



FRIDN

WHITE PAPER

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1. LETTER FROM THE FOUNDER OF THE PLATFORM



Friends, I am glad to welcome you on behalf of the entire Fridn team!

As the project's founder, I'd like to introduce to you today and innovative system directly related to receiving real rewards from performing simple and habitual actions.

The idea of the Fridn project is to stimulate the personal growth of people and direct their activity towards self-development. With Fridn everyone can perform their usual favorite tasks, develop, increase their level of social responsibility, daily improving their lives and receiving rewards for this, that can in turn be exchanged for real goods or

services.

The Fridn system is created for all those who strive for constant development: active and motivated people with a purpose, for whom it's important to improve both physically and intellectually, to be healthy, successful, modern, wealthy, as well as free in their choice of activities.

Fridn is also attractive for business – a fresh new term when it comes to loyalty programs. By becoming a Fridn member, you attract new customers and increase their loyalty. At the same time, the business significantly lowers operating costs for marketing and advertising, on one hand, and increases revenue, on the other. Another key advantage is the ability to communicate with customers in accordance with the life cycle of the product, depending on the intensity of its use.

For example, sports shoes have an average life cycle of 300 km. The seller is interested in informing his customer about a new model, or a special offer at the moment when 200 or 250 km have been "completed". No loyalty system in the world meets this task. None but Fridn!

Additional business benefits include savings on the implementation, launch and maintenance of the loyalty system.

In fact, we are forming a new community of people and business representatives who are united by a mutual interest in each other's activities. FRIDN contributes to the progress of modern society as a whole. Our project is a global investment in a healthy and successful future for mankind, in a happy future for our children.

The focus of the Fridn project is aimed at a person who, through his daily actions, improves the efficiency and quality of life, around which a new form of circulation and consumption of goods and services emerges, and the role of the authorities will be to ensure the safety and quality of that person's habitat.

The project creates a single logical mechanism for the interaction of consumer, commercial, state and social functions, already solving the following tasks:

- it becomes possible for **private users** of the system to enjoy life and receive rewards by doing what they love (walking, sports, learning foreign languages, driving and much more in the near future);
- **business-participants** receive a ready-made information environment, advertising, a positive brand image that supports the health and social development of society, as well as a tool for direct daily contact with the consumer, being able to offer their goods and services at a discount, but without reducing neither liquidity nor working capital;
- **the society** becomes healthy, conscious and intellectually developed;
- **the state** receives the formation of a fair system for the accrual and distribution of unconditional (basic) income.

Thank you for your attention and interest in the project,

Alexander Mashiach Spindler

Founder of Fridn.

2. SUMMARY



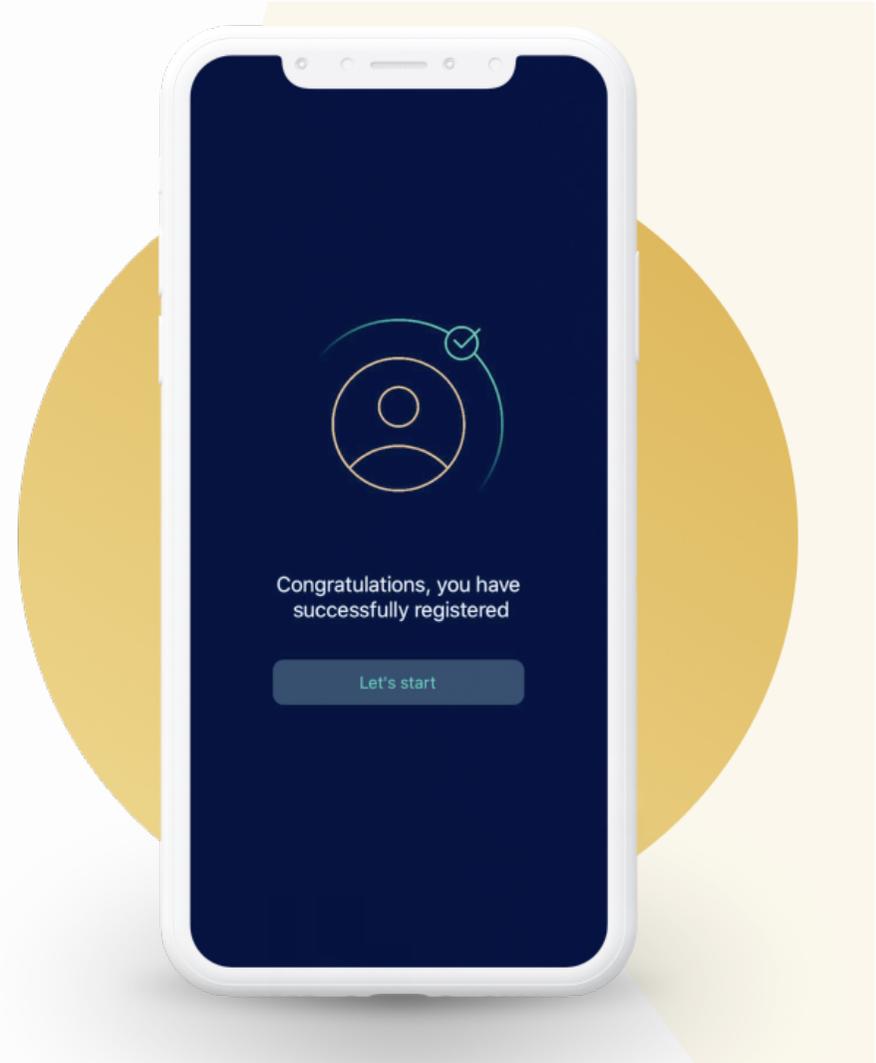
Fridn – a coalition loyalty system, which allows users to receive rewards from various activities provided by the system. The rewards are received in the form of electronic **FAR (Fridn Activity Rewards)**, points, and can be exchanged by private users for special benefits and bonuses from Fridn business partners, who accept them as partial payment for their goods and services. FAR is issued and circulated using international standards of cryptography, RS232 digital signature and protocol X.509.



The focus of the project and its ecosystem is aimed at creating the value of FAR, and is achieved through its constant turnover within the system between users and business representatives. FAR bonuses bring innovations that help maintain the cost of various goods and services, while motivating the consumer to earn and use these bonuses for various benefits. There are different forms and types of users within the system, with their own privileges.

FAR emission is limited. There is also a daily emission limit and it is distributed among users in proportion to various factors.

Since 2020, FAR has an equivalent of eFAR, created on the Ethereum blockchain and available for purchase and sale on digital asset exchanges. FAR, inside the Fridn system, is eFAR's support in the outside world, and the exchange rate of FAR to eFAR is fixed at 1: 1 (1FAR = 1eFAR). The purchased eFAR can at any time be exchanged for FAR, for example, to receive discounts on goods or services in the Fridn.Marketplace.



3. THE UNIQUE FEATURES OF FRIDN



1. **Technology** for issuing, accounting and transferring values in electronic form using cryptography and digital signature technology (transactional and wallet environment);
2. **Financial and economic** of interaction between people (Fridn private users) and companies (Fridn business participants);
3. **Gamification** and motivation of people to lead a healthy lifestyle, engage in self-development and to increase their own level of efficiency;
4. **Compliance with the rules** and conditions of regional and international regulators of financial markets, authorities and other legislative bodies;
5. **Scalability:**
 - **geographical** – the possibility for the project to develop in any country / region;
 - **economic** – the possibility of integration in various sectors of the economy;
 - **social** – the possibility of connecting various fields of human activity, regardless of age, social status, etc.



4. ABOUT THE FRIDN PROJECT



Fridn – it is a coalition loyalty system for people and businesses:

- **users** earn bonuses in the form of Fridn Activity Rewards (abbreviated as «FAR») for performing useful actions (for example, for calculating steps with fitness trackers, the Fridn mobile app and server software);
- **a business accepts FAR** in the form of discounts on goods or services, attracting new customers, as well as increasing loyalty of the existing ones, reducing operating and marketing costs and increasing profitability.

A unique, distinctive feature of Fridn is that consumers receive discounts on goods by registering and performing activities in the Fridn system, not through payment.

