Coresky Whitepaper

1. Intro

The Web3 industry has been experiencing a strong bullish sentiment, with significant growth in financing observed recently. This trend indicates a recovery and upward trajectory in the primary market. In recent markets, several major funding announcements have underscored this momentum, with notable investments from prominent funds and financial institutions. However, despite this optimistic outlook, startup projects in the Web3 sector continue to face substantial risks. These challenges include liquidity shortages, competitive pressures, legal and regulatory uncertainties, tax issues, valuation complexities, financing difficulties, security threats, and dynamic market conditions.

Coresky innovatively employs NFTs as investment certificates, focusing on the primary and semi-primary markets. By fragmenting early investment amounts of high-quality projects, Coresky enables community fundraising to share high-return investments with small and medium-sized investors. These NFT asset packages can be traded in the secondary market or held until the token unlock date, allowing income generation through token trading. Additionally, Coresky plans to introduce a staking service for users to access working capital while retaining NFT equity. NFTs can be issued on various public chains, such as Ethereum and Polygon, and facilitate low-cost transactions via unique cross-chain contracts. Coresky ensures real-time asset unlocking of tokens across these chains through redemption contracts, safeguarding investors' rights. With rigorous due diligence and selection processes, Coresky attracts high-quality, high-return projects, continually creating new wealth opportunities. Supported by Tido Capital, Coresky actively promotes its rapid business development.

2. Coresky Allocation Plarform
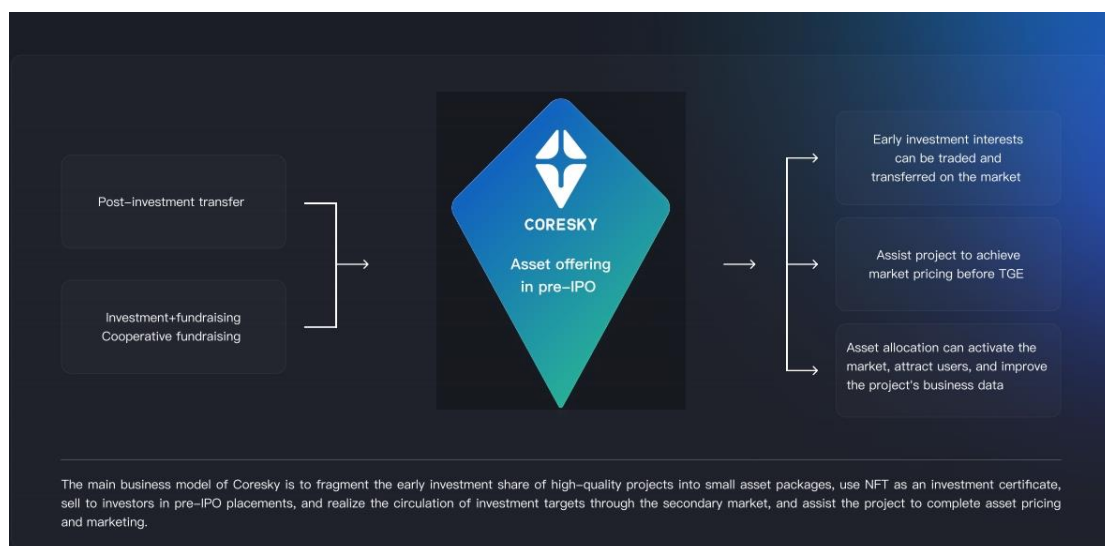
2.1 Business model

Fig 2.1. Coresky Business Model

Coresky's business model involves fragmenting early investment shares of high-quality projects into small asset packages, represented as NFTs. These NFTs are then sold to investors during pre-IDO placements. This process allows the investment targets to circulate in the secondary market, assisting in asset pricing and marketing for the projects. The core services offered by Coresky include marketing, asset allocation, and ensuring that all projects undergo strict due diligence and community

fundraising.

Coresky utilizes a multi-chain issuance mechanism, deploying NFTs on multiple blockchain networks like Ethereum and Polygon, which ensures asset security and leverages the advantages of each blockchain, such as low transaction costs. This model supports low-cost, cross-chain transactions and real-time token asset redemption. Coresky's platform is designed to support early-stage fundraising and project development, attracting investors with a low investment threshold while providing high liquidity and privacy.

2.2 Feature Rollout

2.2.1 Crypto Asset Allocation（Primary Market）

Coresky focuses on pre-IDO crypto asset allocation, where Coresky divides early stage investment shares into small asset packages represented by NFTs sold to investors during pre-IDO placements. This is the fundamental function of Coresky's asset offering allocation and the basic form of supporting project financing.
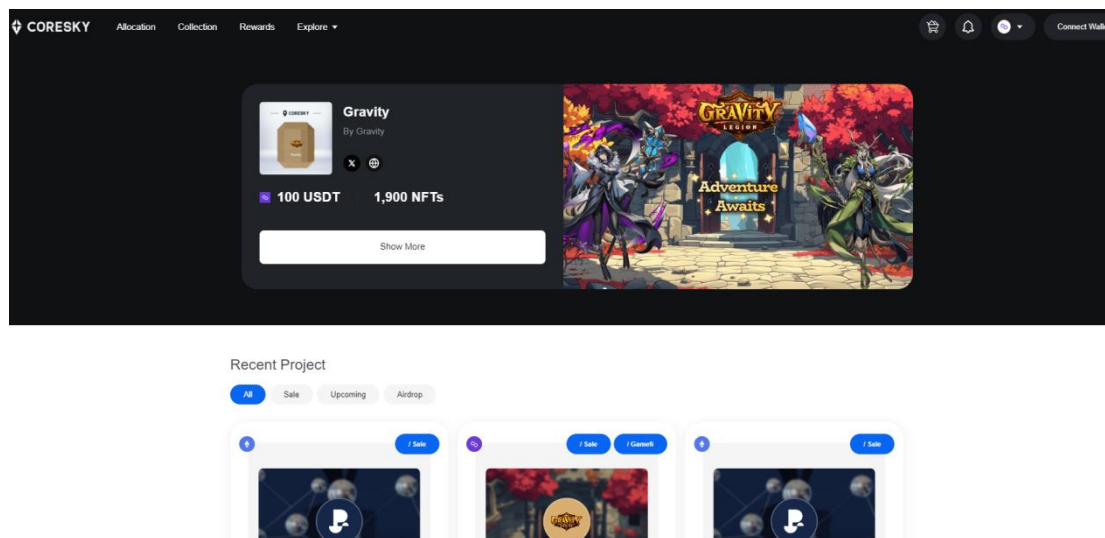

