

WHITEPAPER

V0.3 – OCTOBER 2<sup>ND</sup>, 2018



FLARE

## Global Art Mapping

With the First Statue to Be Stationed in  
Outer Space for a Thousands of Years

# Executive Summary



## GLOBAL ART MAPPING

### With the First Statue to Be Stationed in Outer Space for Thousands of Years

Flare is the decentralized organization set to mapping every existing and emerging artwork. Flare seeks to do for art what Google did with Street View for roads: they mapped it all. Leveraging Blockchain, Smart-tagging and IoT technologies, Flare is building the most comprehensive existing art catalog, permanently recorded on Blockchain. This will naturally result into the largest art authentication, trading and tracking platform available.

Common handheld devices (including smartphones) will recognize artworks and provide immediate Legitimate Place of Residence (LPR) and verification. This is possible through sophisticated Flare tagging and recognition technologies. Consequently, risk of theft and cost of insuring will drop dramatically.

Furthermore, through a decentralized, community-driven curation process, Flare will galvanize independent curators to introduce new talent into the primary market, expanding global art opportunities and visibility. Indeed, Flare will enable future influential artists to present their works directly to patrons and engage in peer-to-peer transactions. This process from artist to collector is creating a streamlined approach to art buying, drastically reducing associated fees and commissions induced by intermediaries.

Flare's secured transactions will be supported by the Flare Coins (FLAR), an Ethereum-based token to act as an economic incentive for platform curators and an alternative currency for accessing the Flare services.

Flare is writing a new page of Art History. The Flare community members are selecting the artist to create the sculpture to be launched into orbit, where it will reside for thousands of years.

Dava Newman, Ph.D., a revered professor of Astronautics and Engineering Systems at MIT and former Deputy Administrator of NASA is advising Flare on the mission to space.

This monumental art achievement will be enjoyed by spectators as the sculpture will reflect flares of sunlight back to Earth.

Flare will support the realization of a replicated statue to travel the world, promoting Flare concept and efforts. While a beautiful piece of art will orbit around Earth, its terrestrial copy will reflect upon and remind us of the important matters pertaining to our existence. Every year, this sculpture will celebrate a different humanitarian message such as health, personal realization and gender equality.



Art curation, authentication, trading and tracking platform



Community driven and decentralized curation process



Authentication, smart tagging and IoT tracking solutions



Creation of Flare Coins, an Ethereum based intrinsic token



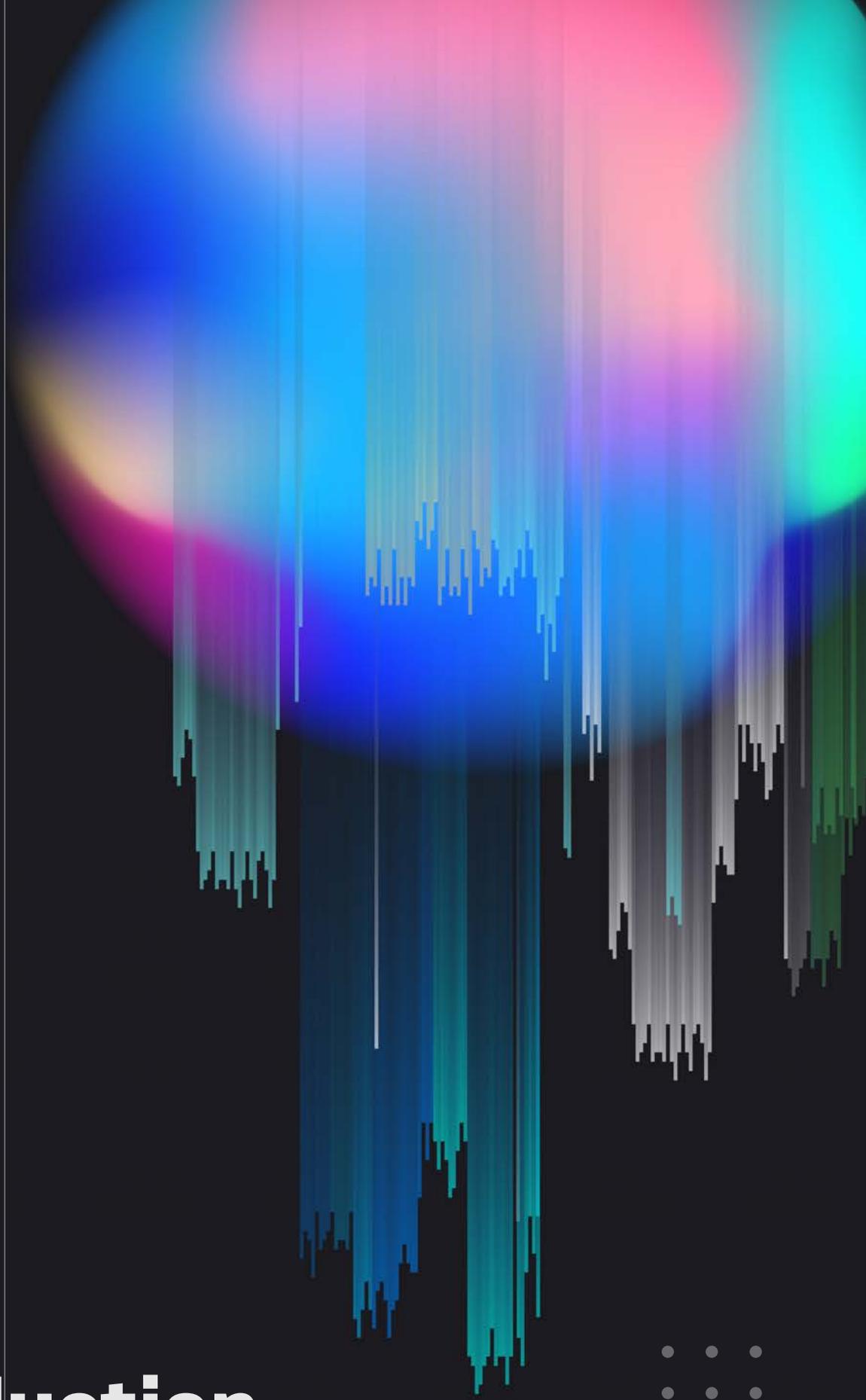
Launch and station of the first ever statue into Outer Space