In today’s interaction between business and consumers, there are several main areas that need to be addressed:

Problem	Fridn solution
Competition, which often depends on the amount of the advertising budget	The business gains access and the ability to directly contact the target audience
Overwhelming marketing and advertising costs for small businesses	Accepting FAR as payment is the exact type of marketing that sets your offer apart from competitors, eliminating unnecessary expenses
Problems of reaching the target audience	Fridn members are one large community that is directly connected with business partners from different areas, where the interests of the audience coincide
Client’s lack of needs at the moment of marketing or advertising activity	The Fridn system records the amount of activity of its users; thus, the seller can reasonably predict when the buyer will require a particular product based on the set of data received from the system.

After registering in the system and connecting to a fitness tracker, each user can start receiving **FAR rewards for steps taken** – an option that is already available today. More activities will be added in the near future: bonuses for **swimming, riding a bicycle, learning foreign languages, driving, even sleeping**, and much more.

Integration of various types of daily activities will significantly improve the quality of life of each user and partially solve the problem of accruing unconditional (basic) income to citizens in the near future.

With the help of FAR, Fridn organizes **direct interaction between business and consumers**. By accepting FAR as a full or partial payment for goods or services, the business gets a loyal and active consumer. At the same time, the business reduces marketing and advertising costs, and as a result, the consumer receives goods at more favorable prices without losing the quality and relevance of the products.

Fridn provides the opportunity for **business to sell at a higher price, and for consumers – to buy goods and services cheaper**. By providing discounts on goods today, using the existing loyalty systems, business tends to lose revenue: a simple discount of 10% in the cost of an item can lead to a 25-30% drop in EBITDA. By becoming a member of the loyalty system and accepting FAR bonuses, taking into account discounts, a business can further use them for mutual settlements with other companies, entrepreneurs or Fridn users, thereby selling the product without actually lowering the price.

This is how the Fridn economy is formed, in which the main confirmation of the validity and engagement of the user is his activity. FAR bonuses are available to anyone, to receive them you just need to perform routine actions and synchronize them with the system, which also eliminates the possibility of any type of «twisting» of indicators in order to increase the number of useful actions taken. Ultimately, users receive rewards that have real value as a result of direct interaction between business and consumers.

4. ABOUT THE FRIDN PROJECT



4.1 An example of how Fridn works

1. The cost of a certain product is **100,0 USD**
2. The discount on the product is **10%** or 10,0 USD
3. The seller offers to pay 90,0 USD using money and 10,0USD using FAR
4. The buyer receives FAR for his actions (for example, calculating steps) and pays for the item at a discount.

For example, to get 1 FAR you need to take about 200 steps. The market price of one eFAR is approximately \$0.15 as of October 2020. Therefore, having completed about 14,000 steps, you will receive the amount of FAR necessary to get a \$10 discount.

*The ratio of money to FAR in value is determined by the seller of the goods.



Results:

- **the buyer** has received goods on more favorable terms, for his actions, and not for other expenses as in traditional loyalty systems, having completed useful activity (for this we have developed and launched the Fridn.Extracting service, which receives data from users on the actions they've performed, processes this data and accrues rewards in the form of Fridn Activity Rewards in accordance with a pre-established algorithm)
- **the seller**, using FAR, has attracted the buyer without marketing and advertising costs (the buyer literally «came to the store»), sold the product (received full revenue in money and in FAR), and in the future can use FAR for mutual settlements with business members of Fridn.Marketplace (Fridn's uniqueness for business – maintaining liquidity and prices when providing discounts)
- **Fridn** with the help of FAR has brought the buyer to the seller (for this we've developed and are enhancing the Fridn.Marketpalce, where a business uploads items that can be paid for with both money and FAR).

4.2 The project's mission

To contribute to the development of a new society, in which physical and intellectual achievements are adequately rewarded and gain in value as a result of their exchange for real and virtual goods or services.

4.3 The project's objective

To create a holistic mechanism of interaction between «consumers <-> business (B2C)» and «business <-> business (B2B)»:

- **consumers** are rewarded for their daily activities, doing what they love, effectively managing their lives;
- **business** receives a tool for daily interaction with the end-user, efficient communication channels, customer flow and a high-quality information base.

4. ABOUT THE FRIDN PROJECT



4.4 Current status and achievements

Since the spring of 2018, Fridn has processed over **11 billion steps**, which were received from more than **17 thousand registered users** from **12 countries**.

To attract private users, the system implemented unique **referral and affiliate programs** that motivate already registered members to develop the community, invite new users and receive rewards both in money and in FAR. As a result, the system contains over **1.5 thousand** paid accounts of private users alone (license cost of 50.0 USD to 1.000.0 USD), with the overall marketing and advertising costs less than 50.0 thousand USD.

Despite the team's many years of experience, it took more than 2.5 years of intensive and painstaking work of the group of professionals to work out the subsystems and components, as well as their optimal interaction. The Fridn system combines unique knowledge from the following areas:

- **Internet of things (IoT)** for control and synchronization with wearable devices and trackers (used in the Fridn.Extracting service);
- **Cryptography** to protect FAR from counterfeiting, theft and fraud, as well as for data authentication (used in all of the main subsystems and modules);
- **Social engineering** in the algorithms of emission and distribution of rewards with protection against the «twisting» of indicators;
- **Financial modeling** in the development and implementation of the conditions necessary to obtain an economic effect for private users (saving money), business participants (maintaining liquidity) and the operating company;
- **Rights** to ensure compliance with laws and regulations both at national and international levels;
- **Marketing and sales** to develop and launch partnership programs in order to minimize operating costs on one hand, and to maximize the development of the client and user base on the other.

During the same time period, mechanisms were developed and implemented for the formation of the internal economic model of Fridn, the release, distribution and use of FAR by people, business, and in the future – by authorities or regional self-government.

In the I-II quarters of 2020, pilot implementations of Fridn were carried out among entrepreneurs and small businesses, mainly from the CIS countries. For example, in Ukraine FAR can already be used for:

- Purchase, sale and customs clearance of transport (www.lux-van-hire.com.ua),
- Choreography lessons (kararenika@gmail.com)
- Stretching and functional training workouts (stime7024@gmail.com),
- Online shopping at SunKi (www.sunki.prom.ua)
- Personal fitness training (osadchy971@gmail.com)
- Web design, website layout (dimasteos@gmail.com)
- Products from the Ukrainian brand Jereliya (dimasteos@gmail.com)
- Vitamins for health, sports nutrition (mbikovskajal@gmail.com)

Based on the accumulated experience and knowledge received through the pilot projects, the **Fridn.Marketplace** platform was launched at the end of August 2020 (the market-preview version, the official launch is planned for October 2020). Fridn.Marketplace gives businesses the opportunity to post offers of goods and services, accept money as payment, and with the help of FAR, take customer discounts into account and to work out mutual settlements with other Fridn business members.

We were also able to:

- through our own effort come up with a solution – the Fridn system;
- attract more than 20 thousand registered users using our own money, of which 4.5 thousand are active users and 1.5 thousand make up the licenses sold;
- carry out pilot projects and implementations for entrepreneurs and small businesses using our own money.

We are aware that we are already one of the **leaders in the industry of monetizing people's actions**: the fact of the industry emerging is confirmed by the application to the Microsoft Corporation in March of 2020, and our leadership is confirmed by the accepted patent protest of N.KRAT Group AG – owner of Fridn.