Fig. 2.2.1 Coresky Allocation Platform

The process of this function is summarized as follows: first, Coresky supports the project to raise funds on the platform, after the basic project information review and due diligence, community participation and voting, under the premise of obtaining verification of the authenticity of the project information, the project successfully passes community voting, and the online marketing and fundraising can be started. and the NFT asset corresponds to the user's rights and interests corresponding to the investment amount of the project, which is usually represented by the token equity of the project. The asset-packaged NFT holder can obtain the token airdrop by the unlocking date. The specific workflow is developed in section 2.3.

Coresky provides users with an opt-out option. First, the most conventional method is to hold the asset until the token unlocking date to capture potential income, such as realizing the project's investment returns. Second, Coresky supports secondary market trading on the platform, which will be described next.

2.2.2 **Marketplace（Secondary Market）**

Unlike other IDO platforms, Coresky innovatively provides a secondary trading marketplace for allocated projects on the platform. Coresky aims to enliven its market by facilitating fragmented trading of non-fungible tokens, with the platform achieving stable revenue from market transaction fees and royalties through internal secondary market transactions.
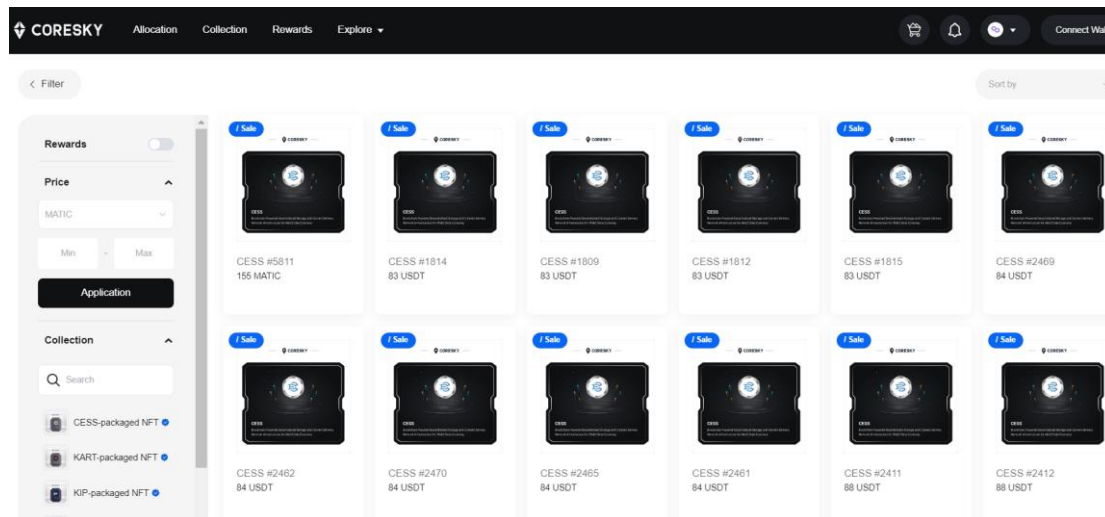

Fig.2.2.2 Coresky Marketplace

Beyond platform earnings, the feature is offered based on bilateral advantages for investors and projects:

For investors, there are two advantages:

a. It provides investors with more opportunities to participate. If an investor misses the opportunity to invest in the target asset in the primary market, he or she can still participate in the secondary market by purchasing the asset-packaged NFT.

b. It provides investors with more exit opportunities. It creates faster profit opportunities and better liquidity support. If an investor needs liquidity after purchasing an asset, he or she can choose to sell for cash on Coresky's secondary market in exchange for liquidity. At the same time, it is also possible to take advantage of the price fluctuations in the secondary market to sell asset-packaged NFT in advance to gain excess returns.

For projects, there are two advantages:

a. It provides a more relaxed financial environment. Providing a secondary market for the underlying asset package before unlocking provides investors with more exit opportunities, thus providing a more relaxed financing environment for the project.

b. To balance and provide timely feedback on the market value of financed projects. Allowing the investment underlying to circulate in the secondary market can reflect the market fair value changes of the project in a timely manner through the price feedback mechanism of the secondary market, thus allowing the project to make timely adjustments and feedback of the corresponding market strategies according to the market price changes.

2.2.3 **Decentralization Mechanism and DAO**

Coresky platform adopts comprehensive decentralized technology as the bottom layer. All asset processes are automatically executed by smart contracts, specifically covering the following parts:

1.	Allocation issuance: the smart contract is automatically deployed, all projects can start their own allocation, and the smart contract completes the overall process.

2.	Allocation asset custodian: according to the token unlocking rules and vesting rules configured by the project, the smart contract will automatically execute to protect the fund security of the project and users.

3.	Marketplace: the nft marketplace uses smart contracts for automatic matchmaking tradings.

4.	DAO: all important decisions of the platform are voted on-chain by the members in DAO, and after the voting is completed, the management Committee will implement the voted resolutions and announce the results of the execution. Coresky DAO takes a decentralized approach, with the community voting on whether the project should be financed and other important decisions. This structure involves influencers, venture capitalists, and the project team, ensuring a democratic and transparent decision-making chain.The DAO model supports early fundraising, project development, and community engagement.

