounting effort



4.7 Protocol Use Cases

After a member registers, the Community Self-Management Protocol will trigger the KYM (know your member) rule, so that a reputable member will perform the process. After the KYM is finished, the new member will have higher reputation score and labeled as KYM validated according to the Reputation Protocol.

When a guest books a property, the Booking Protocol will be triggered if the property has been validated through the Listing Validation rule under Community Self-Management Protocol. Also, the Payment Protocol will be involved if the payment is in SHR Tokens.

At any time, hosts and guests can receive services from partners who provide services under the Ecosystem Partner Protocol. Service opportunities include photographing the listing, renting a car, or taking a city tour from the partners. The partners providing services in the ecosystem can be agents or individuals.

After the stay, both the host and guest will leave reviews of each other, with the Community Self-Management Protocol triggering the Review rule to ensure the authenticity of the reviews and thereby increase or decrease the reputation scores according to the Reputation Protocol.



5. The SHR Community

The key driver in ensuring the blockchain technology is to start by building the right community to use it. Blockchain technology will certify trust and transparency; however, it will not be successful unless it is used by participants that actively wish to build a good community of users. Also, building a self-governed community will not develop overnight. It takes time to educate hosts, guests and industry partners and to have them actively engaged in building the community. SEL will initially have to lead the community, demonstrate the features and benefits, and show why building the community will ultimately empower users. SEL will start developing the community by targeting current user base of our partner, Cozystay™, and narrow our focus on more active users of hosts and guests. We have developed four criterias in building the framework to help educate and empower our hosts, guests and partners.

5.1 Education

Education is the key to help our hosts, guests and industry partners to understand the transition from a short-term rental company to a blockchain empowered eco-system. SEL will start with e-newsletter/tutorial that will describe the concept of blockchain and how the new technology will benefit the sharing economy in the vacation rental space. The e-newsletters will demonstrate how Cozystay™, our partner, will adopt the new technology and how it will empower users and decentralize itself; thus, to promote transparency and trust within the eco-system. Each e-newsletter will be customized to cater to the interests and needs of hosts, guests and industry partners.

Cozystay™ will help us to leverage social media platforms to build thought leadership, share our latest development, provide Q&A, and create a space where members can help each other to answer some of their own questions. Executive management at Cozytay™ have been members of multiple vacation rental Facebook closed-groups for the last two years. The groups total member is 20,055; mostly consisting of hosts or property management companies managing a vacation rental unit or business.

One of the key activities for education is the offline events. SEL will host regular meetups/ bootcamps at the beginning to help address hosts and partners concerns, and help further discuss what we have communicated on e-newsletter and social channels.

Furthermore, SEL will attend industry conferences to educate hosts and partners and have them to participate in roundtables and think-tanks. Executive management has already participated and shared information about blockchain technology with event organizers;



Vacation Rental Management Association (VRMA) and World Vacation Rental Summit on blockchain technology.

5.2 Incentives

After understanding the features and benefits of blockchain technology in the vacation rental space, our plan is to incentivize users by offering SHR tokens; thus, the genesis of building the community with a token model. Hosts, guests and industry partners will be presented opportunities to enrol into the new token model. Different offers will be designed to encourage each party to drive host and user acquisition, or become a member of the jury for the self-governed community. Some of the incentives will include offering free tokens (airdrops) for token model adoption, featuring hosts success stories to boost their list ratings, etc.

5.3 Engagement

We will keep nurturing the existing users through continuous online and offline engagement working with Cozystay™.

Hosts and guests will be invited to join the online social groups so they can learn from each other's success stories, tips and challenges. We will also have team members to facilitate the conversation and update FAQ. The top contributors in the group will be awarded with tokens, thus SEL super users will be surfaced. They will be the key members to transit these social groups into fully autonomous.

The super users will also be invited to SEL offline events to share their best practices and user experience. E-newsletter will continuously be sent out to the user groups to provide SEL updates, blockchain trends, and address any latest concerns.

5.4 Ambassador

Some hosts will eventually become super users and eventually become SHR ambassadors. In the beginning, SHR will help facilitate the events and online groups. In the long run, the ambassadors will organize their own meetups and moderate the online communities to help acquire and educate new hosts. The goal is to develop ambassadors throughout each city and country to help grow the community.

Building a self-governed SHR community will take time to develop. SEL will initially help grow and nurture the community but eventually the community will start to develop on its own. The



key criteria to grow the community will be through education, offer incentives, build engagement marketing material and events and building ambassadors. SEL will target its current users and industry partners to initiate the growth and eventually become a 'share everything' community.

5.5 Community Roll Out

Our community roll-out strategy will focus in Vancouver, Canada followed by Seattle, Los Angeles, Las Vegas. These cities have a large population density of Chinese and are destinations cities for Chinese travellers. Cozystay™ currently manages properties in Vancouver, Seattle, Las Vegas, Los Angeles and Toronto.

Top 5 destinations in Canada for outbound Chinese tourists:¹⁰

1. Vancouver
2. Toronto
3. Montreal
4. Banff
5. Calgary

Top 5 destination in USA for outbound Chinese tourists:

1. New York
2. Las Vegas
3. Los Angeles
4. Honolulu
5. San Francisco

¹⁰ Raw data given to Cozystay from Ctrip Dec 2017



Subsequently, we will target the East coast in Toronto, Montreal, New York, Chicago and Boston in 9 months. The goal is to expand to Asia and Australia in 2020 and Europe in 2021.

- Milestone 1: 2018 to build community in Vancouver, Seattle, Los Angeles, Las Vegas, Honolulu
- Milestone 2: 2019 first and second quarter to build community in Toronto, Montreal, New York, Boston
- Milestone 3: 2020 third and fourth quarter to build communities in Australia and Asia and explore strategic city community build-out in Europe.
- Milestone 4: 2021 build community in Europe.



6. The SHR Token Economy

The SHR Token is a utility Token used to incentivize and reward users and as a means of exchange for goods and services in the SHR ecosystem. Transactions can still be completed using fiat currencies but the SHR Token provides a discount, creating additional value to the SHR economy. The SHR Protocols govern the Token and community, with all transactions utilizing SHR Tokens and recorded on the blockchain.

a. Used as member incentives/rewards in Community Self-Management Protocol:

- Know Your Member (KYM) identification validation
- Listing verification
- Review writing
- Dispute resolution

The amount of SHR tokens used as incentives/rewards fund will be managed by smart contracts, starting with a fixed amount, never goes above this amount, and decreasing as our community expands. The incentives/rewards fund will accept donations to support the ecosystem, but as the SHR community gains widespread adoption, the fund's importance decreases. The platform charges a transaction fee between 0% and 2%, when the community fund is low the transaction fee percentage will be high (close to 2%) and when it is high, the transaction fee will be low (close to 0%). Below is the formula to calculate the transaction fee based on the community fund size (start with 45% of total SHR Tokens, 90 million).

$$\text{Transaction Fee \%} = 0.64 \times \text{arccot} \left(\frac{\text{Community Fund Tokens}}{60,000,000} - 10 \right)$$



b. Used to get discounts for booking accommodations and other services:

The more Tokens deposited by the users, the larger the discount the users will get. For example, if a guests wants to get a higher discount, he or she needs put down more Tokens as a deposit. The percentage of the discount could be calculated based on the formula below:

$$\text{Discount \%} = 100 \times \left(1 - \frac{1}{\frac{\text{Tokens}}{100000} + 1} \right)$$

Where Tokens \in (1000, 100000)