4. ABOUT THE FRIDN PROJECT



4.5 Current statistical indicators of the project:

Parameter	Value
Number of registered private users (September 2020)	over 17 thousand people
Amount of FAR issued (September 2020)	over 110,0 million units (September 2020)
Number of accounts: paid (from \$50,0 to \$1.000)	over 1.500 (active users per day)
free	over 4.500 (active users per month)
FAR turnover	over 750 thousand USD
Number of business members	52 companies
Number of countries	12
Number of steps submitted by Fridn members	over 11 billion

4. ABOUT THE FRIDN PROJECT



4.6 Roadmap of the project's development

Year	Quarter	Milestone
2017	Q3	The formation of the FRIDN ideology
	Q4	Research and strategy development
2018	Q1	Beginning of development of the FRIDN platform Development of the concept of FAR
	Q2	Launch of the algorithm for obtaining FAR rewards for steps (before rebranding - FA.Step)
	Q3	First Fridn.World event in Kiev, Ukraine
	Q4	Over 1 thousand registered users from 5 countries
2019	Q1	The development and beginning of testing of FAR reward accruals for social network activity (before rebranding – FA.Blog)
	Q2	FAR turnover exceeded 300,0 thousand USD
	Q3	Second Fridn.World event in Kiev, Ukraine
	Q4	More than 10 thousand private users and 20 business participants from 12 countries registered
2020	Q1	Completion of the concept and economic model of Fridn
	Q2	Over 15 thousand private users and 50 business members registered
	Q3	Issue and listing of the eFAR token (ERC20) on crypto-exchanges, secured by FAR (1eFAR = 1 FAR)
	Q4	Over 10 thousand private users and 150 business members, the cost of eFAR on external exchanges is at least 0.15-0.20 eFAR / USDT

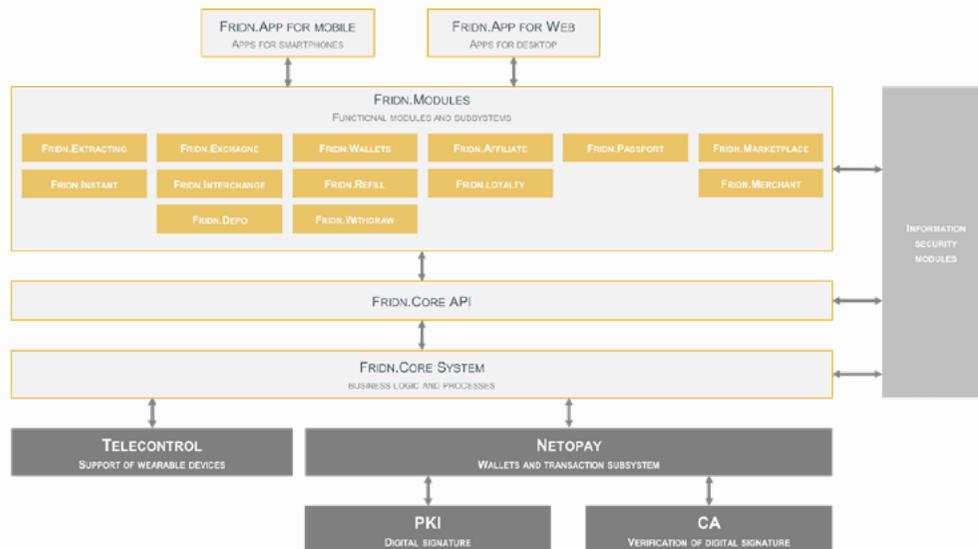
Year	Quarter	Milestone
2021	1H	Entering the Asian market (Thailand, Malaysia, Indonesia, Vietnam, Philippines)
	2H	Launch of rewards for various types of activities (sleeping, cycling, learning foreign languages, educational games for children, regular EHC, separate waste disposal, driving according to traffic rules, etc.)
2022	1H	Entering the African market (Algeria, Egypt, Morocco, Tanzania, Uganda, South Africa)
	2H	Carrying out a pilot project on the use of Fridn for calculating and distributing basic (unconditional) income at the municipal level
2023		Over 7.5 million registered private users; Fridn. Marketplace turnover exceeds 35 million USD (taking into account only the sports industry and 5 other industries)
2024		Implementation of Fridn at the municipal and regional levels for calculating and distributing basic income to citizens
2025		The weighted average FAR to money ratio in the value of goods at Fridn.Marketplace: 35% money/65% FAR
		Over 25 million registered users Fridn.Marketplace turnover is at least 100.0 million USD

5. ABOUT THE FRIDN SYSTEM



5.1 Fridn technology: subsystems, modules and components.

The Fridn system is a unique combination of modern information technologies that provide easy and secure user interaction and the ability to develop and scale the system in the future.



Fridn is based on the **wallet environment and the «Netopay» transactional mechanism**, which has been developed using international standards for cryptography and digital signature RS232 and protocol X.509 v.3.

The tasks Netopay solves:

- protection against counterfeiting and manipulation of FAR and other Fridn system values
- protection against theft of FAR and other Fridn system values
- guaranteed transfer of Fridn values between users

Netopay – is a type of **«private blockchain»**, which the Fridn team has been developing since 2007. The issued PKI certificates act as a blockchain. System users, in accordance with the regulations of business processes, and the help Fridn tools, receive and manage certificates.

Comparative characteristics of the Netopay «private blockchain» and the Bitcoin «public blockchain»

Parameter	Netopay	Blockchain (BTC)
Speed	Fast	Slow
Complexity	Simple and easy to install, configuration and management is supported by one competent participant	Complex in its distribution, each member must practically support and manage the entire system
User trust	High	Participant consensus
Resistance to hacking	High	High

Netopay is a strategic solution that ensures project independence from external developers or system providers. In particular, this gives users of the system freedom in their choice of commission fees for transactions.

To ensure interaction with **wearable devices** of various manufacturers and of different focus (registering steps, sleep, driving, etc.), the **Telecontrol** subsystem has been implemented into the Fridn system. This system provides an asymmetric mechanism for obtaining data from devices and transmitting it for further processing (for example, for accruing rewards for actions).

5. ABOUT THE FRIDN SYSTEM



5.2 Fridn.Modules: functional modules and subsystems

Fridn implements a modular approach to solving business problems: each individual module implements a specific business task. This kind of approach provides simple yet efficient system maintenance, the ability to develop and scale in the future.



Краткое описание и характеристики модулей:

Fridn.Extracting	a subsystem for registration of activity, accrual and distribution of rewards	Launched in 2018
Fridn.Instant	system of basic and unconditional income assessment to private users using FAR	Launched in 2019
Fridn.Exchange	a subsystem for the phased activation of private user accounts	Launched in 2019
Fridn.Exchange	a subsystem for the exchange of Fridn values between members of the system, which provides users with the opportunity to post bids and offers for exchange, to conclude and conduct exchange transactions	Launched in 2018
Fridn.Interchange	a subsystem for automated conclusion and execution of transactions, published on the Fridn.Exchange	Launched in 2018
Fridn.Depo	a subsystem for managing Fridn's depository vaults and assessing additional rewards	Launched in 2018-2019

Fridn.Wallets	a subsystem that provides users with the functions to manage Fridn wallets and values	Launched in 2018
Fridn.Refill и Fridn.Withdraw	a subsystem for exchange of values of the Fridn system for money and cryptocurrencies	Launched in 2018-2020
Fridn.Affiliate и Fridn.Loyalty	subsystems for calculating activity and rewarding system users for actions that are aimed at popularizing and developing the Fridn community (referral programs)	Launched in 2018
Fridn.Passport	a subsystem for managing personal data of users and authorizing access to it using a digital signature	Launched in 2019-2020
Fridn.Marketplace	a platform which allows business members of the system to publish offers about goods and services that the private users will receive in exchange for money and Fridn rewards	In the process of launching
Fridn.Merchant	a subsystem for direct communication between business members and private users, depending on the number of rewards	Planned for 2021
Fridn.Merchant	A module that allows sellers to accept from buyers combined payment for goods both offline and online	In the process of launching
Netopay Explorer	a subsystem for third-party verification of values that are issued by and circulate in the Fridn system	Planned for 2021-2022

5. ABOUT THE FRIDN SYSTEM



5.3 Fridn.Core System and Fridn.Core API: business logic of Fridn's business processes

Fridn's business logic and financial mechanisms are implemented at the **Fridn.Core System**, as well as the ability to customize settings and configure functional modules and subsystems.

Fridn.Core API, in turn, is a bus of interaction between the system core and the application ecosystem.

5.4 Fridn.App: overview of user apps

Native smartphone apps, both for **iOS** and **Android**, have been developed for interaction with users. The apps can be downloaded and installed from the Apple Store and Google Playmarket.

A web application has been developed to access the system through a desktop version, which is available at my.fridn.com.



The functions of registering activities that are necessary to receive rewards are only available in the Fridn.App Mobile.

To use the application, you must:

- Register, indicating your email and password;
- Connect the device to a tracker or another data source required for the accrual of FAR (for example, one of the available bonuses at the moment is FAR being generated for steps or physical activity. In order to receive it the user needs to synch his fitness tracker or smart watch, that are supported by the app, with the device and then the system will be able to correctly accrue the received bonuses).