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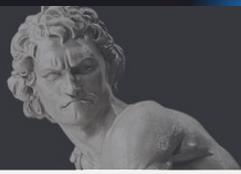




01

# Introduction





# Introduction

## Background and Mission



**3 USD TRILLION**  
is the estimated value of  
fine art held in storage.

**65 USD BILLION**  
is traded annually, mainly through  
auction houses and art dealers.

Historically, the art world has relied on intermediaries to facilitate trade through auction houses, art galleries, brokers and consultants. In the past they have served the art world well, in the absence of a better way to do it. However, the number of dependencies and lack of market transparency is now anachronistic. **Flare** aims to create a high-profile global art community and marketplace where artists and collectors can trade art with the smallest number of intermediaries and where people can become patrons of art by supporting the artists and the individual artworks that they love. As a community, **Flare** will acquire and curate artworks directly from visionary artists, building valuable collections and becoming an influential voice in our shared history and culture.

Counterfeiting is currently another major concern within the commercial art market. Such a problem has been exacerbated as the market has become increasingly globalized in the last 30 years. The problems of counterfeit-

ing, illegal bid rigging, pricing manipulation and collusion are endemic to the art world. Blockchain, connected devices and the Internet of Things represent together a unique opportunity create an ecosystem based on trust, transparency and fair exchange.

The combination of art verification, authentication and tracking with a platform where buyers, sellers and patrons can operate transparently, will create a vibrant community to support and foster the arts.

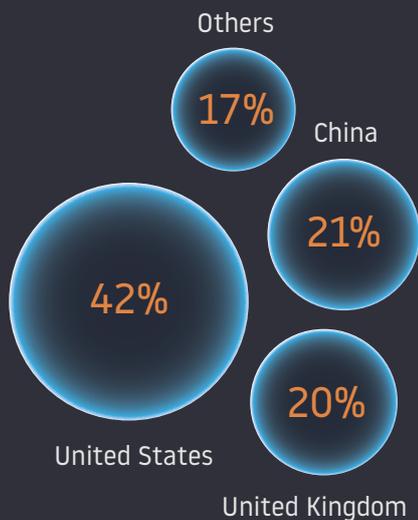
## State of the Art Market

The art market has reached significant scale with sales growth of 12% in 2017 and total sales reaching an estimated USD 65 billion with 83% of it coming from the top three markets - United States (42%), China (21%) and United Kingdom (20%), firmly establishing their dominant position as leading markets. While last year's sales represent a healthy recovery from a 2-year previous decline, the market is still heavily skewed towards the top end of the market. As a valuable indication: within auction sales (which represent 47% of total sales) more than 64% are of artworks valued at USD 1 million or more.

Online sales are still the smallest category in the art market today, representing approximately USD 5.4 billion or 8% of the global market, yet showing a healthy 72% increase in the last 5 years. However, the online art market is still significantly behind other industries which have experienced much stronger and faster growth.

**Online art trading is clearly an enormous opportunity for the art market where Flare aims to position itself as a top authentication agency.**

### Art Market total sales 65 billion



02

# Flare Platform



# Flare Art Platform



The aim of Flare is to build and grow a global art platform while creating a healthy art ecosystem built on trust, transparency and fair exchange.