This section is expanded upon in 4.2.

2.2.4 Fission and Incentive Mechanism

Coresky introduces an innovative reward and fission mechanism feature, CoreHub, which is a reward tool provided to project owners who issue assets on Coresky. Users can participate in on-chain tasks of Coresky and projects to earn rewards in the form of points, tokens, or non-fungible token asset packages, helping the projects with marketing promotion and gaining traffic. The rewards tool has attracted more than 50,000 users in just 2 months since its launch.
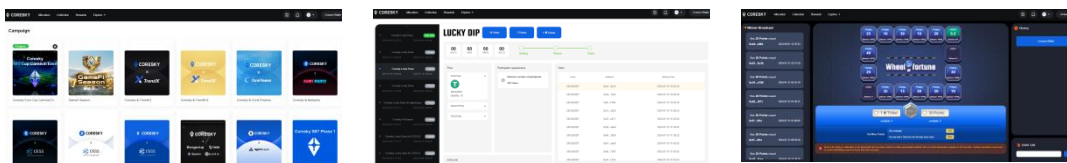

Fig.2.2.4 CoreHub Rewarding Tools - Campaign, Lucky Dip, Wheel of Fortune

In addition, Coresky has upgraded the layout of the reward mechanism on Ton Chain - Coresky Red Envelope. The Mini Dapp is developed based on Ton Chain, and aims to acquire a large number of potential users on Ton Chain by means of the ecological participation tool of fission, the users who participate in the fission activities will receive Coresky airdrop token points, and participating wallets will receive token airdrops in proportion to their points.

Regarding the fission mechanism, Coresky platform has a built-in influencer/VC/individual user center page, which motivates influencers, VCs, and loyal users to bring new users and turnover to the platform by providing a platform rebate for permanent referral links. Coresky has already cooperated with more than 10 activity platforms, 100 communities, 200 influencers, and 10 media outlets for marketing.

2.2.5 Project category & Selection mechanism

Although Coresky supports the decentralized implementation of project launch for asset allocation, the Coresky platform still adopts the necessary audit mechanism for the high-quality projects certified by the platform.

The Coresky investment research team will conduct comprehensive evaluations of the risk and value

associated with projects considered for inclusion in the project pool. Based on these evaluation outcomes, projects will be graded, and differentiated endorsement mechanisms will be implemented according to their grades. This approach aims to mitigate project risks and safeguard investor returns.
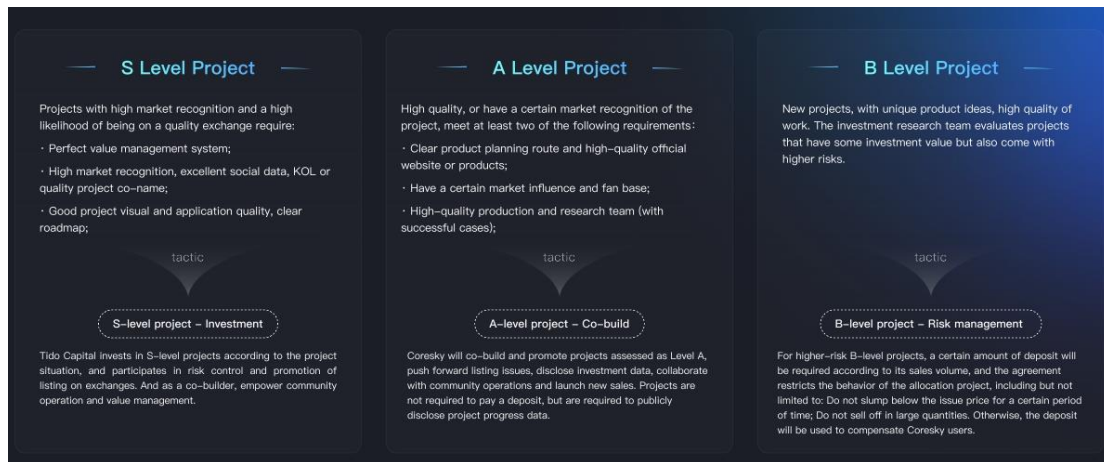

Fig.2.2.5 Coresky Project Category

S Level

○ *Characteristics*: High market recognition, strong social presence, high-quality visuals, perfect value management system, and a clear roadmap.

○ *Tactics*: Coresky, along with Tido Capital, invests in these projects, participates in risk control, promotes exchange listings, and empowers community operations and value management.

A Level

○ *Characteristics*: High quality or have some market recognition, clear product planning, a strong official website or products, a substantial market influence and fan base, and a high-quality production and research team with successful cases.

○ *Tactics*: Coresky co-builds and promotes these projects, pushing forward listing issues, disclosing investment data, collaborating with community operations, and launching new sales.

B Level

○ *Characteristics*: New projects with unique product ideas and high-quality work but higher risks.

○ *Tactics*: Coresky requires a deposit based on sales volume for these higher-risk projects. The deposit agreement restricts project behaviors, such as preventing price slumps below the issue price or large sell-offs. The deposit serves as compensation for Coresky users if the project fails to meet the agreed conditions.