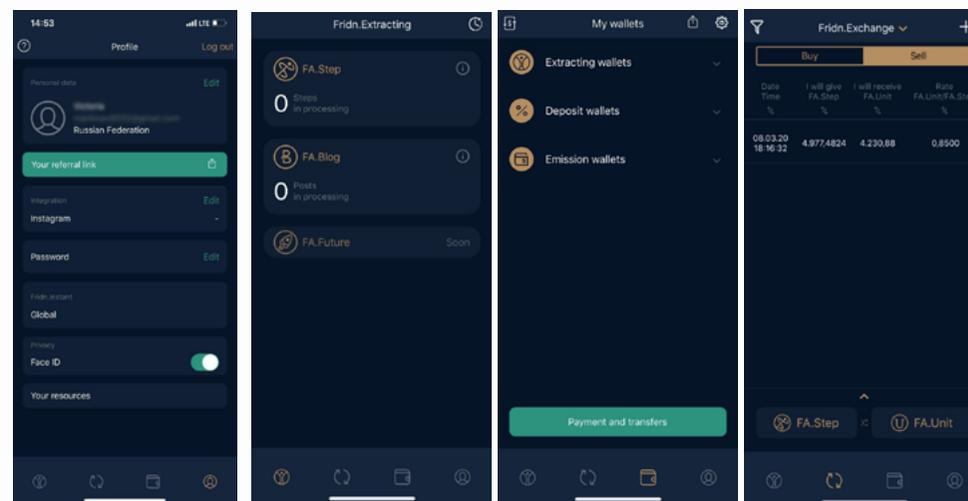
The app also offers the following functions:

- **Fridn.Extracting** – registering activities, sending data for processing, accruing rewards, and displaying the current FAR balance.
- **Fridn.Exchange** – peer-2-peer exchange of FAR between users in real time for

money and cryptocurrency, displaying their current rate as well as the liquidity of the domestic FAR market.

- **Fridn Wallets** – management of Fridn wallets and values, as well as the history of all transactions carried out by the user.
- **Personalized user profile** with the function of inviting new members to receive additional privileges through the referral system.

In the Web app, users receive additional functions for **managing personal data** (Fridn.Passport) and for direct interaction with members invited through referral programs (Fridn.Affiliate and Fridn.Loyalty).



Fridn.Passport:
user account

Fridn.Extracting:
receiving FAR rewards

Fridn.Wallets:
wallets for FAR control

Fridn.Exchange:
p2p-exchange of FAR

5. ABOUT THE FRIDN SYSTEM



5.5 Fridn.Marketplace: marketplace for business and buyers

The earned bonuses can be exchanged using the marketplace.Fridn.com platform, where business members have the opportunity to add all their goods and services to the platform, also indicating the conditions and ratio of FAR acceptance to the nominal value of the goods.

Basic functions:

- **My Business:** the possibility of creating a request to connect to the system, filling out a partner's business profile, posting information about goods and services as well as the commercial conditions for accepting FAR; the ability of maintaining direct contact with buyers, of getting statistics; the ability to create sales forecasts and keep records.
- **Wall:** the main page of the marketplace, displaying advertisements, as well as the most interesting products, broken down into various categories in accordance with the user's interests, using systems that are based on artificial intelligence technologies. The user also receives information about the existing special promotions and coupons, and system news.
- **Categories:** to date, the marketplace has collected more than 25 categories of goods and services, the business representatives of which are actively involved. Each user will be able to partially or fully pay for purchases using the earned FAR, as well as to add items to their favorites in order to return to them once they've received the required amount of bonuses.
- **B2B Portal:** here you can get information regarding all the companies participating in the marketplace, see upcoming forums and events in which the project is taking part, assemble your own website that's already integrated into Fridn and to which you can conduct a stream of your own customers, as well as the ability to set up a special chat bot that will help users make purchases with FAR bonuses through instant messengers and social networks.

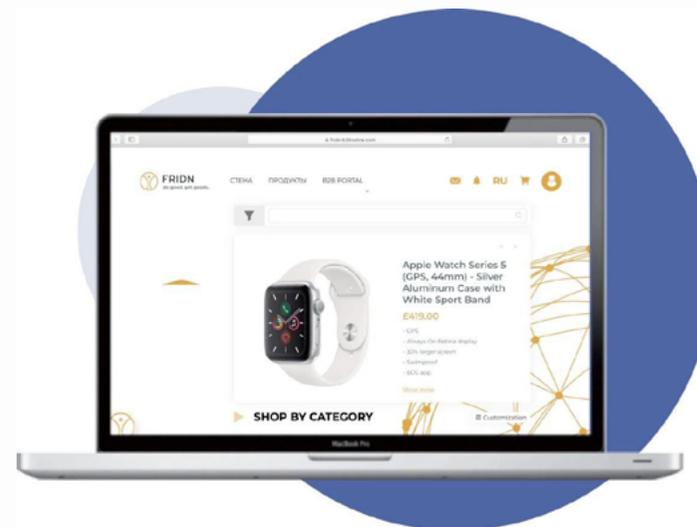
Fridn.Marketplace was launched in October of 2020 and is one of the main modules of the system.

5.6 Security and data protection

The legal model underlying the project ensures full compliance with the existing legislation and almost completely eliminates legal risks.

Registered in 2018 in Dortmund, Germany, the company N.KRAT Group AG (form of ownership - Joint-stock company) acts as the exclusive owner of all intellectual property rights, domain names, trademarks, etc. The company ensures compliance with the requirements of financial market regulators and international rules such as KYC, AML, GDPR, etc.

Special attention is paid to the rules for storing and processing personal data. To solve these problems a special module has been developed – the Fridn.Passport: user data is stored on a non-transferable token which is protected with the user's digital signature and only he can determine the rules for accessing that information. Fridn.Passport has been launched for testing and it is in the plans for the near future to provide the ability of storing the token not only in an HSM ([Hardware Security Module](#)) container, but also in a decentralized blockchain or on a special device (hardware token).



6. ECONOMIC MODEL OF THE PROJECT



The financial and economic model of the Fridn project is based on the following principle:

win for the consumer + win for business + win for Fridn

- **Win for the consumer from a financial point of view** – getting goods at a discount, receiving additional privileges, using FAR in various activities organized by the project, participating in staking.
- **Win for business** – increase in profit through direct interaction with consumers, attraction of new clientele, the ability to obtain data for programmable advertising and marketing.
- **Win for Fridn** – revenue from the sale of licenses to private users (B2C), income from business discounts (B2B), income from additional services.

6.1 Fridn Activity Rewards (FAR): definition and characteristics

Fridn Activity Rewards (abbr. «FAR») is the foundation of the community's tokenomics and the Fridn project as a whole.

FAR – these are bonus points that private users receive as rewards for actions performed and registered on Fridn. FAR is protected against counterfeiting and manipulation by means of cryptography and digital signature. The amount of FAR is limited by its issuance algorithm (the FAR emission algorithm), which is implemented in the Fridn system.

6.1.1 The actions necessary for obtaining FAR

Today FAR can be obtained in the form of **rewards for steps**.

In addition to rewards for steps, in the future it is planned to provide the opportunity to receive FAR for other activities or actions. Once they are ready, proposals will be posted for the community and added to the project map.

The plan is to add over **40 different types of activities**, such as:

Type of activity for obtaining FAR	Status
Recording steps while walking or running	Launched in 2018
Recording activity while swimming	Concept
Recording activity while boxing	Analysis
Recording activity while riding a bike	Concept
Recording the activity of undergoing bioresonance diagnostics and/or ECG	Concept
Recording sleep	Being tested
Recording the activity of creating unique content and other actions on social networks	Being tested since 2019
Recording activity while learning foreign languages	Analysis
Recording the activity of following traffic rules while driving	Concept
Recording the activity of sorting and separate waste disposal	Being tested

6. ECONOMIC MODEL OF THE PROJECT



6.1.2 Users and consumers of FAR

The main users of FAR are private users and business members.

Private users have the opportunity to:

- receive FAR as rewards for actions using Fridn.Extracting;
- transfer FAR to other members of the Fridn community;
- exchange FAR for goods or services from business participants on Fridn Marketplace;
- exchange FAR for real money or cryptocurrency, for instance, with traders.