## Blockchain technology is fundamental to achieving this vision.

Blockchain enables the creation of peer-to-peer transactions, connecting buyers and sellers, whilst all transactions are verified and recorded and distributed to the network automatically. Blockchain terms of trading are governed by smart contracts rather than by human intermediary eliminating error and mitigating fraud risk, while significantly reducing transaction cost and enabling real-time digital settlement of transactions.

In order to support its vision, Flare aims at offering services to promote a thriving art ecosystem and art economy through:

- A decentralized application of art curation.
- Integrated services for artwork authentication, smart tagging and IoT tracking.
- A marketplace application for trading of both physical and digital artworks curated by the Flare community.
- As a long-term feature, an art sharing service for artwork owners, who will be able to lend exhibitions or art enthusiasts their assets for a monetary return.



CURATION



AUTHENTICATION  
SMART TAGGING  
IoT



MARKETPLACE



SHARING

Platform participants and artworks, registered on the platform, are assigned a unique ID. This ensures trackability and proper record keeping of each transaction. All transactional data is made public on the blockchain (except for the the buyer and seller's identities) and it cannot be altered. This is the only way to create transparency and confidence in the market and assuring fair pricing and above all fair cost of the intermediaries. Transparent reporting of the Flare Community work will further enhance its credibility.

**To enable transactions and create platform incentives we rely on Flare Coins**, an ERC20-based utility token, which will serve as an intrinsic token for curation purposes and a privileged means of payment for accessing all services provided in the Flare ecosystem.



## Community-based curation

Flare is first a decentralized art community devoted to collect, curate and patronage art.

At present, art diffusion depends on tastemakers and gatekeepers in the form of curators, galleries and the likes who effectively decides what constitutes good art. While we encourage the current art ecosystem to contribute in providing context around art, we want to build a community that has real influence in the art world. Flare community members are not just passive consumers of art, according to other people's taste and judgment, but constitutes an active pool of curators who decide what art should deserve visibility and be part of our cultural heritage.

Regarding the curation process, Flare community relies on **Blockchain technology in the form of a Token Curated Registry (TCR)**, a pattern mainly introduced by adChain, to enable distributed selection and curation of artists and artworks. In this case, token-curated registries are a completely decentralized way to create curated lists of artists and works by using economic incentives. In the simplest forms, token-curated registries have three main stakeholders; consumers that want high quality curated lists, candidates who want to be on a quality list and curators who hold tokens and want their value to increase as demand for entering the list goes up.

Here it is Flare Coins that serve as an intrinsic token to assign Flare members curation rights and an incentive for them to keep a high-quality list over time.

With such incentives in place, Flare will create a decentralised curation process around art. For example, the community could create lists for different types of art such a "British art", "post-modern art" or "Milan-based artists" by using the token-curated registry process for list curation.



**In particular, the Flare ecosystem involves three main categories of stakeholders:**



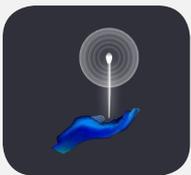
**Artists**

Creative minds who want to spread their work and have wide recognition on a global certified list



**Curators**

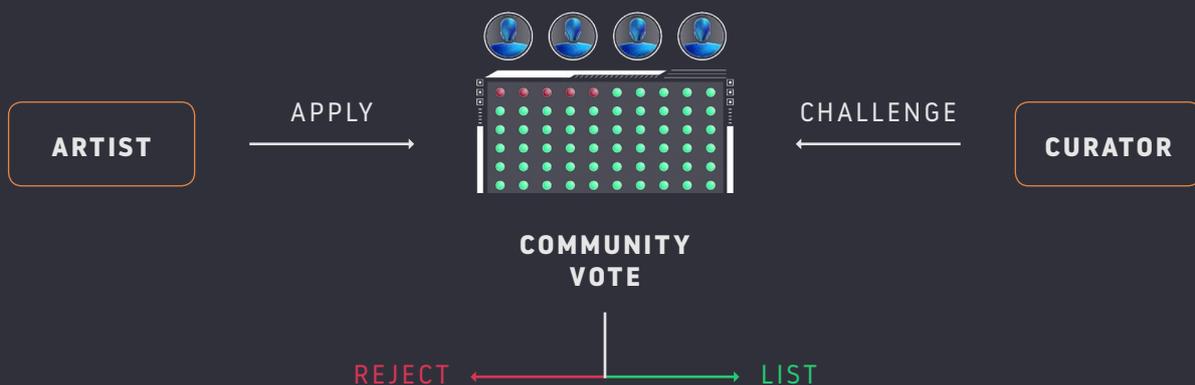
People who are passionate about art and want to contribute to a global art registry with a particular focus on emerging artists and trends; every person holding Flare Coins can possibly become a Curator