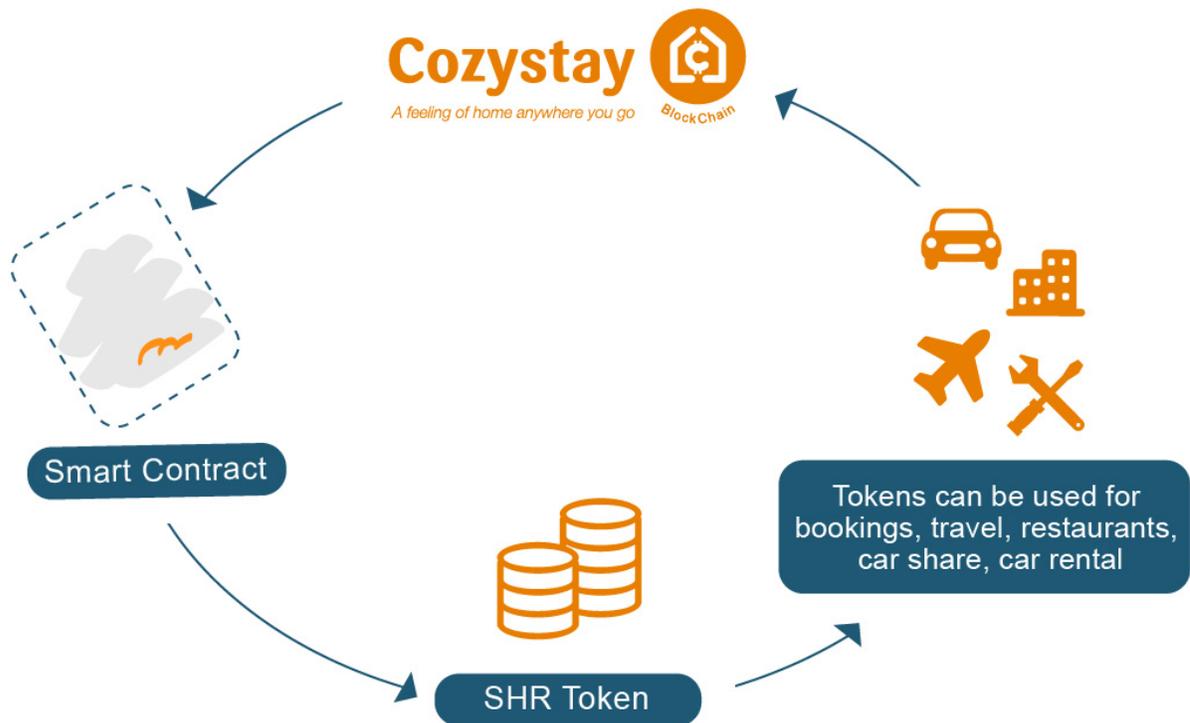
For example, if the guest deposit 10,000 SHR Tokens, there will be a 9.09% discount, if the guest deposit 50,000 SHR Tokens, the discount will be 33.33% and 50.00% if deposit 100,000 SHR Tokens. The minimum Tokens to deposit is 1,000 and maximum Tokens to deposit is 100,000 so the discount range is from 1% to 50%. On the host side, if the hosts hope to get more exposure, they could put more Tokens for deposit as well. The above functionality is optional for any DApps built on top of SHR ecosystem.



c. Used to exchange for goods and services:

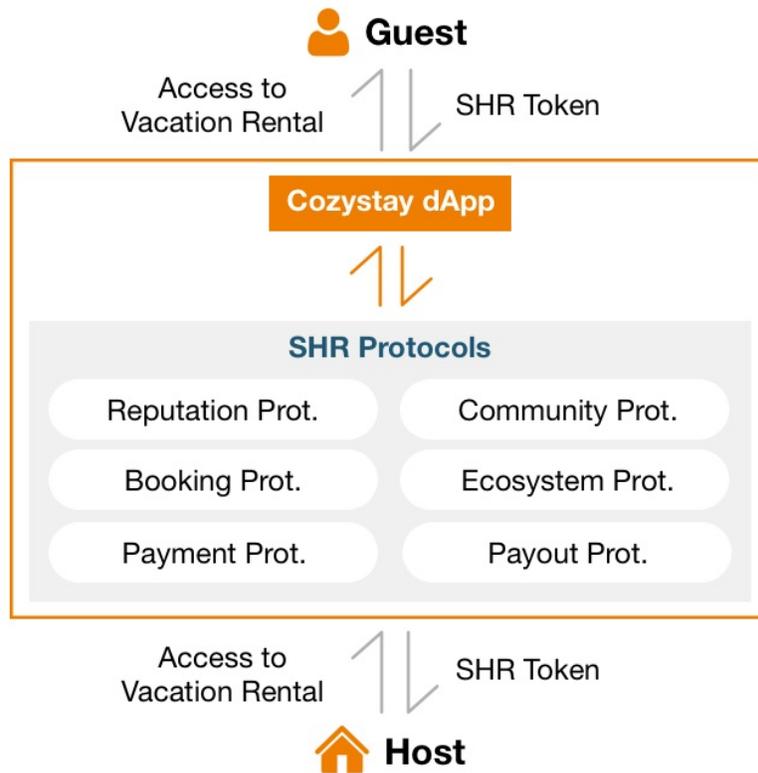
- Payment for vacation rental
- Payment for external partner services, such as hiring a photographer for list pictures
- Payment for community services such as Dispute Resolution

SHR Ecosystem For Goods And Services



d. Used by DApp for its own programs:

Any DApp built on top of the SHR ecosystem, with SHR reserves, will use SHR Token as a means of exchange. For example, Cozystay™ (our partner) will use SHR Token as a payment mechanism and for its loyalty programs like seasonal promotions. As more DApps are built on the SHR protocols, the SHR Token can begin to experience network effects as more opportunities become available to utilize the Token.



Other than the utility or benefits of SHR Tokens as described above, SHR Tokens do not confer or grant any other right, interest and/or benefit to the holders of the SHR Tokens. For the avoidance of doubt, SHR Tokens do not:

- Represent or constitute any debt, or any share, ownership right or interest in any entity, asset or property (including, without limitation, intellectual property); and
- Entitle the holder thereof to any form of participation or governance right in any entity or business, nor any right to payment or any other financial benefit or return.

Purchasers of the SHR Tokens should not do so with the hope or expectation that you will obtain any form of financial benefit or return from holding or trading the SHR Tokens.



7. Adoption

To ensure that the SHR ecosystem can be used with other decentralized applications, we have built the protocols to facilitate easy and seamless integration. Our partner Cozystay™ (cozystay.com) and its subsidiary CozyLiving (a property management company) will be the first adopters to move their vacation rental platform onto SHR ecosystem, to help build and benefit the SHR community.

7.1 Access to SHR ecosystem

The SHR Protocols define a set of rules. SHR community members interact with each other under these rules to form the SHR ecosystem around the sharing economy activities, where trust is ensured, transactions are enhanced and services are easily provided.

To enable service providers to access and help to build the SHR ecosystem, we intend to build an interface to allow decentralized applications(DApp) to interact with the SHR protocols and SHR Token. A DApp could be built to offer a sharing service (e.g., vacation rental property management company) or any other form of service (e.g., photo taking or tourism guide services).

7.2 Easy conversion between fiat and SHR Tokens

As many users are new to cryptocurrency, we intend to incorporate the functionality to convert SHR Tokens to fiat currency in the SHR ecosystem to significantly reduce a barrier for users to adopt the SHR Token.

We intend to work with major exchanges to list the SHR Tokens to make it publicly available. However, to have more people adopt the SHR Tokens, we will help hosts and guests who want to accept and pay in fiat currency to do transactions in SHR Tokens.



For example, a provider accepts transactions using SHR Tokens but wants to be paid out in USD. If a client also accepts the transaction to be completed in SHR Tokens, but wants to pay in USD, we will provide the following process to make it happen:

1. Get public exchange price for SHR Token as the execution price
2. Receive the payment from client in USD
3. Purchase SHR Tokens at the public exchange price from step 1
4. Transfer the SHR Token from client's wallet to provider's wallet
5. Sell SHR Token for USD at the public exchange price from step 1
6. Transfer the USD to provider's bank account

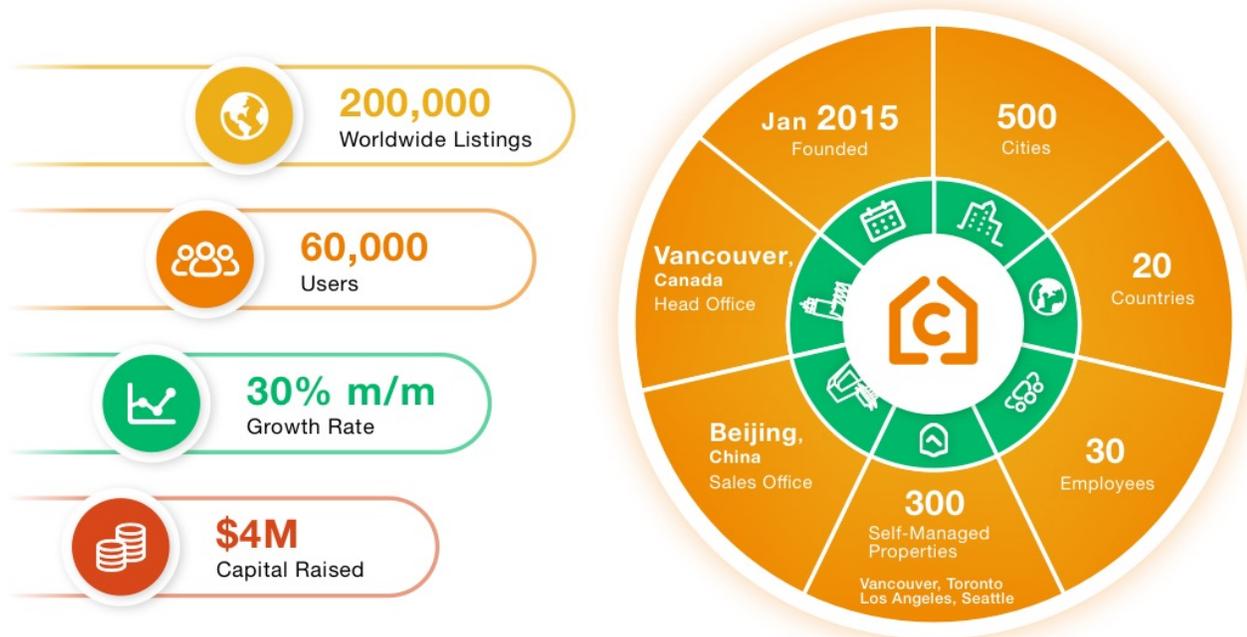
By providing such a service, we hope that more members will adopt the usage of SHR Token.