2.3 **Allocation Workflow**

a. **Project Sourcing & Due Diligence**: Projects enter the Coresky project pool through a self-service application process. Coresky performs thorough due diligence to identify and eliminate potential risks.

b. **Community Engagement**: The project is presented to the Coresky community through forums, AMAs (Ask Me Anything sessions), and social media to ensure users have a good understanding of the project.

c. **Community Voting**: The community votes on whether the project should proceed with fundraising and other important decisions. This democratic process ensures transparency and community involvement.

d. **Marketing and Fundraising**: Joint marketing efforts with channels and KOLs help promote the project. Both online and offline marketing strategies are employed. Once a project is approved, Coresky fragments early investment shares into small asset packages represented by NFTs, which are sold to investors during pre-IDO placements.

e. **Investment Security**: To guarantee user investment security, Coresky implements measures such as a 5% security deposit for legal costs and a 20% co-investment as a risk reserve.

f. **Allocation & Trading**: These small asset packages represented by NFTs can be traded in the secondary market or held until the token unlock date, providing liquidity and potential income.

g. **Multi-Chain Issuance**: Coresky adopts a multi-chain issuance mechanism, deploying NFTs on multiple blockchain networks like Ethereum and Polygon to ensure asset security and leverage each network's advantages, such as low transaction costs.
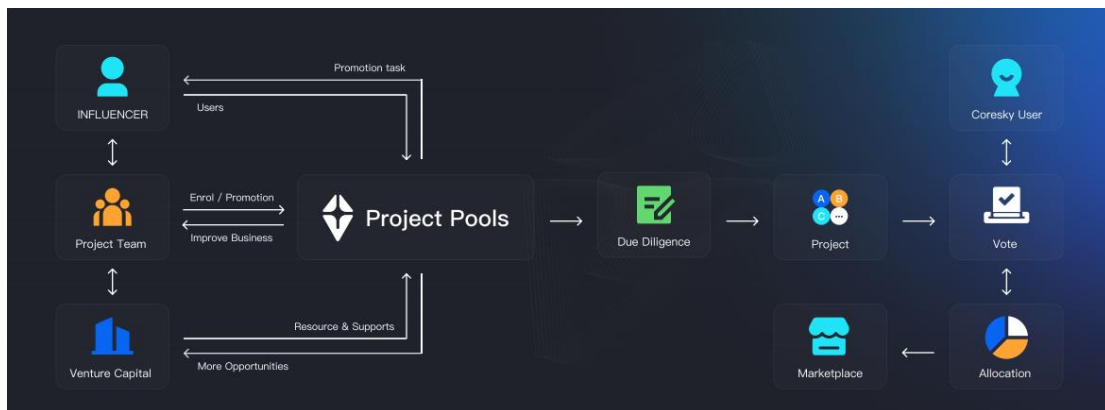

Fig.2.3 Coresky allocation workflow

2.4 **Cobot NFT Collections**

2.4.1 **Synergies Among Collections**

Coresky has NFT collections within our allocation platform enable users to use assets unlocking new features, functions, and rewards. By fostering interoperability among Cobot NFT collections, we are committed to engagement within our ecosystem by Cobot NFT collection.

2.4.2 **Overview**

In coresky, universe robotics is a part of our branding concept . That's why robotics plays a role in asset collections. NFT users are able to obtain multiple benefits such as token airdrop, mining rewards, package discounts. These parcels of virtual real estate are referred to as non-fungible tokens (NFTs) on the blockchain to make sure that they have uniqueness, distinct identity, indivisibility, emphasizing their unique nature and verifiable ownership.

2.4.3 **What are cobots**

Cobot is a unique NFT that operates as an ERC-721 token on the Ethereum Network, providing verifiable ownership and authenticity. These parcels serve as the foundation for user participation,

creativity, and economic activity within the Coresky Ecosystem.

2.4.4 Features and Functionality

• Owners could stake cobots nft on coresky platform

• Owners will receive airdrop of Csky token

• Owners could submit gas fee refund

• Owners are able to participate in the voting of coresky dao governance

## 2.5 Tech & Security

Technological Innovation Points

• Decentralized Allocation: It leads to more transparent project decision-making and increased security of user assets.

• Automatic Airdrop：The automatic airdrop of tokens on EVM-based chains is fully automated and requires no manual intervention, addressing the issue of slow manual operations.

• Special features：Task Walls and Big Wheel Features can increase user engagement, attract new users, and promote the website more effectively.

Technology Stack and Solutions

• **Frontend:** The project uses Vue.js for the frontend, supporting both PC and mobile devices. It integrates with mainstream wallets, ensuring ease of use for users.

• **Backend:** The backend is built with Java, utilizing a Spring Cloud distributed microservices architecture. This ensures the system is high-performance, highly available, and highly scalable. The user operation process is secure and streamlined.

• **Smart Contracts:** Smart contracts are developed using Solidity.

• **Blockchain Type:** The project supports the Ethereum mainnet and Polygon chain for Allocation issuance. Tokens on all EVM-based chains are automatically airdropped.

• **Smart Contracts:** The project employs a DAO (Decentralized Autonomous Organization) for community governance. Investors can participate in major project decisions throughout the entire process, ensuring transparency and openness.

• **Data Storage Method:** All user investment operations and assets are stored on the blockchain, making them verifiable on the blockchain.

Security Solutions

Production Security Architecture
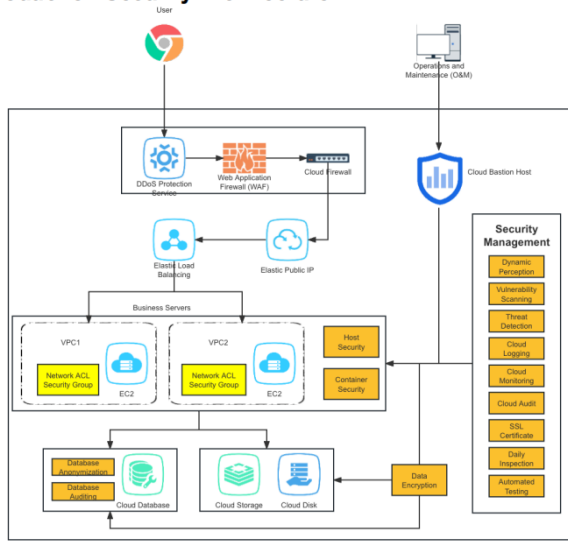
Attention:

- Access to the production environment is restricted to operations personnel only. Therefore, this position must be filled through referrals within at least two degrees of separation to avoid external recruitment.
- Daily inspections of production environment services must be conducted, and inspection reports should be submitted.
- Sensitive information such as passwords and keys in the production environment must be regularly updated.
- System services must undergo multiple layers of security protection.
- System maintenance should be performed using automated scripts to avoid human error. These scripts should be evaluated and backed up.
- SSH login to the operations bastion host is enabled, with Google Authenticator two-step verification implemented. The verification code is held by another individual.