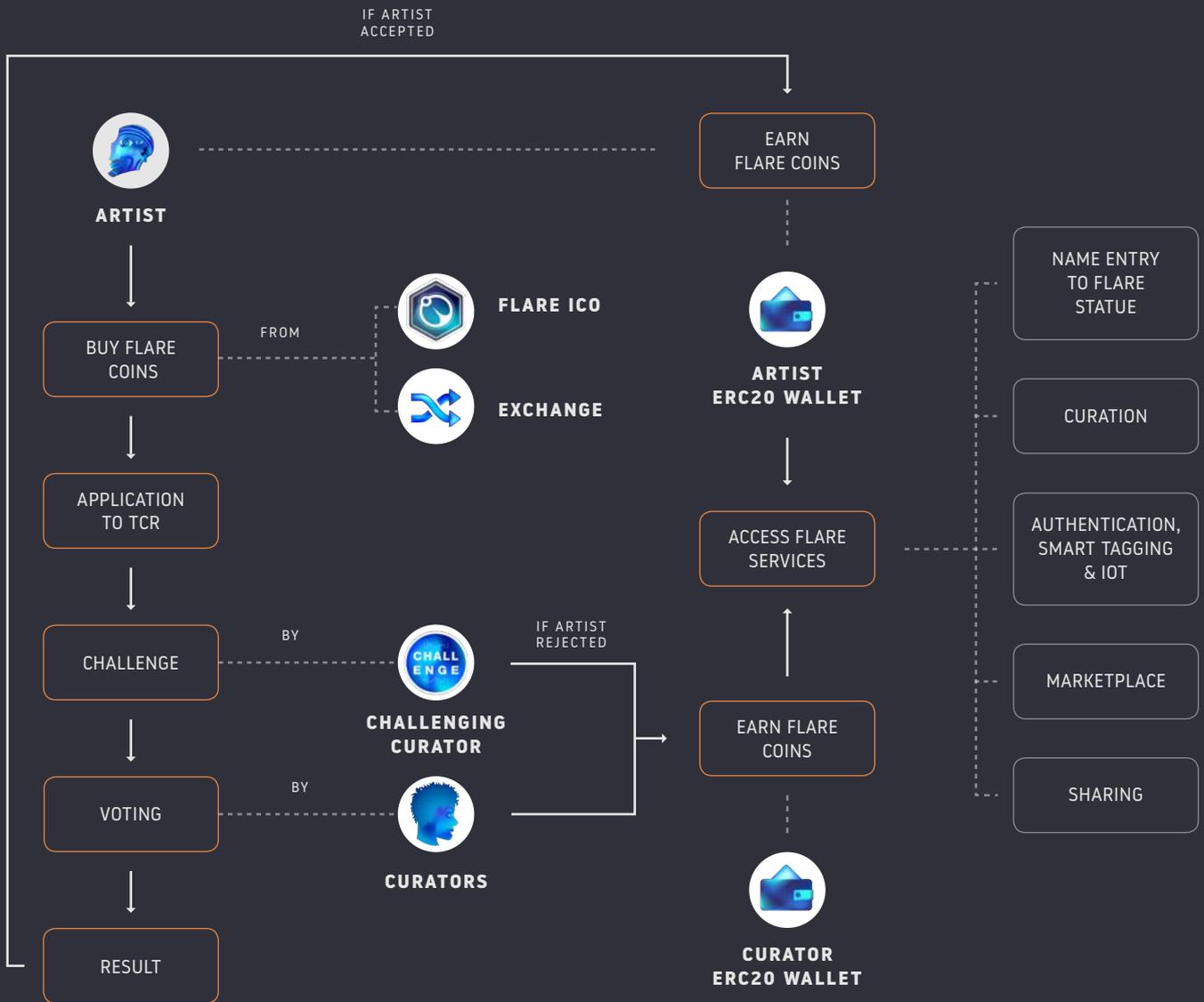
**Patrons**

People interested in art who looks for promising artists to invest in and patronize

To be considered for these lists, artists would have to submit an application of either themselves or their artwork to the community by paying an application deposit to the Flare curation registry. The community TCR's token holders would possibly challenge and consequently vote on whether the application would be accepted for listing or not, thus creating a marketed-based decentralized curation process:



## Flare Coins Flow in the Artist Curation Process



## A simple curation process would occur as follows:

An Artist applies to be listed as a Flare listed Artist by depositing a fixed amount of Flare Coins.

Should no challenge be issued during a pre-defined challenge period, the Artist becomes a listee on the Artists' TCR.

Alternatively, if a Curator believes the Artist's listing could tamper with list quality, they could challenge the Artist application by depositing an equal amount of Flare Coins to the contract.