Business members have the opportunity to:

- accept FAR from private users in the form of discounts on goods;
- transfer FAR to other business members for mutual settlements (from 2021) or private users for advertising / marketing purposes.

6.1.3 FAR in economics: general principles

The basis of Fridn's economy is a closed ecosystem in which private users (consumers of goods) and business members (sellers, suppliers, manufacturers of goods) directly interact with each other using FAR:



The consumer receives FAR either through his actions, or as a result of buying FAR on the free market in exchange for money or cryptocurrency:

- in the first case scenario (reward for action), business provides the consumer with a full discount;
- in the second case scenario (buying FAR in the market), the consumer receives a lower discount due to the cost of buying FAR.

The FAR received by the seller from the buyer are now fully his and can be used for mutual settlements with other business members of the Fridn community. After a predetermined period from 14 to 365 days, the seller will be able to exchange all or part of the FAR for real money or cryptocurrency on the free market.

FAR motivates consumers to take useful actions and make purchases, and provides business with active customers who pay for goods with real money and FAR. As a result, an **economically justified demand of FAR** is formed in the offline and online trading industries in both the B2C and B2B sectors.

The **value of FAR** is determined and generated by the free market as a result of sales transactions of goods using Fridn rewards as discounts. FAR value formation is facilitated by such additional factors as:

- **presence of demand in real sectors of the economy** (for example, the volume of the US e-coupon market in 2019 amounted to more than 490 billion USD, and the amount of money frozen in air miles exceeds a trillion dollars);
- **limited amount of FAR** (the total amount of FAR for steps is 380 million units);
- **complication of reward accrual** over time (more actions are required to get the same amount of FAR);
- **protection of FAR** from uncontrolled emission using cryptography.

In addition to that, the system has set up and implemented financial instruments, which, for their part, contribute to the formation of a free and open FAR market. For instance, the **Fridn.Depo** service, which allows users to receive additional rewards for keeping (not spending) a certain amount of FAR for a certain period of time.

Any person that consumes goods and services in both offline and online economies can receive a reward in the form of FAR for steps. The use of FAR by private users is – **unlimited**.

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The proposal from the business member side is aimed primarily at entrepreneurs, small and medium-sized businesses. This is due to their limited ability to attract capital, a high degree of dependence on the economic situation, the lack of skills necessary for the development and implementation of loyalty systems, and many other aspects.

Entrepreneurs, small and medium-sized businesses are represented in all of the following sectors of the economy and industries:

- Culture;
- Healthcare;
- Transport;
- Education;
- Public catering;
- Trade and E-commerce;
- and many more.

One of the objectives of the Fridn project is to attract business to the community from all of the industries listed above and to allow the community's private users to meet their daily needs of goods and services through FAR bonus points.

6.2 Эмиссия и распределение FAR

The amount of FAR for steps is limited to **380,0 million** units.

Once only 50% of the maximum amount is left, the daily emission volume is divided by 2. Due to this mechanism, the maximum emission volume will never be achieved, and the number of stages is unlimited.

Examples of stages:

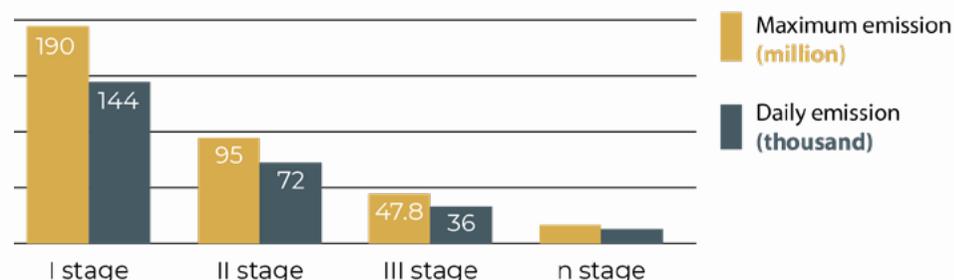
Daily emission is distributed according to the following rule:

- **60%** is distributed evenly among all users who provided data on steps taken within 24 hours
 - **86.400 FAR** (stage 1)

- **30%** is distributed according to the Fridn.Loyalty reward program of the distributing partners
 - **43.200 FAR** (stage 1)
- **10%** is distributed in the form of rewards to Fridn.Depo (FAR depository vault) members
 - **14.400 FAR** (stage 1)

Example: if the number of active users per day is 500 people and they all take an equal amount of steps, then each of them will receive 172 FAR or \$17.2 in the case of FAR being equal to 0.1 USD.

30% of the daily FAR emission (**43.200 FAR at stage 1**) is aimed at paying motivational rewards to users for attracting new members to the Fridn community.



6.3 Fridn tokenomics: FAR application

The use of FAR in Fridn's closed ecosystem provides limitless opportunities, which will be gradually implemented and take root in the project.

At the initial stage of the project's development, two areas of FAR application were considered:

- **purchase and sale of goods on Fridn.Marketplace;**
- **purchase of paid Fridn licenses by private members.**

6. ECONOMIC MODEL OF THE PROJECT



In the future, the scope of FAR application will only expand. For example:

- Use of FAR for business-to-business settlements (B2B);
- Microlending or p2p consumer lending;
- Accrual and payment of unconditional income;
- etc.

6.4 Применение FAR в приложении Fridn.Marketplace

Fridn.Marketplace – this is an app that allows sellers to post offers of goods available for sale, using the Fridn loyalty system, and to promote their products on the market.

A major difference between what Fridn has to offer and other existing solutions on the market is that not only do manufacturers reduce the price of a product or replace it with local loyalty points without the possibility of widespread use, but receive a liquid tool that has a wide range of application, including exchange for digital currency.

6.4.1 Бизнес-участники Fridn: целевая аудитория

At the initial stage of Fridn.Marketplace development, attention will be focused on micro businesses, as well as small and medium-sized enterprises:

	Average number of employees	Average annual turnover
Micro business	8 people	1,5 million USD
Small enterprises	35 people	5,5 million USD
Medium-sized enterprises	100 people	15 million USD

Marketing strategies and campaigns have been developed to attract business users. **Micro business** will be attracted mainly through the internet and distributors. Regional sales departments will be set up in order to attract **small and medium-sized enterprises**.

During the first three years, the cost (planned budget) of attracting business members alone will amount to approximately

1,46 million USD,

and the CPA (Cost-per-action) for attracting micro business will decline from 250.0 USD in the first months to 20.0 USD by the end of the period.

6.4.2 Purchasing power of buyers on Fridn.Marketplace

As the basis for calculating the purchasing power of private users on Fridn.Marketplace, the average **purchasing power** of one active user came out to

\$250 per year.

One part of this amount is paid with FAR and the other – with actual money.

6.4.3 Discounts: «FAR<>money» on the cost of goods on Fridn.Marketplace

The far-to-money proportion in the cost of goods is set by business members (sellers of goods) in their personal accounts on Fridn.Marketplace when posting offers on the site.

It is expected that the proportion will increase in favor of FAR due to a) growth of the number of private users and business members of the Fridn community and b) increase in trust in the Fridn brand and its overall strengthening. At the initial stage, the product will include at least **10% of FAR** in its cost, and that percentage will rise to a **30% of FAR** (minimum), **75% of FAR** (maximum) during the first 3 years of Fridn.Marketplace development.