Operational personnel activity logs must be regularly submitted for review.

Fig. 2.5 Coresky production Security architecture

3. Coresky Token (Csky)

3.1 Token Overview

Csky is an essential part of Coresky as its native governance coin and Coresky is working on establishing key mechanics and sustainable development that make it intrinsically tied to Coresky and its value. Csky is an ERC-20 token built on the Ethereum blockchain that serves as the basis for governance within Coresky ecosystem.

Coresky's goals regarding the Csky token

1.   The majority of Csky tokens will be given to investors.

2.   The Csky token will be used for ecosystem governance alongside Coresky points.

3.   Holders will participate in governance decisions of Coresky Allocation platform, using a DAO structure.

Token Overview

1	TGE (Token Generation Event) Date and Time	Estimated mid of Sep, 2024
2	Token Ticker	Csky （uncertain）
3	Token Type	ERC-20
4	Blockchain Explorer and Smart Contract Address	not available yet

5	Max Supply	1,000,000,000
6	Initial Circulating Supply	155,055,556
7	Initial Circulating Supply Percentage	15.5%

3.2 Token Utility

Csky, as the native governance token of Coresky, serves several functions:

1. Participating in Coresky DAO's governance votes to make decisions regarding platform operations, including business decisions, and whether to add, modify, or remove certain business functions. This also covers decisions related to allocation projects, such as whether a project can be launched, terminated, or have its fundraising period extended.

2. Stake for priority investing opportunities through Csky and discounted investment prices.

3. Payment for service fee and royalties fee. Users can use Csky instead of stablecoins to pay for service fees, royalties, and other expenses incurred during the operation of the Coresky platform. This not only provides users with multiple choices, but also indirectly stabilizes the value of the token by anchoring Csky to the stablecoin.

4. Initiating project veto motions to halt the disbursement of funds to project parties and stop collaboration.

5. Participate in fundraising projects and Coresky marketing campaigns or activities and consume tokens to win rewards.

3.3 Coresky Token Allocation

3.3.1 Initial Csky Token Allocation

Fig.3.3.1 Csky allocation and vesting schedule

Fund raising (20%): Coresky investors provide funding that enables Coresky to kick off its initial launch, as well as providing ongoing, multi-faceted support at different stages of Coresky's roadmap.

Team (15%): Coresky development team, global advisors and other service providers took the initial steps to develop Csky token.

Marketing (10%): Most of these tokens will be allocated to users. With the development of the whole ecosystem, Coresky will gradually decentralize governance of token management, which mainly includes 5% early stage VIP awarding, 1% airdrop, 4% marketing promotion, of which up to 1.5% will be used before listing and some will be redeemed for Coresky points.

Liquidity & Investing（10%）: These tokens will provide liquidity when necessary, and small proportions to inject resources to reward projects allocation.

Ecosystem（45%）: These tokens will stay in the treasury wallet to transfer grants to community contributors and node POS providers through the DAO.

3.3.2 Unlocked Supply and Circulating Supply

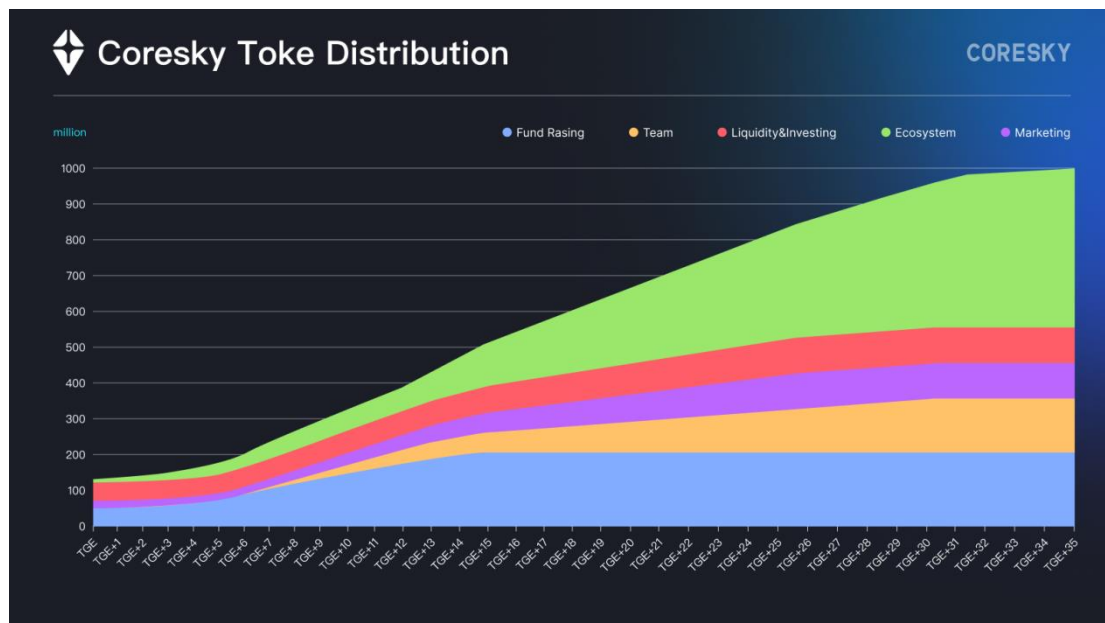**Unlocked Supply Schedule**

Fig.3.3.2 36-month Csky unlocked supply schedule

Details regarding the unlocked supply schedule & Allocation Goal

At the time of TGE, a total of 155,055,556 Csky tokens were fully unlocked, including 100% public fund raising, airdrop and liquidity tokens (details below). This means that the tokens allocated to users and operators are not locked up.