7.3 First Adopter - Cozystay™ (cozystay.com)

Founded in January 2015, Cozystay™ is headquartered in Vancouver, British Columbia, Canada and has a sales and technical office in Beijing, China. It is the first Chinese offshore vacation rental platform catering to global departures from China and local Chinese vacationers. The company has 30 employees and 60,000 users, with over 200,000 listings in 500 cities across 20 countries. Cozystay™ also has a property management company, Cozy Living Suites Inc. (CozyLiving), which manages 300 accommodations in Vancouver, Toronto, Seattle and Los Angeles.

Highlights of Cozystay



The company has received Scientific Research and Experimental Development (SR&ED) tax grant for 2016 and 2017. The program is administered by the Canada Revenue Agency (CRA) and provides federal tax incentives for selected companies in Canada with successful and innovative researches and developments.¹¹

¹¹ <https://www.canada.ca/en/revenue-agency/services/scientific-research-experimental-development-tax-incentive-program/claiming-tax-incentives.html>



In May 2018, Cozystay™ was one of fifteen finalists to win the Belt and Road Accelerator Innovation Entrepreneurship Competition in Xiamen, China. There were 200 exhibitors from 30 countries that participated.¹²



Belt and Road Innovation Conference 2018

May 2018 was the second year Cozystay™ participated at ITB-China, a three-day B2B travel exhibition exclusively focused on the Chinese travel market. ITB China, held in Shanghai brings together more than 850 top and hand selected buyers from Greater China with industry professionals from all over the world.¹³

Cozystay™ was an exhibitor for ITB-China 2017 and 2018.



Cozystay Booth ITB-2017



Cozystay Booth ITB-2018

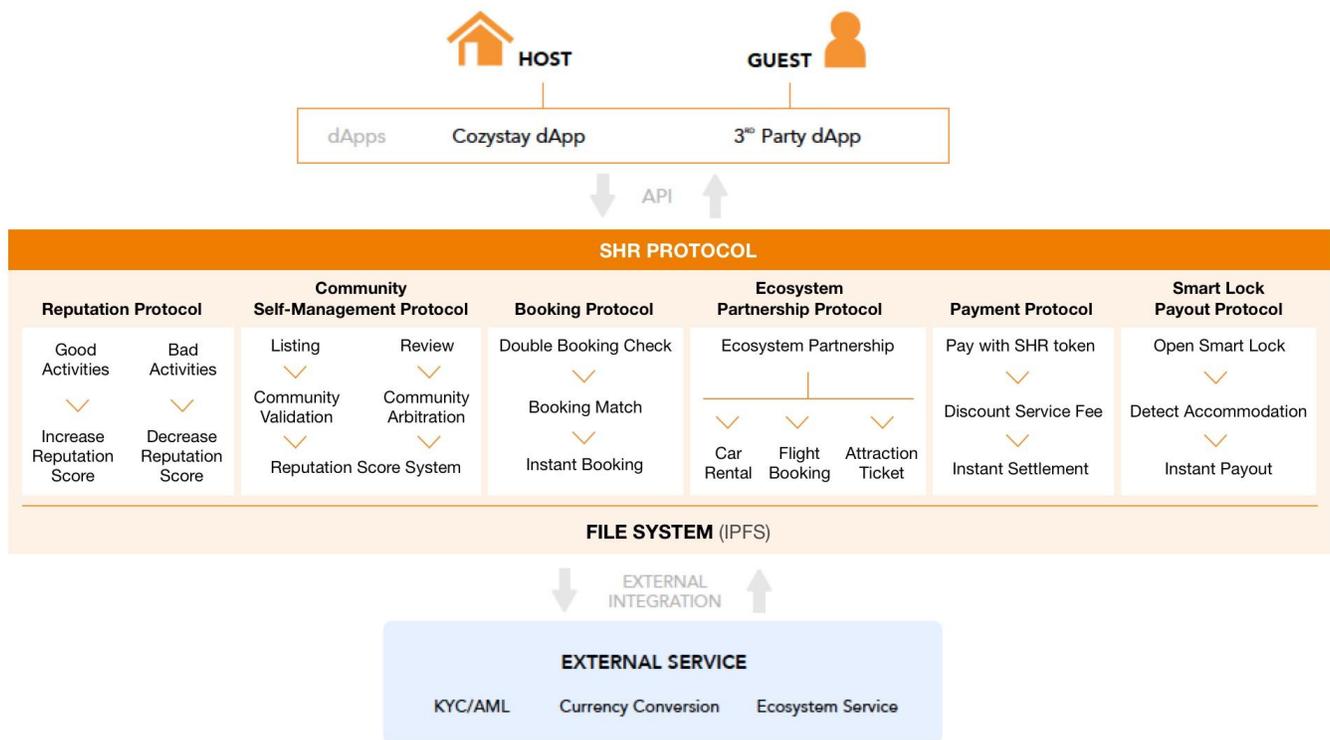
¹² http://gjohnv.pw/index_EN.html

¹³ <http://www.itb-china.com/>



By Q3, 2018, Cozystay™ anticipates having 750,000 vacation rental properties through partnerships with companies that also participated at the conference. As a member of Vacation Rental Management Association (VRMA.org™) and with their resources and supports, Cozystay™ will create enjoyable and memorable guest and homeowner experiences.

We are excited to have Cozystay™ and its partners working with us, and look forward to growing our community globally as Cozystay™ opens up the Chinese vacation industry. For more information, please refer to Appendices.



Cozystay™ will fully leverage SHR Protocols to in building the community and providing services to our community members. For example, Cozystay™ will use our Payment Protocol to charge a 0% transaction fee for hosts and provide a 5% discount to guests. Combined with a 2% rebate when utilizing our SHR Tokens, guests can reduce the original 12% Guest Fee down to 5%. As SHR Token are used for all transactions in the ecosystem utilizing smart contracts, there will be no foreign transaction fees, bank fees, or foreign exchange fees, and all savings are intended to be passed back to the hosts. Cozystay™ will not exclude traditional forms of payment and booking processes: guests holding the SHR Tokens may also book



accommodation using fiat currency, which will incur the following fees that are industry standard:

- 12% service fee for guests using fiat currency
- 3% transaction fee for hosts using fiat currency

This commission is comparable to current rental platforms and is charged to guests.



More Information about Our Partner

Cozystay™ believes better service will result in better customer satisfaction. In order to provide superior service at vacation rental properties, Cozystay™ has started a new initiative, Smart Living. Together with a local technology partner, Cozystay™ launched the pilot project, providing a new guest experience in vacation rental properties by providing a in smart-home enabled environment.

Vancouver's Smartest and Healthiest Place to Stay





Here are some use cases of Smart Living initiative:

Guests can access a Smart Living-enabled accommodation by using a PIN number that unlocks the smart lock. These smart locks can be remotely managed via property management system (PMS) to enable different guests and service workers access to these properties with updated PIN numbers. This use case will be extended with our platform to benefit from Smart Lock Payout Protocol.

Guests entering the accommodation will be greeted by an AI enabled voice assistant with personalized tips and suggestions for the stay. The smart TV will automatically turn on and display helpful information such as WiFi access, house manual, nearby restaurants recommendations or suggestions for tourist attractions.

Room lights and temperature can be controlled with natural language commands. Each guest may have their own personal settings for room temperature, light mood, alarm clock. Each time the guest returns to any of our Smart Living accommodations, the personalized configurations can be re-deployed in the new accommodation.



Keyless Entry

Enter your secure password and be greeted by Google Home.



Comfort Control

Automate setback when a guest leaves. Ask Google Home for your ideal temp.



Automated Lighting

Lights come on when a guest enters and turn off when they leave. Ask Google Home for moods.



Voice Control and Music

“Hey Google can you set an alarm for 7 a.m.”
“Hey Google can you please make sure the door is locked?”
“Welcome to Vancouver Jim. Can I play you your favorite song?”



Health Home Monitor

Sound monitor linked to Google Home speaker so you would never get a noise complaint.

“Hey Google, how’s the air quality?”
“Hi Jim. It’s a comfortable 21c with a humidity of 35%. It’s quiet at 35 decibets and the CO2 readings are adequate at 600ppm. Would you like more fresh air from comfort control?”