For comparison, the size of discount on goods and services from the sports industry, by industry and geography, which can be taken into account using FAR:

Categories	Groupon (Global)	Ukraine	Russia
Marathons and athletic competitions	Min 10% Gross 45-55% Max 80-90%		
Production of sporting goods	Min 44-46% Gross 71-78% Max 92-83%	Min 5-10% Gross 50% Max 70-80%	Min 5-15% Gross 40-50% Max 70%

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Food production	Min 27-35% Gross 40-45% Max 50-63%		
Providing insurance services	Min 30% Gross 45-53% Max 93%		
Providing training programs	Min 16-30% Gross 42-50% Max 72-94%	Gross 85% Max 97%	Min 50% Gross 60-68% Max 90%
Bonuses for internal markeplaces (Amazon)	Min 15% Gross 50% Max 81%		
Gyms and sports complexes	Min 45-50% Gross 55-65% Max 78-82%		Min 30-32% Gross 40-50% Max 85%

6.4.4 Payment of goods, mutual settlements between members of Fridn.Marketplace

To sell goods on Fridn.Marketplace, the seller posts an offer in which he specifies the total cost of goods and the discount amount in the form of a percentage. When paying for goods, the buyer transfers money to the seller, the amount of which is calculated with the following formula:

$$\text{sum of money} = \text{total cost of the item} - \text{discount}$$

and FAR, according to the following formula:

$$\text{sum of FAR} = \text{amount of discount in money/present value of FAR (rate)}$$

Example of a mutual settlement between buyer and seller on Fridn.Marketplace:

- total cost: **100,0 USD**
- amount of discount on the item: **10%**
- cost of FAR at the time of payment: **0,1 USD**

- the client pays the business:
 - 100,0 FAR** (10% of the discount = 10,0 USD; 10 USD/0,1=100,0 FAR)
 - and
 - 90,0 USD**
- the client receives the goods directly from the business
- the business pays **5,0 USD** to the Fridn operator (cash-back in the amount of 5% of the total cost of goods)

	Клиент	Бизнес	Оператор
Движение FAR	- 100 FAR	+ 100 FAR	
Движение USD	- 90 USD	+ 85 USD	+ 5 USD
Движение товара	+ товар	- товар	

As a result:

- the **client** received the product at a price that's 10% lower than the cost
- the **business** received full revenue in money and FAR

The FAR provided by the buyer go to the seller's depository account in the Fridn system. The seller can use this account to make settlements with other business members or private Fridn users without restrictions. The business will be able to exchange FAR for money (sell FAR) on the internal or external exchange 356 calendar days after they are credited to this account.

6.4.5 The cost of FAR on Fridn.Marketplace

The **cost of FAR** on the domestic market (Fridn.Exchange) and the foreign market (for example, cryptocurrencies) will differ from its cost on Fridn.Marketplace: частному пользователю будет всегда **выгодно купить FAR на рынке** (внешнем или внутреннем) и **получить скидку от 5%** и более на товары и услуги опубликованные на Fridn.Marketplace.

This model contributes to the pricing of the FAR rate on the free market due to the increase in the number of private users and the turnover of goods on Fridn.Marketplace.

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According to the financial forecast of the Fridn.Marketplace turnover, the cost of FAR is determined by the amount of funds available to be used for discount, the number of active users and the amount of FAR issued and distributed over the period.

In its first month of operation, the Fridn.Marketplace is expected to have

6.300 active users,

that will receive

1,89 million FAR.

Based on the average monthly purchase of **18,75 USD** in money per member, and of **2,08 USD** in FAR, the price of 1 FAR being

0,0069 FAR/USD.

In the first 3 years the number of private and business members of the Fridn community is expected to grow, which will lead to an increase in the cost of FAR. In subsequent years, the growth rate of new users is expected to decrease, which will result in a decline in the volatility of FAR.

The cost of FAR on the Fridn.Marketplace is an index that will determine the cost of other services, provided to the market by Fridn in exchange for FAR.

For instance, private members purchasing licenses, business members paying for advertising and promotion (showing ads), and so on. This mechanism also contributes to the formation of the FAR rate, since the FAR that the operator receives from the participants goes to the reserve fund of the system (partial withdrawal of FAR from the market).

6.4.6 Доход оператора Fridn на Fridn.Marketplace и начисление cashback

Fridn's operating company, or operator, receives income from the Fridn.Marketplace sector due to cashback remuneration, received from businesses for new customers that have made a purchase. The average cashback amount is 5% of the total cost of goods sold.

This type of reward from the operating company will also be used to motivate customers to buy again. It is planned to introduce the following mechanism:

- part of the cashback that the operator receives from the business will be used for buying FAR on the market

- the received FAR will be transferred in the form of cashback to buyers that have made a purchase.

In other words, as a result of buying a product from the Fridn.Marketplace, the customer will receive goods and cashback in the form of FAR, which he won't be able to sell but can use to make new purchases.

The operator's purchase of FAR from the market with the funds received through cashback from business will have a positive effect on the cost of FAR, and the accrual of cashback to customers will increase trade on the Fridn.Marketplace.

6.4.7 Financial performance forecast on Fridn.Marketplace

Below is a table of the overall financial indicators that is planned to achieve over the next three years of the Fridn project's development:

	1 year	2 year	3 year
Average FAR/USD ratio in the cost of goods	10% FAR 90% money	20% FAR 80% money	30% FAR 70% money
Average purchase amount per participant, USD/year	250,0 USD per year		
Number of business participants on the Fridn.Marketplace	3.621	12.690	22.391
The Fridn.Marketplace trade forecast	22,6 million FAR 18,9 million USD	35,9 million FAR 147,1 million USD	47,2 million FAR 445,2 million USD
Forecast of the cost of FAR, generated on the Fridn.Marketplace	0,59 FAR/USD	4,82 FAR/USD	17,34 FAR/USD

6.5 Using FAR to activate paid accounts

The Fridn system has two types of accounts for private users:

- free accounts**
- paid accounts**

6. ECONOMIC MODEL OF THE PROJECT



6.5.1 Free accounts

After installing the app and registering a new user in the system, a free account is automatically activated.

For free accounts there is a limit on the amount of FAR rewards that can be accrued for actions performed and registered on Fridn: the user receives **5%** of the total amount of FAR as rewards for actions, and **95%** is transferred to the system's reserve fund.

For example, a user has walked 10.000 steps. At the current step-to-FAR exchange rate of 140 steps=1FAR, 3,5714 FAR **will be transferred to the user**, and 67,8571 FAR **will be transferred to the system's reserve fund**.

To obtain more rewards and gain access to other services and functions of the system, a paid account can be activated by the member at any time.

6.5.2 Paid accounts

There are several types of paid accounts available on the Fridn system:

Type of account	Nominal value	Amount of FAR required for activation	Share of FAR accrued to user
Welcome	50,0 USD	Determined by the current FAR rate at the time of activation	10%
Basic	250,0 USD		25%
Standard	500,00 USD		50%
Extendet	750,0 USD		75%
Global	1.000,0 USD		100%

- **the type (or status) of the account** determines the cost and share of FAR accrual to the user
- **nominal value** is required to calculate the number of FAR needed to activate your account
- **the amount of FAR** needed for activation is calculated automatically in accordance with the current rate of FAR on the Fridn.Marketplace

- Example: in order to activate a «Basic» account, at the current nominal value of FAR 0.1 FAR / USD, the user will need 3.333,33 FAR
- **the share of FAR accrued to the user** is the amount of FAR that he will receive, in the form of rewards, for actions registered in the Fridn system.
- Example: a user with a «Basic» account that has registered 10.000 steps, at the exchange rate of 140 steps=1FAR, will receive 17,8571 FAR, and the remaining 53,5714 FAR will be transferred to the operator's reserve fund.

Users can upgrade their accounts at any time; the FAR, necessary for their activation, the user can obtain by:

- **receiving rewards** for actions (Fridn.Extracting service)
- **purchasing on the free market** from other members of the community in exchange for money or cryptocurrency
- **receiving cashback as rewards** for purchases on the Fridn.Marketplace
- through the Fridn.Affiliate and Fridn.Loyalty **referral programs**
- **purchasing from the system operator** in exchange for cryptocurrency and money.

Payment for the activation of a certain type of account is carried out only once (**lifetime license**).

The FAR received from users for activating their accounts go to the system's reserve fund, which has a positive effect on the formation of the FAR rate on the free market.

6.5.3 Revenue forecast from sales of licenses to private users

	1 year	2 year	3 year
Number of users	270,7 thou. people	1,09 million. people	2,6 million people
Operator revenue	3,6 million USD	14,9 million USD	35,8 million USD

7. THE eFAR TOKEN ON CRYPTOCURRENCY EXCHANGES



7.1 Definition of eFAR

eFAR – this is a token issued on the Ethereum blockchain according to the ERC20 standard of interaction with the cryptocurrency market community.

As a result of eFar emission, the system has created two types of values:

- **FAR** – values are generated by users through their actions/activities and are used within the Fridn ecosystem.
- **eFAR** – the token is issued by the system operator, secured by FAR and used outside the Fridn system (for example, on the cryptocurrency exchange).