A challenge starts a voting period: all Curators holding Flare Coins can commit their vote and decide to list the Artist or reject their application instead. This occurs as a secret ballot, where each vote weight is determined by the amount of committed Flare Coins.

Once the voting period is expired, votes are revealed determining voting result.

According to the voting result, token settlement is finalized for each involved counterparty:

The winning party receives the entire FlareCoin deposit back.

Losing party Flare Coins are distributed between the winning party and those Curators who belong to the majority; Flare Coins are distributed to these Curators by token weight considering the amount of Flare put previously at stake.

Curators who belong to the minority lose a percentage of their tokens.

According to the voting results, the Artist is eventually listed on TCR or rejected.

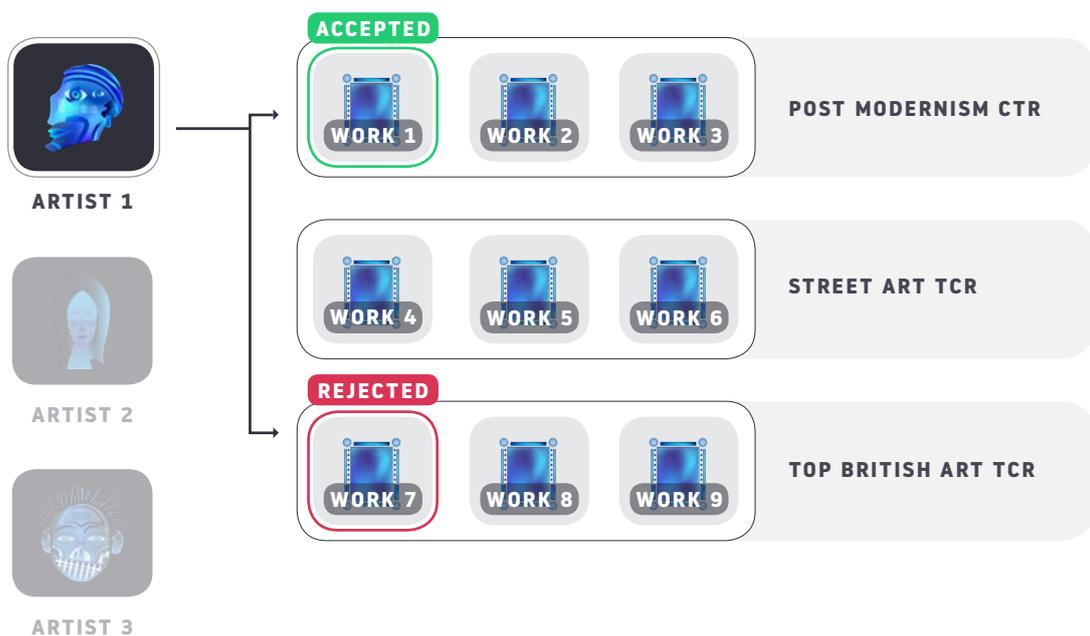
Indeed, artists and artworks evaluation stands as a subjective question, which is harder to answer in comparison with objective curation processes. In order to improve coordination among curators, the Flare Foundation is actively scouting reputational systems in support of Flare TCR implementation (e.g. Relevant reputation system). On one hand, reputation-weighted voting mechanisms would facilitate the emergence of clear coordination signals from eminent curators; on the other hand, token staking would determine the distribution of Flare Coins rewards to the winning majority.

As a starting setting, the Flare Foundation will set an optimal configuration of parameters (e.g. minimum deposit for application, challenge period duration, etc.) for Community launch. Afterwards, Flare community will be able to vote for parameters tweaking in order to continuously balance economic incentives and guarantee optimal operation of the registry.



Whitelisted artists are able to list their works by undergoing a further marketed-curated process by Flare members. This occurs for every work under submission. For a better and finer curation, different Token Curated Registries (TCR) could classify different art types or selections:

- Works could be both physical and digital.
- Being first listed on artists TCR is a mandatory requirement for submission of a single work.
- An artist could apply for listing its work on multiple TCRs.
- Each application will follow an independent curation process.
- As it holds in case of artists listing, a curator could challenge a single work application by staking a fixed amount of Flare Coins.
- Each challenge triggers a consequent voting period in which Flare members express their judgment on the artist's work.