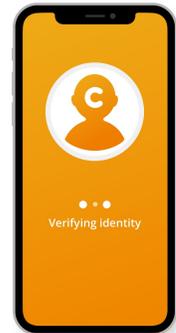
Entertainment System

(Chromecast on regular CEC TV)

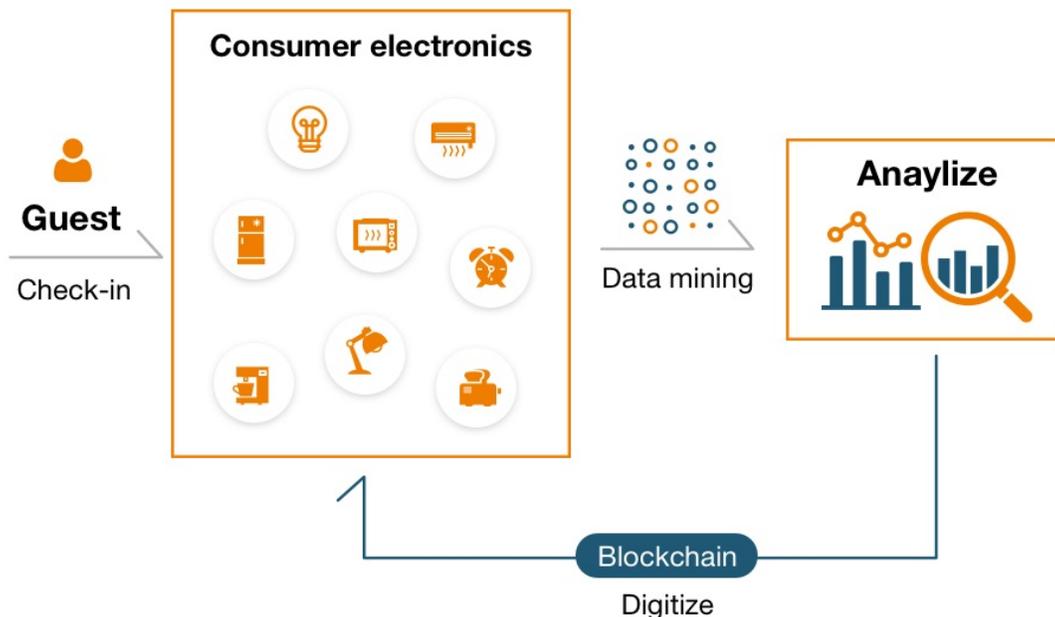
“Hey Google, turn on the TV”
“Hey Google, play Stranger Things season2 on Netflix.”



Cozystay™ is also enabling biometric authentication technologies to validate guests' accesses to the accommodations more effectively and securely. When a guest arrives at the door of the booked accommodation, the system will authenticate the guest's biometric signatures and grant access without guest's PIN. This validation process prior to a person's entering of the property is an added layer of security to both protect the person inside the unit, and as well as reduce fraudulent people to the platform.



Cozystay™ believes that analyzing data and user profiling are the keys for success in the future. With the user's permission, SEL will help Cozystay™ to mine user data with its Smart Living devices. The mined data will be analyzed and digitized on the blockchain to avoid centralized storage, prevent unauthorized alteration, and increase availability within its consumption systems. With SEL and blockchain, Cozystay™ will be able to leverage its IoT devices and customize its business for a better user experience. For example, the fridge will be stocked with the food and drinks the guest prefers, the smart TV will be loaded movies and programs that the guest enjoys, all the room instructions will be displayed in guest's native language and etc. This way, Cozystay™ will be able to help the hosts to provide a top-tier user experience in the vacation rental industry.



Furthermore, CozyLiving, a subsidiary of Cozystay, will be the second adopter of a vacation rental real estate investment project. It will broaden the SHR ecosystem through a vacation rental DApps on top of the blockchain.



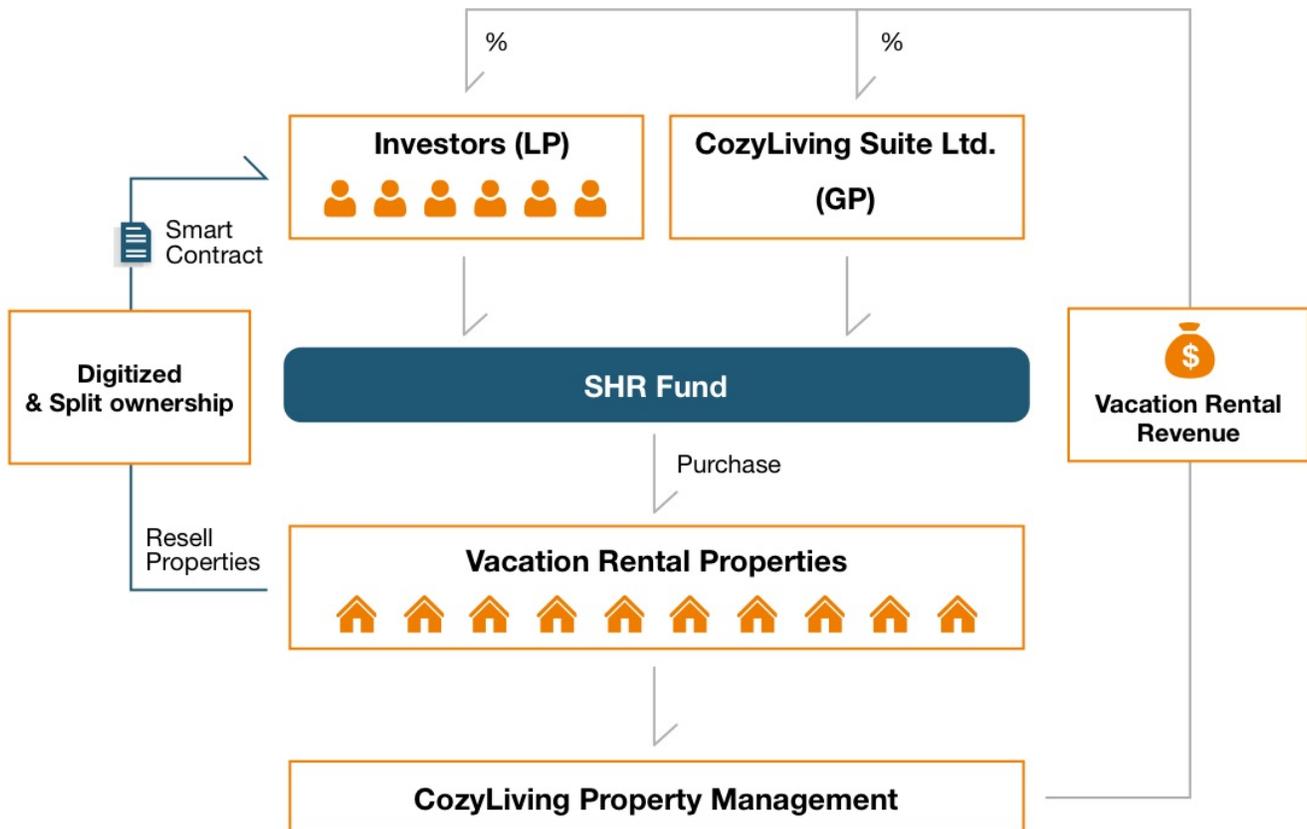
7.4 Second Adopter - CozyLiving (Property Management)

The second adopter will be with our partner Cozy Living Suites Inc., a subsidiary of Cozystay. The SHR expansion for our second adopter is scheduled after the second quarter of 2020.

CozyLiving's Goal

CozyLiving's mission is to integrate global real estate markets in vacation rentals with the blockchain mechanism. Through joining the real estate blockchain for vacation rentals, consumers, investors, and developers can be connected and the transaction of real estate can be made a part of a "digital credit society".

CozyLiving is forming an investment trust. The fund will be used to purchase real estate around the globe for vacation rental purposes. SEL will help CozyLiving build smart contracts on the SHR ecosystem to digitize real estate and split ownership amongst investors with a lockup period, during which the property cannot be sold. Meanwhile, the investors and CozyLiving will each receive 50% of the vacation rental income managed by CozyLiving. If the property is sold after the lockup period, the capital gain will accrue 100% to the investors. Through CozyLiving, investors will gain fractional access to the real estate market.





Investors will also receive free nights every year that can be redeemed at any property within the property pool. CozyLiving's advantage over the traditional timeshare is that the investors in the vacation rental real estate blockchain will receive vacation rental income for each booking as well as the freedom to sell their portion of their asset at any time for fair market value after the lockup period.



8. Roadmap

In the next two years, our team will focus on implementing the SHR Protocols, bringing adoption to our ecosystem, hosting community Protocol update proposals and building SHR community in general. In the roadmap below, we propose the timeline for some important dates along our journey to build a trust based and community driven SHR ecosystem.

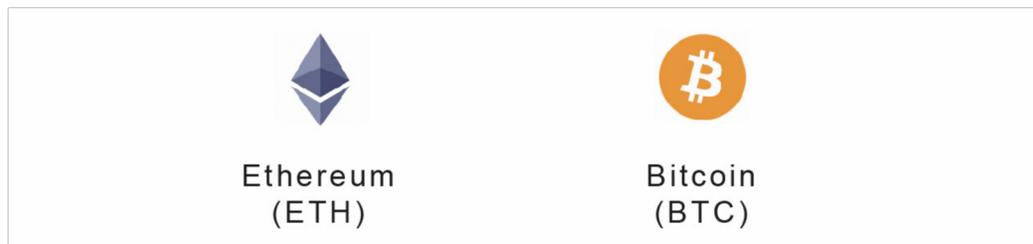




9. Crowdsale information

The SHR Token sale event will take place in the summer of 2018 by Share Everything Lab.Pte.Ltd. issuing a token based on the ERC20 standard. The tokens will be distributed to pre-qualified early contributors using a set of smart contracts at that time. After the SHR blockchain platform is online, the ERC20 tokens will be redeemed for the corresponding amount of SHR Tokens on the native blockchain.