	Amount of Csky unlocked at TGE	**Cliff/(month)**
Fund Raising	44,500,000	3-5 months
Initial Team Tokens	0	6 months
Marketing	50,000,000	6 months

Liquidity&Investing	50,000,000	0-6 months
Ecosystem	5,555,556	0-36 months

Fund Raising Tokens

There will be private round, seed round, VC round, KOL&Allocation round, and public round of fund raising tokens supply for all our investors. 100% of the public round will be unlocked on the occasion of TGE, and the rest will be released within 10 months. This unlock schedule constrains the pace at which Coresky can allocate tokens to stakeholders in the ecosystem.

Initial Team Tokens

Tokens, whether assigned to the core team or consultants, are 100% locked for six months and then unlocked at a rate of 4% per month.

Marketing Tokens

Coresky will unlock all the tokens airdropped to users and for marketing promotion at the time of TGE. The remaining tokens will be unlocked at a rate of 5% each month after 6 cliff months as early VIP rewards.

Liquidity & Investing Tokens

We have 50,000,000 tokens for primary and secondary market liquidity that were released during the TGE period. Meanwhile, as a reward for allocation projects, in order to hedge the risk of project selling pressure, this part of the token will be locked for 6 months after TGE, and then 5% will be released every month after that. Coresky has already engaged with market makers entities to ensure sufficient liquidity for Csky traded on centralized exchanges, to facilitate price discovery, and to enhance price stability of Csky.

Ecosystem Tokens

To achieve the goal of creating a network of as many users as possible, the majority of Csky tokens will be given to individual investors/builders over time in the form of *grants.* There is no large one-time airdrop at launch, which would primarily benefit a small group of people who signed up as Node provider before launch. Since TGE, Node POS is issued every 15 days, and the proportion of each issue is fixed in 36 months. This means that the earlier you join the network, the more POS rewards you earn, thus solving the cold start problem inherent in launching a new network.

3.3.3 Circulating Supply at Launch

The Csky token starts with a relatively low circulating supply of at most 155,055,556 Csky (i.e., 15.5% of initial total supply). Over time, the circulating supply of Csky will continuously expand.

3.4 Coresky Token Staking Pool

Rights：

Investors can stake Csky token to get token rewards. At the same time, staking Csky tokens, you can also enjoy the following rights:

1. Airdrop rewards for Coresky allocation projects

2. Right of first refusal for S-level projects

Projects can also stake tokens to obtain the platform marketing resources and tools provided by Coresky before and during the project allocation, and have the opportunity to participate in Coresky's brand marketing plan, including sharing media resources, participating in offline meetings and marketing activities.

Responsibilities：

Both the project and the investor, while enjoying the right to staking, are also responsible for the following：

1. Important Component of Safety Module

The Staking Pool, also known as the Safety Module, will be an important part of the Coresky DAO, and users who participate in the stake have the responsibility to participate in the governance of the platform;

2. Slashing

When Coresky's user agreement is faced with an unexpected event (such as the event that a high-grade project is unable to redeem), part of the assets in the Staking Pool will be used to protect investors' rights and interests. That is to say, when there is a shortage of funds in the Aave system due to unforeseen circumstances, the locked platform coins in the safety module will be slashed, i.e., part of the Csky tokens will be sold or transferred to compensate for part or all of the losses suffered by investors.

Stake Pool Income Sources：

The initial stake pool is an important Csky token distribution mechanism. Initially, the stake pool produces a large number of Csky tokens for distribution to stakers, and the amount of output decreases over time until it no longer produces. When it stops producing, the stake pool income source will be supplied by the following mechanisms:

1. Insurance purchase

Coresky allows investors to purchase insurance for projects with insurance services, the cost of which depends on the risk level of the project. The tokens paid for insurance will be converted to Csky and deposited in the stake pool, and the insurance premium will be distributed to the stakers as revenue after the successful allocation of the project;

2. Platform Revenue

An agreed percentage of Coresky's platform revenue will be allocated to the stake pool in accordance with the DAO governance scheme;

3. Ecological Sponsorship

Ecological projects incubated or fostered by Coresky, or projects supported by Csky token ecology, will provide part of the incubation revenue to the stake pool;

4. Other forms of income

The mechanism of the stake pool will be further iterated through Coresky governance, and with the development of the Csky ecology and the abundance of eco-projects, other forms of investment income will also be provided to the stake pool.

Balance of benefits and risks:

The benefit-risk balancing mechanism is used to control the rate of return, balance benefits and risks and incentivize user participation. It is to protect the overall security and balance of the protocol by weighing the user's expenditures against the mining benefits generated through the governance contract.

By participating in the safety module, the user assumes certain risks (e.g., slashing risk) and also enjoys the benefits provided by the protocol (e.g., Csky's mining rewards and entitlements such as governance).

The benefits are not provided to the stakers at the moment they are credited to the mining pool, but rather the governance determines the rate of benefits. Governance controls the number of tokens participating in the stake based on the rate at which Csky tokens are generated.

4. **Ecosytem**

4.1 **Community & DAO**

As blockchain solutions go mainstream and disrupt tech and finance, decentralized governance is seeing wider adoption across the ecosystem.

Coresky DAO commits to erect several parts of our community which are related to:

1.*Voting improvement proposals and governance by staking token*

2.*Incubating high quality web3 projects to build a more scalable and rational token ecosystem*

3.*Service fee payment method determines the platform revenue management strategy and promotes the development of ecology*

4.*Yearly roadmap after core product upgrade*

As Csky holders, you play the major role in the decisions of coresky dao development and ecosystem.