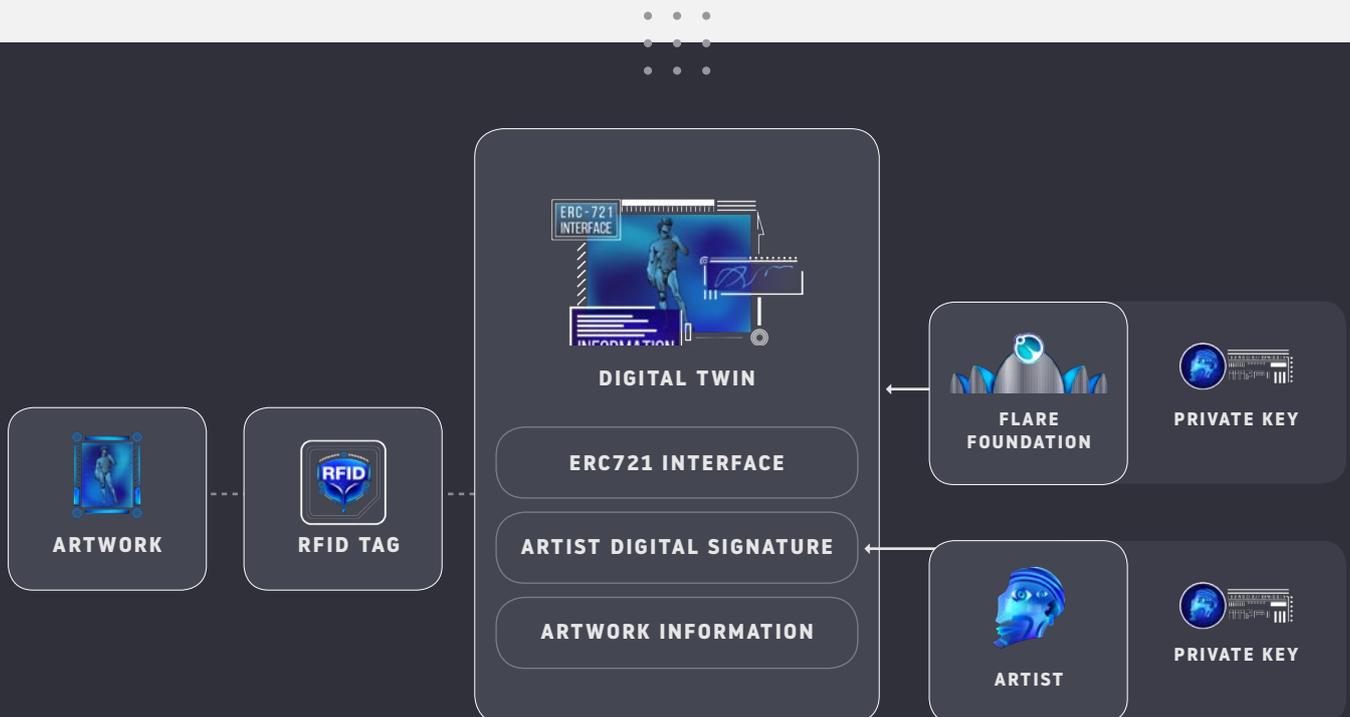


## Authentication and Smart Tagging

Works listed by Flare Community are consequently registered on Ethereum blockchain. This constitutes a digital twin of the work implemented as a Non-Fungible Token (NFT) according to conventional implementation standards (e.g. ERC721). This digital image combines with the artist-made original artifact, i.e. a physical copy of the work or a digital image in case of digital artworks. Authentication process occurs by creating a strong bond between the Blockchain digital twin and the artifact.

The Flare Foundation will provide authentication strategies for both physical and digital works. In the former case, the artifact is tagged with a RFID label to the back or bot-

tom of the artifact, such as a painting or a sculpture. RFID label embeds a link pointing to the ERC721-backed digital twin of the artwork directly issued by the Flare Foundation. The blockchain-based digital twin reports all important information associated with the artwork, such as the artist signature and artwork rightful location. For preventing tag removal and artifact cloning, which is easy to perform on paintings, the Flare Foundation will provide artists certified RFID passive tags directly embedded inside canvas. In the case of digital artworks, each non-fungible token is linked to the related artifact, which is hosted by the Flare Foundation on a content-addressable distributed file system, such as IPFS or Swarm.





## IoT Tracking

**Moreover, the Flare Foundation is committed to support artists by providing an integrated IoT technology to monitor the condition of the artwork and the surrounding environment.**

This data will provide up to date information on the condition of the art piece and measure whether the art piece is being handled in a responsible and appropriate manner. This will provide data and reassurance to both art owners, art handlers, art insurance providers and other players in the art ecosystem and logistics. Indeed, using smart devices and Internet of Things to create digital authentication stored on the blockchain creates the foundation for a cost effective, secure and trusted transaction platform, while providing safe record keeping for digital provenance. When an artist, gallery or other seller submits an artwork to the Flare platform, digital certification, verification and tracking creates trust for prospective buyers and enables transparency which encourages and promotes a healthy art market.