The eFAR token rate in relation to FAR is fixed and amounts to:

$$1eFAR = 1 FAR$$

7.2 FAR liquidity pool and eFAR emission

The emission of eFAR is located in a liquidity pool, which is filled by FAR and managed by the operator and members of the Fridn community.

The total quantity of FAR in the liquidity pool is equal to the total amount of eFAR in the Ethereum environment.

The initiative for the replenishment of the liquidity pool can be made by a Fridn operator or by the system's authorized body.

7.2.1 Procedure for filling the liquidity pool

1. **The operator initiates the filling** of the liquidity pool by posting a public offer on the project's resources
2. The user that accepts the offer **transfers the FAR** to the liquidity pool, the result being the liquidity pool's newly formed obligation to him
3. After the liquidity pool is full, the operator terminates the validity of the offer, making the transfer of FAR to it no longer possible.

7.2.2 First liquidity pool and initial eFAR emission

The filling of the first liquidity pool was initiated by a Fridn operator in Q3 2020. The total amount of FAR in the liquidity pool is:

13,6 million FAR,

of which:

- **10,0 million FAR** is transferred to the pool by Fridn users
- **3,6 million FAR** is transferred from the Fridn operator's reserve fund.

Once the liquidity pool is filled, the Ethereum ecosystem issues 10.0 million FAR and 3.6 million eFAR.

7.3 Обмен eFAR <> FAR

eFAR could be exchanged for FAR using the system interfaces. For example, for making a purchase on the Fridn.Marketplace, for account activation, and for other types of interaction with members of the Fridn community.

Once eFAR has been exchanged for FAR, the eFAR is withdrawn from circulation.

The exchange of FAR for eFAR is possible exclusively through the liquidity pool, in accordance with its terms and conditions.

eFAR можно покупать и продавать на биржах криптовалют (например, на coinsbit.io) в обмен на USDT. Подключение других торговых, как, например, BTC<>eFAR, ETH<>eFAR, LTC<>eFAR планируется в будущем.

7.4 Купля-продажа eFAR на биржах криптовалют

eFAR can be bought and sold on cryptocurrency exchanges (for example, coinsbit.io) for USDT. In the future, it is planned to connect other merchants, such as BTC<>eFAR, ETH<>eFAR, LTC<>eFAR.

When buying eFAR on the external exchange, the received cryptocurrency enters the liquidity pool and is distributed among its participants in accordance with predetermined rules.

8. LEGAL JUSTIFICATION OF THE PROJECT



8.1 Legal model

Despite the fact that the project is based on cryptography and digital signature use, there isn't any cryptocurrency within the Fridn project in its already established sense. Rewards are digitally signed for protection against fraud and manipulation. This is necessary to ensure both the information and financial security of FAR and its owners.

The developer and operator of the project - N.KRAT Group AG, Dortmund, Germany - is not an issuer of FAR, but provides the technical possibility of registering actions and accruing rewards to end users according to a public algorithm. The primary legal owners of FAR are end users, who perform actions (for example, walking or running), register them on Fridn using trackers and a mobile app (for example, steps), receive rewards after Fridn processes this data.

FAR is a unit of discount that sellers provide for buyers of their goods and services. As a result, there is no need to obtain special permits, licenses, etc. from financial market regulators or other government agencies.

In addition, the operator of the Fridn project doesn't participate in transactions involving the exchange of FAR for money or cryptocurrencies. This kind of transaction is concluded directly by its parties, using the system interfaces for transferring FAR. At the request and mutual consent of the parties, the operator may, for an additional fee, act as a guarantor (or escrow agent).

Cooperative legislation is applied in order to use FAR in the B2B sector, allowing business entities that are members of the cooperative to use internal units of calculation for full or partial mutual settlements. Therefore, Fridn business participants will be invited to become members of the cooperative and to use FAR and the Fridn.Marketplace platform for internal settlements.

8.2 О компании

The **N.KRAT Group AG**, registered at Ringofenstr. 43, 44287 Dortmund, Germany, telephone: +49 (231) 999 537 00, fax: +49 (231) 999 537 09, email address: info@nkrat.com, is the exclusive owner of the Fridn software and hardware complex, its trademarks, emblems, logos, domains and all other types intellectual property.

The company was registered in February 2018.

The main and sole activity of the company is the development and promotion of the Fridn project.

8.3 The team

The core of the FRIDN project team is a group of like-minded ideological people with vast experience in different areas: from marketing to building complex software systems, from sales to international business development, from cryptographic methods of information protection to corporate governance, and so on. Below are the main team members:

Alexander Mashiach Spindler ([linkedin-profile](#))



Fridn founder & Chairman of N.KRAT Group AG

Founder and chairman of FRIDN, N.KRAT Group AG and N.KRAT Services GmbH - a company registered in Germany, which has been developing software and hardware complexes and systems for the FinTech industry for over 12 years.

Since 2008, the main task of N. KRAT has been to create and test fintech solutions and payment software based on cryptographic technologies. Along with co-founder Boris

Rosenberg, Alex was one of the pioneers in the payment and electronic money market. The company has successfully developed and presented technical cases for: peer-to-peer lending, digital banking, IT security systems based on cryptographic technologies, identification and payment systems based on biometric technologies, emission of electronic money, including Netopay – the basic technology of the Fridn project.

In 2009-2014 he founded and managed Cashtransfer24 GmbH, a payment system and centralized electronic money exchange in Western Europe. The company was also an official partner and representative of Webmoney, the largest electronic payment processor and online payment system, created in Russia in 1998, which today has 41 million registered accounts and 300,000 active users per week.

In 2013-2014 N.KRAT was also engaged in the development of an online banking software for banks from the CIS countries, developed concepts and tested a stack of technologies for issuing, introducing and operating regional electronic money for the German market.

8. ПРАВОВОЕ ОБОСНОВАНИЕ ПРОЕКТА



Boris Rosenberg ([linkedin-profile](#))



Co-founder of Fridn & N.KRAT Group AG, CFO

Co-founder and Chief Financial Officer, Managing Director of N.KRAT Group AG, a company registered in Germany for software development, which has been operating successfully since 2008.

The focus of N.KRAT is the creation and testing of fintech solutions and payment software based on cryptographic technologies. Along with co-founder Alexander Mashiach Spindler, Boris stood at the forefront of payments, online

banking and the electronic money market. Boris co-founded and led a series of payment service projects based on the Netopay system – Fridn's flagship technology.

In 2009-2014 Boris and Alexander Mashiach founded and operated Cashtransfer24, in Dortmund, Germany: a payment service and centralized electronic money exchange, an official partner and representative of Webmoney.

In 2013-14, having upheld various managing positions, he was involved in the development of an online banking software for CIS banks, as well as the concepts of emission and distribution of regional electronic money for the German market.

In 2000-2008, Prior to joining N.KRAT, Boris founded and managed a marketing agency in Germany, offering market entry strategies, focused mainly on the CIS region.

Svetlana Sovetskaya ([linkedin-profile](#))



COO, HR and Operations

The Chief Operating Officer and Head of Human Resources at Fridn since 2020. Being the former director of business development in leading marketing agencies in the CIS, Svetlana successfully manages her own agency of creative marketing and business consulting in Moscow since 2010.

Svetlana's firm specializes in launching companies into new markets for the CIS region, creative marketing, business growth strategies and marketing strategies for

well-known international brands such as Mastercard.

She's able to assist in business consulting and marketing, corporate branding and design, positioning, brand product presentation in retail and trade shows, as well as merchandise and transport marketing campaigns.

Svetlana developed and implemented Mastercard's entry into the CIS market, and organized the introduction of contactless payments as well as of the brand's presence in more than 20 cities in Russia. During her work both at IMS Group and ITM Group (leading marketing companies in the CIS region in 2007-2009), Svetlana had shown impressive results in the tender market. On average, she had 80% of the winning tenders. Her clients achieved 50% sales growth and more than 30% new product engagement, which is higher than the industry average. Meanwhile, in 2008-2009, Svetlana operated a business in the printing industry, leading a team of 40 people. In 2008, Svetlana joined New Style Media as Chief Business Development Officer and created breakthrough marketing campaigns in the following areas: external media channels, transport, television and outdoor advertising.