Coresky DAO is community-driven, it continues to evolve the Coresky protocol, and in order to ensure its stable, secure and decentralized operation, it needs to adhere to the following core values and governance structure:

1. Purpose of the DAO

Coresky DAO exists to prevent protocols in the ecosystem from receiving potential internal or external threats, constantly iterating along with technology or market development to adapt to long-term development and lay the governance and strategy foundation for it.

2. Core Principles

a. **Decentralization:** Coresky DAO should always develop more reasonable decentralization strategies and iterate on better decentralization processes to avoid the threats of single points of failure and overly centralized control;

b. **Security:** All ecological protocols, including governance protocols, must be secure and can have reasonable defense mechanisms against predictable risks within certain limits, so it is required

that any iteration needs to prioritize security in its design;

c. **Transparency:** Governance processes and decisions must be transparent, and all relevant parties can access and review governance information;

d. **Robustness:** All changes and updates to the protocol must be vetted and carefully considered (voting decisions are not the only or optimal way to do this) to ensure that the system is robust;

3. Governance Structure

a. **Governance rights：** Holders of the platform token Csky or, in some agreements, stakers, have governance rights and bear responsibility for governance. Governance influences changes and development of protocols through voting. Along with protocol upgrades, more rational decision-making methods than voting may be derived;

b. **Governance process：** A process that includes the creation of proposals, discussion, voting, and execution of proposals, ensuring that all governance changes are made with full consensus;

c. **Adjustments to governance：** Through the above two methods, the governance structure can be changed through decision-making, but the change must comply with the core principles of DAO;

4. Social Contract

Coresky DAO clarifies the responsibilities, qualities, and expectations between all participants, including developers, governance participants, strategy providers, users, investors, and all stakeholders. Coresky DAO requires all participants to work together to maintain a sound development of the protocols.

5. Changes and Amendments

Core principles, such as the core values and governance structure, may be revised and updated by broad consensus to meet the needs of changing market conditions and technological developments.

4.2 **Description of Decentralized Structure**

Coresky platform will gradually achieve efficient, secure and transparent asset management and trading processes through comprehensive decentralized technology. The following are the specifics of how the platform applies smart contracts and decentralized governance in different segments:
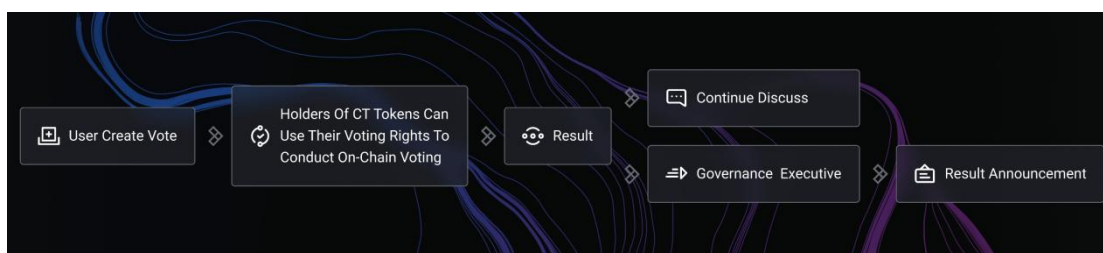

Fig.4.2 Decentralized workflow on Coresky

1.   **Allocation issuance:**

Coresky platform supports projects to independently start its asset allocation on the platform, utilizing the automatic deployment mechanism of smart contracts. Project owners can set the token issuance parameters and related terms and conditions. The entire process, including the allocation of tokens, sales and subsequent fund management, is automatically executed by smart contracts. This not only simplifies the operation process, but also ensures the rights and interests of all participants and

enhances the transparency and security of the process.

2. **Allocation asset management：**

On the Coresky platform, all funds raised are held in escrow by smart contracts. The smart contract automatically executes the unlocking and vesting of tokens according to the project's setting. This mechanism protects the rights and interests of the project owner and investors: the project owner can ensure that the funds are utilized according to the plan, while the investors can rely on the transparent execution of the smart contract to obtain the guarantee of the unlocking of tokens. This design effectively prevents human interference and guarantees fair and safe asset management.

3. **Marketplace（asset-packaged NFT）：**

Coresky's NFT trading marketplace realizes automated matchmaking based entirely on smart contracts. Users buy and sell asset-packaged NFTs on the platform, and all transaction details, such as price, quantity, ownership transfer, etc., are automatically executed through smart contracts. This not only accelerates the transaction speed, but also reduces intermediate links and transaction costs.

4. **Voting governance：**

All important decisions of the platform are managed by Decentralized Autonomous Organizations (DAOs), whose members participate in the platform's major decisions through on-chain voting. Each voting result is automatically recorded and executed through smart contracts to ensure the transparency and fairness of the decision-making process. After the vote, the management committee executes the resolution based on the voting result and makes the execution result public. This decentralized governance model not only gives users more participation and voice, but also ensures the transparency and fairness of the platform operation.

4.3 Investor Asset Insurance

Coresky has innovatively designed a comprehensive investor asset insurance that combines staking, which not only provides investors with comprehensive risk protection, but also enhances the platform's user participation and governance transparency through a decentralized governance mechanism, boosting investor confidence and the healthy development of the platform's ecosystem.

Coresky's investor asset insurance includes two parts: the basic insurance pool and the staking insurance pool. The basic insurance pool consists of the initial capital invested by Coresky and all insured amounts, and is mainly used for risk management and compensation for projects. The Staking Insurance Pool, on the other hand, is participated by users (RiskAdmin) who stake Coresky coins, and the users can obtain Staking Pool tokens (Z-Tokens), which are not only used for platform governance, but can also be used to obtain additional revenues through staking.

In terms of risk management, the program introduces dynamic insurance costs and payout ratios, which are adjusted according to the risk assessment data of each project. The higher the project risk, the higher the insurance cost and payout ratio. This design can effectively respond to different project

risk situations and provide flexible risk management strategies. There is a hard cap on the payout amount of each project. When the insurance pool amount reaches the hard cap, the payout will be based on the hard cap; when the hard cap is not reached, the payout will be based on the proportion of the balance in the pool. In addition, the basic insurance pool's premiums are spread out over the duration of each unlocking period, further balancing the payout risk.