To participate in the sale of tokens, the buyer can use USD and the following currencies:



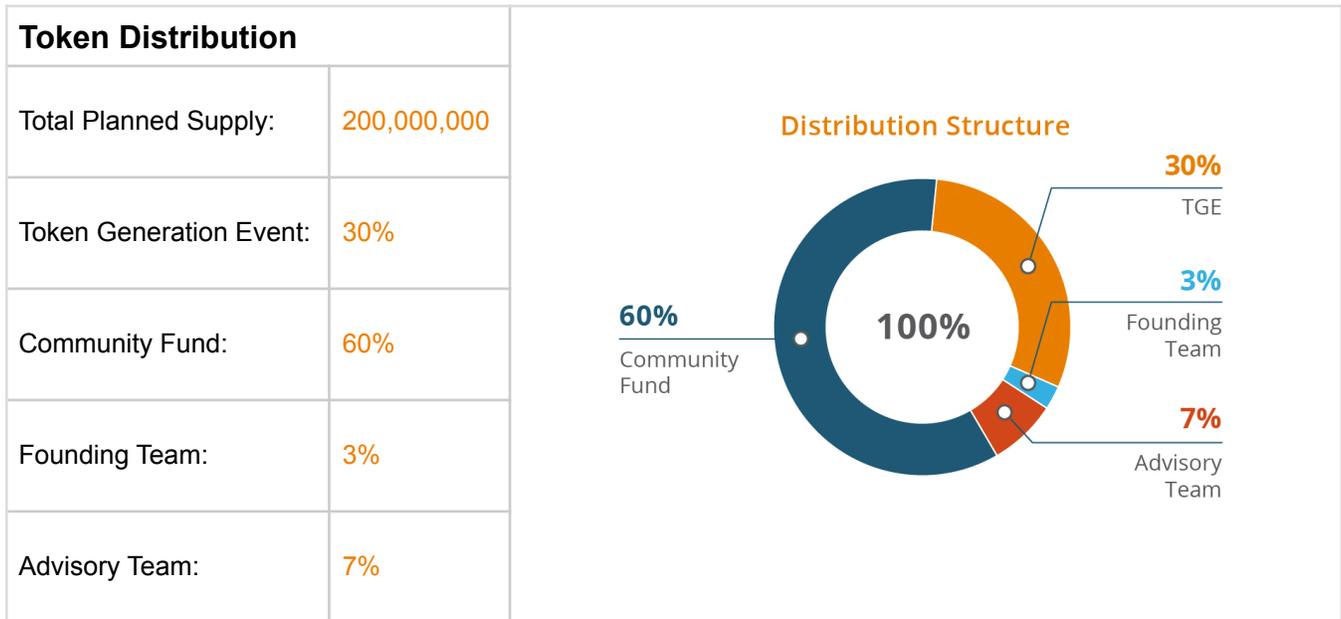
After the token sale ends, the buyer will receive the SHR Tokens. Token transferability is governed by the applicable lock up periods.

Risks Summary

The key risks summarized in this section are not intended to be an exhaustive list of the risks that may apply to you as a purchaser or holder of SHR Tokens (the "Applicant"). You should read these key risks and consider whether you are willing to assume such risks before you agree to purchase SHR Tokens. You should seek professional advice (whether legal, finance, tax, technical, operational or otherwise) prior to you making your decision as to whether to purchase SHR Tokens. (Please see Appendices **13.3 Risk Factors**)



9.1 Token Sale Structure



Out of the 60% Community Fund, 40% is intended to be used to fund ecosystem incentives/ rewards with a specified release formula that provides for declining incentive levels over time. Also, 20% of the Tokens is intended to be used to fund partnership acquisition to bring more business partners into the SHR ecosystem to benefit the SHR community.



9.2 Token Allocation

40% IT Development: Develop protocols and DApps

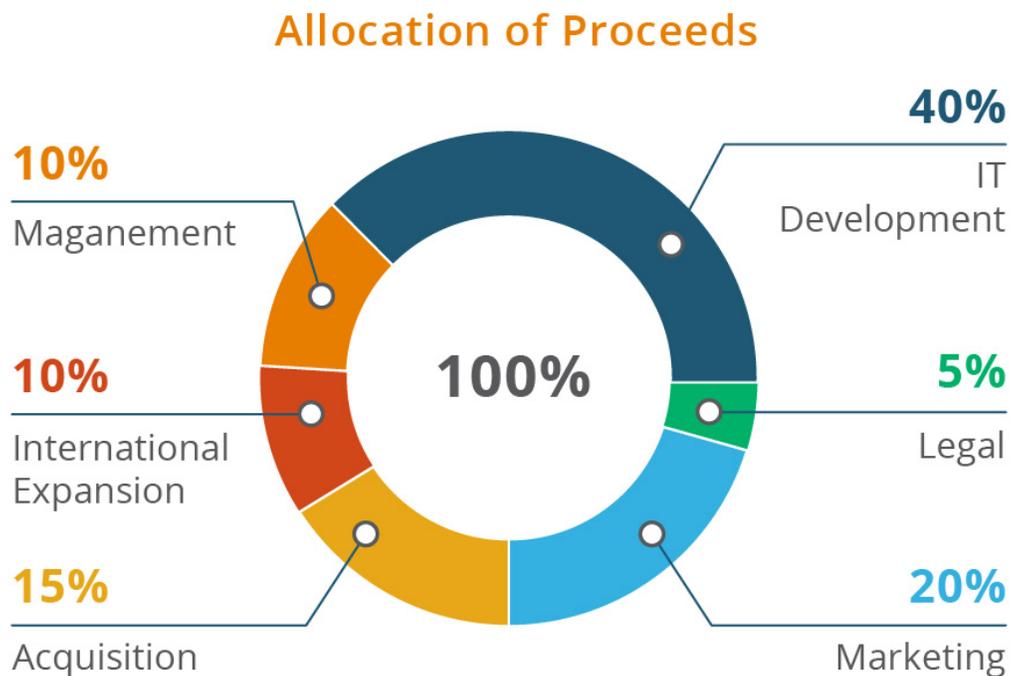
20% Marketing: Promote protocols, Cozystay™ DApps and social media marketing

10% Management: Daily operation cost and salaries

15% Acquisition: Vacation rental properties, smart lock companies

10% International Expansion: Global business development

5% Legal: Law firm counsel fees





10. Management Team & Advisors

10.1 Management Team



Galen Cheng / Founder & CEO

Taiyuan University of Technology, (B.A.Sc.) majored in Electrical and Electronics Engineering. The Director & the Chairman of the audit committee of Cascadia Consumer Electronics Corp (CSE:CK). Serial entrepreneur with a proven history of working in different industries and a seasoned investor in resource sector. As an active investor for over 20 years, Galen has invested in numbers of private and public listed companies in mining industries. He also highly skilled in financial market including equity and derivative trading.



Donald Kim / Co-Founder & V.P of Business Development

Simon Fraser University, Business and Economics. Founder of national telecom companies Call Select Inc., Giantel Inc., and Globaphone SA de CV, Mexico; as well as National security monitoring company Activewatch and iVision Security. Mr. Kim has extensive global entrepreneurial experience in telecom, security, and IoT companies and has outstanding global sales and marketing experience.



Peng Shen / Co-Founder & CTO

UBC, BA. Sc./Engineering Physics. Peng has six years of management experience with Amazon, ACL, IBM and Electronic Arts. He has extensive knowledge in software development, product development, system architecture, RESTful platform, mobile application, data analysis and blockchain technology.



George Gao / Co-Founder & CFO

MBA from the Schulich School of Business at York University. Served as President of the Beijing Mining Exchange (“BMX”), the Head of Business Development for the Toronto Stock Exchange (“TSX”) and TSX Venture Exchange, the CEO of Western Potash Corp. CFO of Western Resources Corp. He has years of experience in leadership, business development and strategic decision-making.



Terry Wang / Director of Software Development

Simon Fraser University, Computer Science. Seasoned technician and manager in the Internet industry with more than 10 years’ experience. Previously worked at SAP, ifeng.com, 360.com and Perfect World Inc. He also served as CTO at Lady Pie Inc. and Media Focus Plus, based in Beijing.



Sheryl Cohen / Director of Global Expansion

BS, cum laude, Duke University, MBA Harvard Business School. Sheryl co-founded Green Zebra, a San Francisco-based multimedia publishing and communications firm. Co-founder of VTC which sold to Startec Communications and Founder of Interfax Communications. Selected as one of BC Business Magazine’s Forty under Forty. Sheryl has served on the Boards of Global Green and is an appointee to the Council of Environment in San Francisco.



Max Ma / Technology Director

Simon Fraser University, Computer Science. He has seven years of professional experience in government, finance and education as technical support and consultant, including working at Revenue Canada Agency for five years as Senior Tech Analyst.