Having a great interest in social impact, creative marketing, branding and reputation management, Svetlana developed and conducted the first ever in the CIS marketing campaign on corporate social responsibility in cooperation with local non-profit organizations.

Svetlana is an experienced senior executive with a strong personal position in the field of social responsibility and impact.

Alexander Donos ([linkedin-profile](#))



Chief Technology Officer

CTO of Fridn, N.KRAT Group AG and N.KRAT Services GmbH since 2010.

During the 2000s, under his leadership, the technical team developed and implemented a number of successful technical cases, including Netopay – the key technology behind Fridn.

Prior to joining N.KRAT, Alexander Donos was a major

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figure in the public information sector of technology in Moldova.

In 2003-2007, Alexander was the General Manager at the State Agency for Special Telecommunications in Moldova, where he ran the department for the development of IT telecommunication systems and the security of IT networks for government IT systems, as well as government payment systems, based on cryptography technologies.

Kati Aronoson ([linkedin-profile](#))



Head of Business Development. Global Marketing

Head of Business Development and Global Marketing at Fridn since 2020. Kati is engaged in strategy and growth, the access to international markets, and establishing partnerships in the B2B & B2C segments.

An international business specialist in the field of innovative technologies, DeFi and digital assets. Kati is the director of an IT consulting agency, the Coincidence Agency in London. The company specializes in business consulting

for IT startups in innovative technologies, strategic planning, fundraising strategies, marketing planning, B2B partnerships, international business building, and global marketing.

In 2018-2019, Kati founded and ran Outchain, a London-based consulting company that specializes in information technology and blockchain development.

Prior to that, in 2014-2017, Kati was the co-founder and director of Guild Capital Partners, a financial advisory firm led by the former CEO of Barclays. The platform brought together investment bankers, investors and brokers, and dealt with asset management, investment campaigns, debt restructuring and M&A transactions.

David Lolaev ([linkedin-profile](#))



Head of Communications and SMM

David joined the Fridn project in 2020 as head of communications and social media marketing.

Since 2018, his SalAd Lab Digital Agency has been providing efficient digital marketing, fundraising, growth and business development strategies by increasing online sales and attracting potential customers to IT companies. SalAd has improved the sales force of 400 companies worldwide,

and since 2016, David has been actively interested in the cryptocurrencies and the digital asset market..

Over the past four years, David has actively contributed to the growth of the blockchain technology market, promoting various projects, and was the founder of one of the most famous digital agencies - ICO Brothers, which in the period from 2017 to 2018 was the leader in consulting of more than 350 clients: from the beginning of the investment campaign, down to listing and providing support after the fundraising has been completed.

Andrei Indoitu

Head digital Assets Strategy and Management

Andrei joined the Fridn project in 2017 as a strategy and digital asset management consultant. In addition to his experience in the cryptocurrency markets, trading and marketing, Andrei has a 10-year experience in the field of direct marketing, multilevel marketing and referral programs.

Andrei began his professional career with the HoReCa market, has carried out projects in the banking sector, opened and launched a certification center and has active experience in the public procurement market.

8. ПРАВОВОЕ ОБОСНОВАНИЕ ПРОЕКТА



Viktor Karare



Head of Business Development CIS

Viktor Karare, since 2017 has been Head of the department of Business Development in the CIS of the Group of Companies N.KART Group AG.

Viktor is a thought leader, leader of opinion in the field of health and well-being, blogger, co-author and preacher of the Fridn ideology. Viktor is the most popular team leader, personal trainer and coach at Fridn since the company's founding. His team consists of over 4,000 people from 27

countries..

Viktor has a professional sports education. He is a personal trainer and martial arts teacher. In his blog, Viktor motivates people to stay disciplined in sports, to lead a healthy lifestyle and exercise regularly. He is also an anti-crisis manager and investor in cryptocurrency and real estate.

9. CONCLUSIONS



FRIDN is a multifunctional loyalty system, aimed at stimulating self-development and increasing one's personal efficiency through motivation and the improvement of business efficiency. The basic value of the system is reward in the form of Fridn Activity Rewards (FAR), which are made available and accrued to each user after he has performed simple actions.

The platform was based on two main factors. Namely, the problems that companies face in the modern business environment, the growing demand in programmable advertising, as well as the desire to help the common person monetize useful activity.

As a solution, it was proposed to integrate Fridn applications into the community of people the lead and promote healthy lifestyles, while providing the necessary and useful functionality.

Users are given freedom and control over their personal information so that they can be sure that their anonymity is preserved. At the same time, companies also retain an understanding of a specific user as a customer, but without direct identification.

In addition, this is a developed model of the economy, which is implemented through the advanced technology of distribution of values with cryptographic protection, that allows to guarantee and regulate the relationship between the client (user / owner of value) and the supplier of goods and services (consumer of values).

Given the uniqueness and ease of entering the project, a certain virality in product distribution and increase in the number of new users is expected. This will ensure the growth of the ecosystem and marketplace. This also applies to future external (partner) integrations.

The use of distributed ledger technology, which creates trust and guarantees accounting transparency, the distribution of digital assets between participants, as well as operations of buying and selling both the assets themselves and the goods available at Fridn.Marketplace.

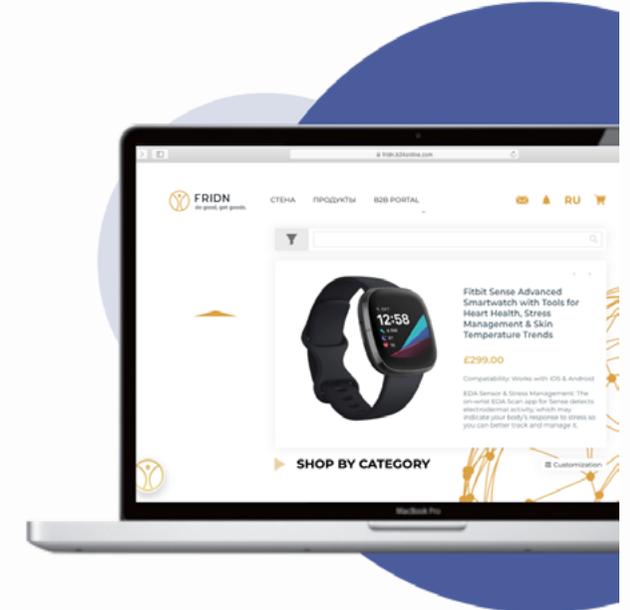
People won't stop walking, swimming, riding bikes, sleeping, learning languages, actively using social networks, taking care of the environment, throwing out garbage separately, driving according to traffic rules and much more. For all of the activities listed here, and over 20 other ones, we have already developed

mechanisms for the accrual of rewards for private users.

In order to engage in favorite activity – be it a hobby, leading a healthy lifestyle or running a business – a person consumes goods that business will not stop supplying. To participate in the Fridn.Marketplace, we attract suppliers of essential goods (food, clothing, transport, education, health), and manufacturers of consumer goods.

Given all of the above, the Fridn project is a promising business for investment, combining advanced technologies and simple actions that will allow all categories of participants to become involved in the development of global, positive innovation.

Fridn cannot be repeated. In 1-2 years – Fridn will be impossible to catch up with.



The following communication methods and social network account are always available for all users of the system:

[Support.fridn.com](https://support.fridn.com)
user support portal

-  [Email](#)
-  [Facebook](#)
-  [YouTube](#)
-  [Telegram](#)
-  [Twitter](#)
-  [Instagram](#)

11. STATEMENT ON THE LIMITATION OF LIABILITY



Legal disclaimer

The information set forth in this document cannot be exhaustive and does not imply any elements of a contractual relationship.

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The document is not intended to provide a single basis for any evaluation of a transaction on acquiring or receiving FAR bonus points, eFAR tokens or other Fridn project values.

Prior to purchasing FAR bonus points, eFAR tokens or other values of the Fridn system, a prospective buyer must consult with their legal, investment, tax, accounting and other consultants to determine potential benefits, difficulties and other factors, as well as the consequences of such transaction.

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Electronic FAR bonuses and eFAR tokens cannot be offered or distributed, nor resold or otherwise alienated by their holders to citizens, individuals and legal entities with a usual place of residence, location or place of registration in the country or territory where transactions with digital tokens are prohibited or restricted in any way by applicable laws or regulations.

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