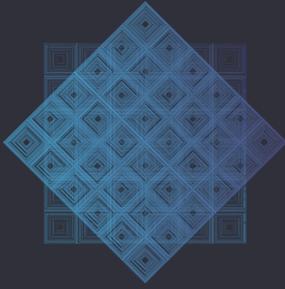
## Marketplace

Flare roadmap includes the realization of marketplace services encompassing trade of all listed artworks, that is:

- **Physical artworks;**
- **Digital artworks and collectibles.**

Concerning trade of physical artifacts, like paintings or sculptures, the Flare Foundation hosts a marketplace supporting negotiation, payment and physical exchange of each piece of art for sale. Introducing Blockchain technology, Flare provides a higher layer of security and transparency between negotiating parties by enacting advanced escrow functions and a more robust layer for digital notarization of each trade. Indeed, dealing with physical exchange of goods, Flare aims at mitigating counterparty risk with a devoted escrow service, which guarantees both buyer and seller a secure settlement of the trade.

The Flare platform will leverage Ethereum smart contract expressiveness to enable transaction management. This means that a seller of an art piece is able to write the terms of the sale for a specific art piece. For example, if an artist publishes, or a gallery puts an art piece for sale on the Flare platform, they may specify criteria and terms with regards to the sale of an art piece such as royalties and resale rights. This could help extend the revenue potential for an artist revenue thus distributing more of profits towards to artist. Similarly, a gallery that has supported an emerging artist, can in a similar fashion command a royalty for subsequent sales, so that if an artist moves to another gallery, the gallery is better able to recoup its investment into the artist. Again this will help distribute profits more fairly throughout the art supply chain by supporting the smaller market players.



## Digital Art

Regarding digital art forms, the Flare marketplace lets you trade digital artworks and collectibles – living on blockchain as non-fungible tokens – in a totally decentralized fashion. This occurs by relying on the software logic of a decentralized application, which acts as a digital escrow service built upon smart contract rules.

The market for digital art and non-fungible token provides an exciting opportunity for a whole new class of art, both to be appreciated and to serve as a store of value, similar to conventional art forms. Flare is building a simple process for its marketplace that enables artists to upload the digital file to the Flare platform. The artist is then able to decide on the number of editions to be made available for sale and unique tokens will be minted for each artwork created. This ensures that each artwork is genuinely unique and enables collectors to hold artworks in their wallets or to sell them on the Flare platform. Once the tokens have been minted the artist is able to sell the digital art pieces on the platform.



## Shared Ownership

Capturing the emerging trend of shared ownership, Flare marketplace will possibly support tokenized sales by letting a group of buyers purchase single pieces of art. This way each group member will own a share of the artifact. In order to provide the right Blockchain fit, Flare is researching new models of non-fungible tokens, where multiple stakeholders could own fungible shares of the same unique digital twin. This approach finds support in recent literature around decentralized crowdfunding mechanisms (e.g. re-fungible token, Quobands).

## Art Sharing

At a later stage of Flare Community development, Flare aims at supporting a distributed art lending service. By exploiting inner synergies among its members, Flare will let owners lend their pieces of art in a peer-to-peer fashion. Similarly to marketplace operations, Blockchain serves here as an indisputable layer, which could regulate the lending terms and possibly enact penalties should a counterparty infringe upon them.

Art Sharing services will be available also in case of shared ownership of a single artwork. Upon a voting process, this service will let co-owners lend their asset for temporary exhibitions to museums or to the private delight of a selected art enthusiast.

The Flare Foundation considers Art Sharing functionalities an advanced step in its roadmap, which needs a preemptive support of Smart Tagging and IoT technologies. Indeed, these pre-requirements are expected to facilitate accurate artifact traceability and timely smart contract triggers according to an event-driven based logic. This is particularly important in case of possible damages, which can promptly trigger alerts and possible penalties only if the artwork is empowered with a full-stack of IoT and Blockchain components.





03

# Business Model



## Access to the Flare Foundation Services

In the scope of Flare Art Platform, services promoted by the Flare Foundation include Art Curation, Authentication, Marketplace and IoT Tracking. Only users who stake a minimum amount of Flare Coins, i.e. the Entry Fee, on a single Ethereum address are able to access such services. The Ethereum address disclosed serves as a single entry point for conducting transactions on the Platform. The Entry Fee could vary in time and is presently fixed at 100 Flare Coins (FLAR).

## Revenue Model

The Flare Foundation business is based primarily on a transaction-fee revenue model. Such commissions are granted to the Flare Foundation for services provided towards Flare ecosystem. In particular, the Flare Foundation applies a transaction-fee at the execution of different operations:

- Community-based curation: given a physical or digital artwork listing on Flare curated registries, Artists will be charged a commission on certified issuance of artwork non-fungible token on Ethereum Blockchain.
- Marketplace: a fee is charged to the seller of a single artwork in case of successful auction or crowdsale.