10.2 Our Advisors



Jun Luo / Consultant

Shanghai University, Finance & Economics. M.Se from BeiHang University, Beijing. Co-founder, CEO of Tujia Holdings, China's largest vacation rental platform. Founded real estate portal Sina Leju. Previously held senior management positions at Cisco, Oracle, Avaya and other global leading IT companies.



Hai Zhuang / Consultant

Master of Science Western Reserve University Tsinghua University. Co-founder/CEO VaShare.com. Former Vice President of Tujia Holdings. Previously Sci. Previously Sci. Software Development Engineer and Lead at Microsoft, Redmond, Washington.



Gary Cao / Consultant

Master of Science in Chinese Academy of Social Sciences. Former Vice President of the Chinese Association of Chinese Entrepreneurs in Southern California. In 1991 Mr. Cao founded the US Hyde Group in California. In 2011, he founded Delta Travel Network in Beijing China. The company grew to become China's largest customized luxury travel group in North America. Awarded Expedia top 50 global buyers.



Beier Cai / Blockchain Technical Specialist, Advisor

Beier is co-founder and chief technology officer at First Coin Capital. He is the founding engineer at Hootsuite, a leading enterprise Social Media Management Platform and technology based success story in Canada. Beier is a blockchain technology specialist and advocate of the industry.



Dr. Andrew Csinger / Blockchain Specialist, Advisor

Dr. Csinger received his Ph.D. and M.Sc. in CS from the UBC and B.Eng. in EE from McGill. Andrew earned a certificate in International Corporate Governance from INSEAD. He is a Certified Bitcoin Professional and holds several patents. He founded, sold or took public several high-tech companies in internet security and telecom.



Li Fan / Advisor

Founding Partner of GeekHouse Capital. Invested in over 100 startups, in AI, IOT, Blockchain, Cryptocurrency exchange platform. Rich experience in corporate strategy, business model design and capital operation.



Lorne Waldman / Advisor

Master of Business Administration and a law degree from the University of British Columbia and a Bachelor of Commerce degree from the University of Calgary, Canada. Currently the Senior Vice President and in-house legal counsel of Silvercorp Metals Inc., (TSX:SVM) He is also a director of Nam Tai Property Inc.(NYSE:NTP) where he serves as Chairman of the Compensation Committee. Served as in-house legal counsel and corporate secretary of Nam Tai Electronics Inc. from 1996 to 2007.



10.3 Corporate Advisors

 **FirstCoin** **First Coin Capital Corp.** assists companies that seek to raise capital through initial coin and initial Token offerings by providing technology development and advisory services. It is currently in the process of being acquired by Galaxy Digital, a New York-based cryptocurrency based merchant bank.



Qualblocks Capital
高链资本

Qualblocks Capital is the first and only investment bank qualified in providing solutions across the whole ICO business chain in Asia. Qualblocks provide technical, financial, legal and management solutions for blockchain-based ICO projects.



Cascadia Blockchain Group (stock symbol: CK) is a publicly listed company on the Canadian Securities Exchange (CSE) since 2013. Cascadia strives to empower the customers to quickly and easily incorporate the best of blockchain capabilities into their enterprise solutions that is cost effective and process efficient.

10.4 Legal Advisors

FASKEN

Fasken is one of the first founding members of the Global Legal Blockchain Consortium (GLBC), the non-profit group positioned to lead standards and governance for the adoption of blockchain technology in the legal industry. As part of the GLBC selection process, firms are required to submit examples of effective blockchain use in the business of law.



11. Investors & Tech Partners

11.1 Early Contribution Investors

Hyper Fund — A cryptocurrency fund under Tai Cloud Group

Ginkgo Capital — A Vancouver based venture capital

Tianxingjiuzhou Investment Inc. — A real estate investment company in Beijing China

11.2 Tech Partner



Cascadia Blockchain Group (stock symbol: CK) is a publicly listed company on the Canadian Securities Exchange (CSE) since 2013. Cascadia's parent company, Tai Cloud is one of the initial companies engaging in the research and application development of blockchain in China. Cascadia developed the first fintech blockchain system of independent intellectual property rights in China in 2014. Their technology is being widely used in digital assets, trade finance, stock rights, traceability, insurance and medical solutions. Statistics show Tai Cloud has obtained nearly 100 patents and software copyrights in the fields of blockchain, cloud computing, etc. There are over 160 employees in Tai Cloud and 70% of employees are developers and technical researchers.



12. Conclusion

Although vacation rental platforms have been successful by providing access to short-stay accommodations, the results of our analysis show that there is a pressing need for the adoption of a new model that will address the gaps in the current platforms. Share Everything Lab will build the protocols for the sharing economy on the blockchain and Cozystay™ will be the first adopter of the technology. The partnership will allow our marketplace to catapult to success with growing demand for new partnerships, new acquisitions, and novel products and services within the space.

This innovative approach to vacation rentals will make Share Everything Lab a leading provider for technology developing new protocols for the sharing economy. The success of our growth will come through proper technology and strategic partnerships to slowly evolve from an accommodation-sharing platform to a global sharing-economy website.

We are confident that with the right team and partners, Share Everything Lab will be a global platform in the multi-dimensional sharing economy.



13. Appendices

13.1 China's Tourism Industry

While blockchains may provide the edge to take on the world, we want to initially focus on the largest growing tourism market, the Chinese traveler. This is a group that we know well. Asian travelers are packing their bags in record numbers, fueling a transformation of the global travel and tourism industry. By 2030, tourists from Asia will lead the world in total departures and travel expenditures. China, where rising incomes are driving unprecedented growth in spending and travel, will be the most significant contributor to this growth. By 2030, the Chinese will account for 40% of Asian outbound travelers, and China will likely overtake the US to become the largest domestic travel market in the world.¹⁴ Only 6% of Chinese citizens possess a passport, compared to 46% of US citizens. The outbound tourism market of China is still growing, and will do so for a long time to come. If the Chinese economy continues to grow for the next several years, it is reasonable to assume that more Chinese citizens will be able to travel overseas.¹⁵

“The growth projections for China’s travel market are truly staggering. According to market analysis, annual growth is expected at a rate of about 11 percent per year between 2016-2030. Driving this growth is China’s rapidly expanding population of middle class and affluent consumers. With so much expansion on the horizon, forward-looking companies have considerable ‘white space’ to capitalize on.”¹⁶

¹⁴ The Boston Consulting Group Dec 2013 Winning Billion Asian Travelers

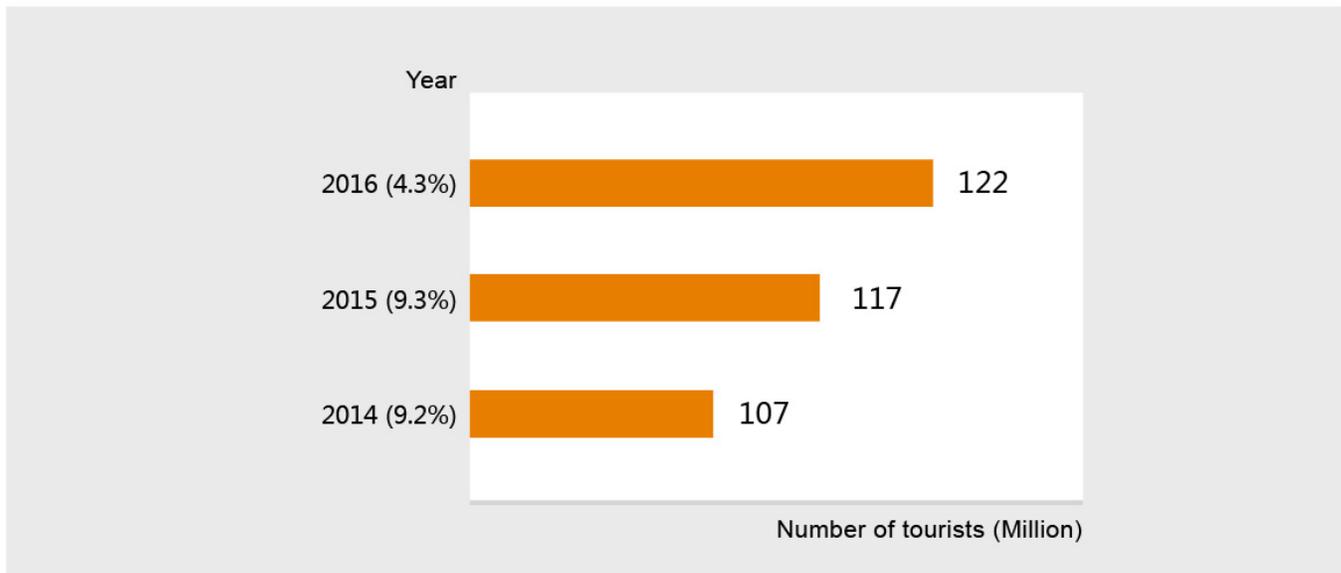
¹⁵ China Outbound Tourism Research Institute Jan 12, 2016

¹⁶ The Boston Consulting Group Dec 2013 Winning Billion Asian Travelers



The short-term rental market in China has seen an exceptional boost as the country's middle class works up an appetite to travel abroad. The Chinese online vacation rental industry started late, but 2015 saw its real takeoff. Online vacation rental platforms rode the sharing economy wave, and now China has seen unparalleled growth.¹⁷ So far there has been no dominant shared accommodation rental company in China except for Airbnb, which recently invested \$1 billion to expand its operations in China. Tujia, although a dominant domestic player in the shared vacation rental industry, has not expanded beyond its domestic operations. In an industry worth hundreds of billions of dollars, there is room for competition in China to capture a percentage of those travelers looking to book short term vacation rentals.