The Staking Insurance Pool not only provides additional financial protection for the project, but also empowers the staker to make decisions about the project. Stakers can participate in platform governance by staking platform coins and have the right to make voting decisions on the launch of new projects. Users with more than 3% of the staking amount can put forward a veto proposal, and if more than half of the stakers veto it, the project cannot go live. This mechanism enhances the decentralized governance of the platform and ensures transparency and fairness in the selection of projects.

To incentivize user participation, users can stake platform coins to receive platform coin mining rewards, with returns proportional to project risk. The higher the risk, the greater the return for the users. This incentive mechanism not only improves the usage scenario and value of platform coins, but also promotes the healthy development of the platform ecosystem.

4.4 **MPC wallet**

Coresky will also release the MPC Wallet - Airix in the near future, which adopts the slicing technology to store the user's wallet address and private key and other sensitive information, in order to enable web2 users to transfer to the web3 ecosystem more easily. Airix will also support many different forms of digital coin wallet technology, such as mnemonic phrases, so that it is convenient for the users to include their personal assets securely according to their personal preferences.

Airix wallet will provide cross-chain transactions, fiat OTC, transaction mining and other functions, and plans to cooperate with the web3 projects in the Coresky ecosystem, linking the primary and secondary cryptocurrency investment market, including the Coresky NFT allocation business, to help Coresky investors conveniently and efficiently manage their own digital assets to realize the preservation and appreciation of value and enjoy the dividends of the rapid development of the market.

4.5 **DeFi of RWA**

DeFi of RWA is a decentralized lending service will be released in the Coresky ecosystem, operated by DAO. Users can store temporarily unused stablecoins on the chain through smart contracts, and DeFi of RWA will diversity the investment of users' stablecoin assets, with the main investment targets being U.S. bonds, fixed income products, and low-risk and medium-income products such as liquidity mining pools. It supports the real-time scheduling and use, ensuring the liquidity of user funds while safely obtaining real-time investment returns higher than those of U.S. bonds.

The integration of DeFi of RWA also provides Coresky ecosystem users with financial management services for idle funds, and provides a market-making capital pool for Coresky's cooperative projects

to ensure the liquidity of project tokens.

The RWA pool incubated by Coresky invests in real assets and maps the returns on those assets to the chain, thus mapping the value of real assets in the real world to the assets on the chain. RWA generates returns on its investment in real assets, which gives DeFi investors access to the returns of traditional financial markets while maintaining decentralization and transparency. RWA's strategy is to invest in high-quality, low-risk assets such as government bonds and low-risk industrial loans. By holding these assets, RWA is able to generate stable returns, thereby increasing investor returns.

Introducing RWAs into the DeFi ecosystem distributes the proceeds of these physical assets to DeFi participants through smart contracts and on-chain governance. Through this integration, Coresky combines the revenue layering model of the traditional financial market with DeFi, expanding the depth and audience of the DeFi market while having a significant impact on the Csky token ecosystem.

- Risk management and transparency

Coresky's RWAs conduct rigorous vetting and due diligence on the underlying investments to ensure that the assets are of high quality and low risk. Coresky DAO will ultimately make decisions on the selection of RWA targets through an open and transparent on-chain governance mechanism.

During the operation of the project, the real-time performance of the underlying assets and the distribution of proceeds will be uploaded onto the chain through a transparent on-chain mechanism, and the proceeds will be distributed by smart contracts, which maintain the transparency of the DeFi project.

- RWA asset management

Asset management is transparent and will continue to evolve towards decentralization, eventually forming a fully decentralized asset management strategy.

Council - Coresky DAO acts as a council in the management of the RWA, overseeing the governance of the RWA transaction, with the governance strategy being voted on by Coresky and RWA investors and implemented at all times.

Arranger - Responsible for coordinating and arranging the launch of RWA and tokenizing traditional financial assets, developing investment, clearing and data transparency strategies to guide the binding of these assets to smart contracts. This role is a combination of smart contracts, entities, and developers, and the resulting policies are voted on by the Coresky Governance DAO before taking effect.

Asset Manager - The entity responsible for managing and optimizing the return and risk of RWA. They ensure that the RWA portfolio performs as expected and meets the agreement's risk criteria, and that institutional management rights are not fixed, but are assigned to all management roles as required by governance.

RWA Monitoring - is the RWA oracle strategy, responsible for publishing and uploading data from the Asset Manager, developing and executing asset monitoring strategies, locking in investments

before they fall in value or become risky, signaling liquidation, and protecting the interests of the RWA ecosystem.

4.6 Jurisdinction Support

Due to prevailing laws and regulations in the United States, mainland China, Cuba, Iran, North Korea, Sudan, Syria, the Democratic Republic of the Congo, Venezuela and other countries, Coresky products are unavailable in these countries.

5. Disclaimer Relating to the Csky Token

PLEASE READ THE ENTIRETY OF THIS "NOTICE AND DISCLAIMER" SECTION CAREFULLY. NOTHING HEREIN CONSTITUTES LEGAL, FINANCIAL, BUSINESS, INVESTMENT OR TAX ADVICE AND YOU SHOULD CONSULT YOUR OWN LEGAL, FINANCIAL, BUSINESS, INVESTMENT, TAX OR OTHER PROFESSIONAL ADVISOR(S) BEFORE ENGAGING IN ANY ACTIVITY IN CONNECTION HEREWITH.

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The native digital cryptographically-secured cryptocurrency of the Coresky Platform (**Csky Token**) is a transferable representation of attributed functions specified in the protocol/code of the Coresky Platform, designed to play a major role in the functioning of the ecosystem on the Coresky Platform, and intended to be used solely as the primary utility and future governance token on the platform.