Number of Chinese Outbound Tourists



Outbound Tourism Statistics in 2016

122 Million Chinese Tourists Make Outbound Trips, Spend \$109.8 Billion

¹⁷ Technode Aug 26, 2015; Chinese Short-Term Rental Market Soars as Airbnb Rushes to Localize



13.2 Cozystay™'s Partners

Cozystay.com has a group of established partnerships. It is intended that these partners join the SHR ecosystem. With help from Cozystay™, we are in discussions with them to accept the SHR Token for their services, and we will build the DApps for the ones that accepts SHR Token to benefit the community members. The following is the list of existing partners of cozystay.com we will try to bring to SHR ecosystem.



CAISSA Tourism Group was founded in 1993, with its headquarters in Beijing. After more than 20 years the company has established six branches in major cities around the world, including Hamburg, Paris, London and Los Angeles; and has established more than 50 sub-branches in port cities and core commercial cities in China, including Beijing, Shanghai, Guangzhou, Chengdu and Shenyang. In October 2015, CAISSA Tourism Group became a publicly listed.



Beijing Capital Airlines is headquartered in Beijing and is a subsidiary of a subsidiary of Hainan Airlines . The airline flies more than 110 domestic and international routes and serves more than 55 airports.



Ctrip is a Chinese provider of travel services including accommodation reservation, transportation ticketing, packaged tours and corporate travel management. It is China's largest OTA.



Tujia Online Information Technology (Beijing) Co., Ltd. provides online vacation rental services targeting middle to high-end Chinese travelers. The company was founded in 2011 and is based in China. Tujia is China's largest vacation rental platform, and is considered as the biggest competitor to Airbnb in China with a valuation of more than \$1.5 Billion USD.



Xiaozhu launched in August 2012, xiaozhu.com platform provides about 140,000 rooms. The platform covers more than 200 cities, and offers over 50,000 accommodations provided; including about 10,000 individual house owners.



Cozystay™ has existing agreements with global wholesale accommodations providers for hotels and vacation rentals ranging from leisure resorts, budget hotels to 5-star luxury hotels including ancillary product such as transfer service, car hire, attraction tickets and excursions.

Also, Cozystay™ has existing agreements for global car rental provider which includes vehicles from Avis, Europcar, Hertz, Alamo, and Enterprise.



13.3 Risk Factors

System risk of purchase interface: There can be possible delays, failure or inability to submit an offer to purchase SHR Tokens in time for a variety of reasons including but not limited to the Applicant's own act or omission, technical and/or operational glitches, system or network overloads arising from or in connection with the Ethereum network, any other platform or otherwise.

No assurance of returns or benefits: There can be no assurance that the Applicant as a purchaser or holder of SHR Tokens will be able to receive a return of its capital or any returns or benefits. The Applicant should therefore only consider the purchase of SHR Tokens if it can afford a total loss on the entire amount paid.

Market risk: The value of cryptocurrencies can go down as well as up. The emergence of a new business model can create opportunities for users and investors, but any young market carries significant risks for all of its participants. Past performance is not a reliable indicator of future performance, and investors may not recover the full amount invested.

Regulatory risk: Regulation of digital tokens (including the SHR Tokens) and token offerings, cryptocurrencies (including ETH and BTC), blockchain technologies (including the provision of financial services using such technologies), and cryptocurrency exchanges, among other things, are relatively undeveloped and likely to rapidly evolve, and vary significantly among various jurisdictions and are subject to significant uncertainty.

New or changing laws and regulations or interpretations of existing laws and regulations may adversely impact the liquidity and market price of SHR Tokens, the ability to provide certain services via, or conduct certain activities on, the SHR Platform and any DApp, the Applicant's ability to access marketplaces on which to trade SHR Tokens, the Company's, Share Everything Lab Pte. Ltd.'s, and their affiliates and related corporations' (collectively, the "**SHR Entities**", each a "**SHR Entity**") ability to operate as an ongoing concern, and the structure, rights and transferability of SHR Tokens. The ability of the Applicant to access, use, transfer and exchange its SHR Tokens may be affected by changes to legislation, regulatory guidance or actions, and judicial decisions in Singapore and in other countries. Therefore, there can be no assurance that any new or continuing regulatory scrutiny or initiatives will not have an adverse impact on the value of SHR Tokens and otherwise impede the activities of any SHR Entity.

No regulatory protection: The Company is not licensed or approved by the MAS nor the ESG, and currently there is no intention for the Company to apply for any financial services



license or regulatory approval under the laws and regulations of Singapore. In addition, the SHR Tokens do not constitute, and are not characterised as, any of the Regulated Products. Therefore, the Applicant will not be able to invoke or avail itself of any regulatory protection or remedies applicable in respect of such Regulated Products under the laws and regulations of Singapore in relation to its purchase, holding or trading of SHR Tokens.

Legal risk: There is little or no precedent on how existing laws might treat the sale, fungibility, settlement finality, transfer, collateralisation, sequestration, loan, hypothecation, redemption or other disposition of SHR Tokens. There is also little or no precedent on how existing laws might treat the rights and obligations between and among the Company and the Applicant as a purchaser or holder of SHR Tokens. The occurrence of any related issue or dispute could have a material adverse effect on the SHR Platform, any DApp, any SHR Entity's businesses and/or the SHR Tokens. New developments in the laws and regulations may also adversely affect the legal or regulatory treatment of the SHR Tokens, the SHR Platform, any DApp and/or any SHR Entity's businesses.

Tax risk: The tax characterisation of SHR Tokens is uncertain and the Applicant should consult its own tax advisors regarding the tax consequences of its acquisition, holding, trading or disposal of SHR Tokens. A purchase of SHR Tokens may result in adverse tax consequences on the Applicant. The Applicant should consult with and must rely upon the advice of its own tax advisors with respect to the tax consequences whether of Singapore or elsewhere of a purchase of SHR Tokens, and is wholly responsible for understanding and meeting all their tax obligations whether of Singapore or elsewhere in relation to their acquisition, holding, trading or disposal of SHR Tokens. Any payments that are made by the Company to any SHR Token holder will be made after the deduction of any withholding taxes, if so applicable, whether of Singapore or elsewhere. If any Singapore goods and services tax at the rate of 7% (or such other rate as required by law) is chargeable on the sale of any SHR Tokens by the Company, holders that purchase such SHR Tokens shall bear such Singapore goods and services tax in addition to the Purchase Price.

Company risk: The Company was incorporated on March 26, 2018 and has not commenced operations. The Company is subject to all of the business risks and uncertainties associated with any new business.

Lack of voting and liquidation rights: SHR Tokens do not carry any voting, management or control rights or other management or control rights in the Company. Accordingly, the board and shareholders of the Company will control decisions of the Company, including any significant corporate transactions, or the election to liquidate or dissolve the Company. In



addition, upon a liquidation, bankruptcy or other dissolution of the Company, the Applicant as a purchaser or holder of SHR Tokens will highly likely not be entitled to liquidation rights or other claims.

Key Person risk: Whilst the Company take an active role in managing key man risk through training, systemisation, and succession planning there is still a risk that the loss of a key team member could cause delays to the development of the SHR Platform (or any DApp) and thus have a detrimental effect on the price of SHR Tokens.

Technology and Coding risk: Blockchain and smart contract technology is still in an early development stage and its application is of an experimental nature which carries significant operational and technological risks. It is possible that the Smart Contract, the Smart Contract System or elements of the Conversion, the SHR Platform and/or any DApp could contain weaknesses, vulnerabilities or bugs which could cause, *inter alia*, the complete loss of the Applicant's utility and/or the value of the SHR Tokens, the SHR Platform and/or any DApp by impacting on their operation and functionality. Outside actors may exploit such errors or vulnerabilities for personal gain or the SHR Tokens, the SHR Platform and/or any DApp may be affected in any event without such action.

SHR Platform risk: While the SHR Entities are procuring the development of the SHR Platform, there is no assurance that the SHR Platform (or any DApp) will be designed or completed in the manner described in the SHR Whitepaper and if the SHR Platform (or any DApp) is completed, there is no assurance as to the continued operation and functioning of the SHR Platform (or any DApp). The SHR Platform and any DApp is subject to change and no representation is given that the any function or aspect of the SHR Platform (or any DApp) will continue to be provided or made available at any time.

Trading/Valuation risk: As a utility token, the inherent value of SHR Tokens is derived from the successful operation of the SHR Platform and/or the DApps. SHR Tokens are not pegged to any fiat currency (legal tender backed by a sovereign government) nor any cryptocurrency, and the exchange value from time-to-time given to SHR Tokens on third-party exchanges may not always reflect the Applicant's intrinsic valuation of the SHR Tokens. The risk of loss when purchasing or disposing of SHR Tokens could be substantial and losses may compound quickly (including up to a total loss). As a token built on top of the Ethereum network, the value of SHR Tokens may be affected by the valuation from time-to-time of ETH against fiat currencies and other cryptocurrencies.



Illiquidity risk: No SHR Tokens will be sold after the TGE, although the reserve SHR Tokens are held by the Company and the Company may release such SHR Tokens over time to the market. Should the Applicant wish to temporarily, permanently or partially exit the SHR Platform and/or the DApps ecosystem, it may be unable to liquidate its position by exchanging SHR Tokens for fiat currency or cryptocurrency as there may not be a willing buyer for its SHR Tokens both in terms of price and volume. The Applicant as a holder of SHR Tokens has no right to redeem or to require the Company or any other SHR Entity to purchase its SHR Tokens. Although the Company intends to list the SHR Tokens on several cryptocurrency exchanges, there can be no assurance that such exchanges will accept the listing of SHR Tokens or maintain the listing if it is accepted. There can be no assurance that a secondary market will develop or, if a secondary market does develop, that it will provide the Applicant with any liquidity or that it will continue for the life of the SHR Tokens. There is also no guarantee from any central bank or centralized authority for SHR Tokens that ensures the Applicant will be able to redeem its SHR Tokens for fiat currency or cryptocurrency. Furthermore, the digital token market is a new and rapidly developing market which may be subject to substantial and unpredictable disruptions that cause significant volatility in the prices of digital tokens. There is no assurance that the market, if any, for the SHR Tokens will be free from such disruptions or that any such disruptions may not adversely affect the ability of the Applicant as a holder of SHR Tokens to sell its SHR Tokens.

Network risk: SHR Tokens are ERC20 compliant tokens built on top of the Ethereum network, a decentralised network containing, among other things, both cryptocurrency and smart contract protocols. None of the SHR Entities has control over the Ethereum network, including confirmations of transactions and execution of smart contracts on the network. Should the Ethereum network experience temporary or permanent issues, including network slowdowns or transaction confirmation delays, this is likely to affect the ability of the Applicant as a holder of SHR Tokens to freely use SHR Tokens within the SHR Platform or any DApp's ecosystem and could impair the usability of the SHR Platform or any DApp generally.

Cyber security risk: The nature of SHR Tokens and the Ethereum network and any blockchain networks in general may lead to an increased risk of fraud or cyberattack and may mean that technological difficulties experienced by the developers and users of the SHR Platform and/or the DApps ecosystem could prevent access to or use of the Applicant's SHR Tokens. For example, it is possible that an unauthorised third party could exploit a coding vulnerability in the SHR Platform or any DApp code and damage, interrupt or otherwise attack it.



Private Key risk: Extreme caution must be taken whenever selecting, storing or transmitting private keys for SHR Tokens. The Applicant is responsible for the storage of its SHR Tokens. If another person obtains access to the Applicant's private keys, they can steal its SHR Tokens or other cryptocurrencies it uses to purchase SHR Tokens. Furthermore, if the Applicant loses access to its private keys, neither the SHR Entities nor any other entity will be able to recover the Applicant's lost SHR Tokens or cryptocurrency. If the Applicant holds SHR Tokens on a cryptocurrency exchange, the private keys to those SHR Tokens are held by that exchange. Should that exchange be hacked or otherwise compromised, the Applicant's SHR Tokens may be stolen or otherwise become inaccessible.

Wallet risk: Should the Applicant attempt to send SHR Tokens to a wallet type that does not support SHR Tokens, its SHR Tokens may be lost forever.

Broker, dealer or exchange insolvency risk: There is risk that brokers, dealers, exchanges or wallets could become insolvent or otherwise become insecure. There may be practical or timing problems associated with enforcing the rights to assets in the case of an insolvency or security disruption of any such party.

Financial risk: If the solvency of any of Share Everything Lab Pte. Ltd. or the Company is impaired, the ongoing viability of the SHR Platform, the DApp and the utility and value of the SHR Tokens may be impaired.

General risks:

The growth of the blockchain industry in general, as well as the blockchain networks on which the Company relies, is subject to a high degree of uncertainty. The performance of the SHR Platform (or any DApp) is subject to the following uncertainties, among others:

- (a) worldwide growth in the adoption and use of BTC, ETH and other blockchain technologies;
- (b) government and quasi-government regulation of BTC, ETH and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- (c) the maintenance and development of the open-source software protocol of the BTC or ETH networks;
- (d) changes in consumer demographics and public tastes and preferences;
- (e) the availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- (f) general economic conditions and the regulatory environment relating to cryptocurrencies and digital tokens;
- (g) hacking and theft of cryptocurrencies and digital tokens (including any cryptocurrencies and digital tokens which the Company has set aside to be refunded).



(h) popularity or acceptance of the BTC or ETH networks and the emergence of new cryptocurrencies, digital tokens and blockchain networks.

The price of BTC, ETH, digital tokens and other blockchain assets are subject to dramatic fluctuations. Several factors may affect price, including, but not limited to:

- (a) global blockchain asset supply;
- (b) global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions or prohibitions on their use;
- (c) investors expectations with respect to the rate of inflation;
- (d) changes in the software, software requirements or hardware requirements underlying a blockchain network;
- (e) changes in the rights, obligations, incentives, or rewards for the various participants in a blockchain network;
- (f) currency exchange rates, including the rates at which ETH and BTC and other cryptocurrencies or digital tokens may be exchanged for fiat currencies;
- (g) fiat currency withdrawal and deposit policies of blockchain asset exchanges and liquidity on such exchanges;
- (h) interruptions in service from or failures of major blockchain asset exchanges;
- (i) investment and trading activities of large investors, including private and registered funds, that may directly or indirectly invest in blockchain assets;
- (j) monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- (k) regulatory measures, if any, that affect the use of blockchain assets;
- (l) the maintenance and development of the open-source software protocol of the BTC or Ethereum networks;
- (m) global or regional political, economic or financial events and situations; and
- (n) expectations among blockchain participants that the value of blockchain assets will soon change.

Blockchain networks are based on software protocols that govern the peer-to-peer interactions between computers connected to these networks. The suitability of the networks for the SHR Entities' businesses or the functionality of the SHR Token depends upon a variety of factors, including:

- (a) the effectiveness of the informal groups of (often uncompensated) developers contributing to the protocols that underlie the networks;
- (b) effectiveness of the network validators and the network's consensus mechanisms to effectively secure the networks against confirmation of invalid transactions;
- (c) disputes among the developers or validators of the networks;



- (d) changes in the consensus or validation schemes that underlie the networks, including shifts between so-called "proof of work" and "proof of stake" schemes;
- (e) the failure of cyber security controls or security breaches of the networks whether on the SHR Platform, any DApp, or technological assets, or the Applicant's / third party network or devices, and the associated risks of legal action or actions of regulators relating to loss of data, damage to data / devices, threat or compromise to privacy and data protection, and the occurrence of fraud or harm;
- (f) the existence of other competing and operational versions of the networks, including without limitation so-called "forked" networks;
- (g) the existence of undiscovered technical flaws in the networks;
- (h) the development of new or existing hardware or software tools or mechanisms that could negatively impact the functionality of the systems;
- (i) the price of blockchain assets associated with the networks;
- (j) intellectual property rights-based or other claims against the networks' participants and risks associated with such legal claims (including but not limited to the risk that the operation of the SHR Platform or any DApp is disrupted by such claims including claims for remedies such as injunctions); and
- (k) the maturity of the computer software programming languages used in connection with the networks.

Unfavorable developments or characteristics of any of the above circumstances could adversely affect the SHR Entities' businesses, the SHR Platform, any DApp, or the proper functioning of the SHR Tokens.

Conversion risks:

Cyber security risk: The nature of the platform on which the Company gives notice of Conversion to holders of SHR ERC-20 Tokens may lead to an increased risk of fraud or cyberattack. For example, it is possible that an unauthorised third party could exploit a vulnerability in the aforesaid platform and damage, interrupt, spoof or otherwise attack it.

System risk of Conversion interface: There can be possible delays, failure or inability to Convert in time for a variety of reasons including but not limited to the Applicant's own act or omission, technical and/or operational glitches, system or network overloads arising from or in connection with the Ethereum network, any other blockchain network, any other platform or otherwise.

Risk of non-Conversion: Non-Conversion of SHR ERC-20 Tokens into SHR Native Tokens within the Conversion Period may lead to the Applicant being unable to access or use the SHR Platform or any DApp (or otherwise degrade the ability to do so) and there is no obligation on the part of the Company or any other party to allow or facilitate the Conversion after the Conversion Period. SHR ERC-20 Tokens that have not been Converted into SHR Native Tokens may have no utility and no value ascribable to them.