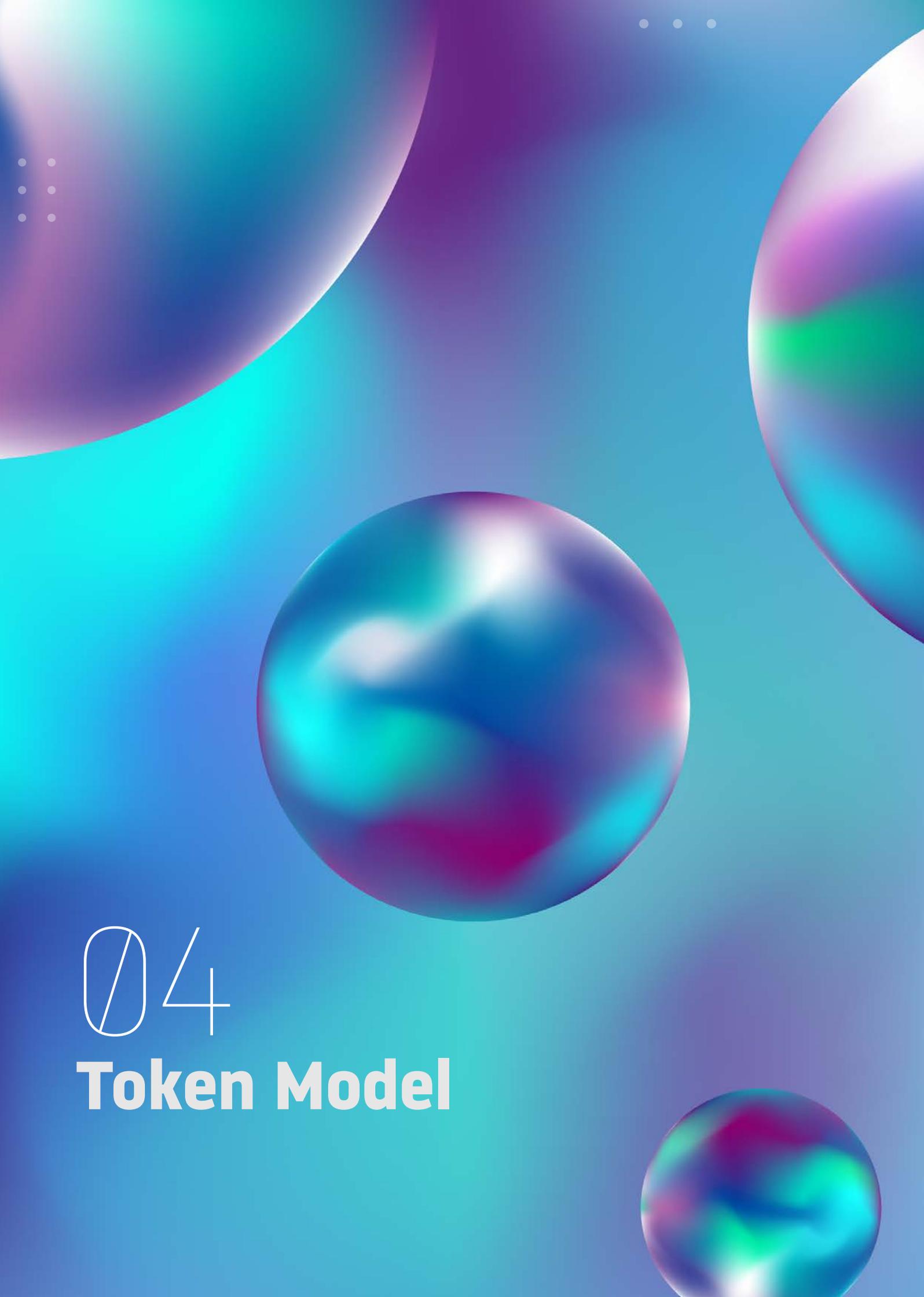
## Terms of Payments

- The Flare Foundation charges the Artist a small commission in Flare Coins (FLAR) for each NFT issued on Ethereum Blockchain.
- All other services can be paid in crypto or fiat (USD, EUR). In this case, the Flare Foundation will possibly offer a discount for all payments made in Flare Coins.

## Long-term Services

The Flare Foundation will possibly offer its authentication services and IoT tracking at a fixed price for each single RFID / IoT kit applied. Art Sharing services would operate according a transaction-fee revenue model, where a fee is charged to both the borrower and the lender of a single artwork in case of successful art sharing operation.





04

# Token Model

Flare Coins (FLAR) are ERC20 utility tokens issued on Ethereum blockchain.

Flare ICO will start in Q4 2018 and will run for three weeks or until the hard cap is reached. 65% of all Flare Coins will be available during the ICO process.

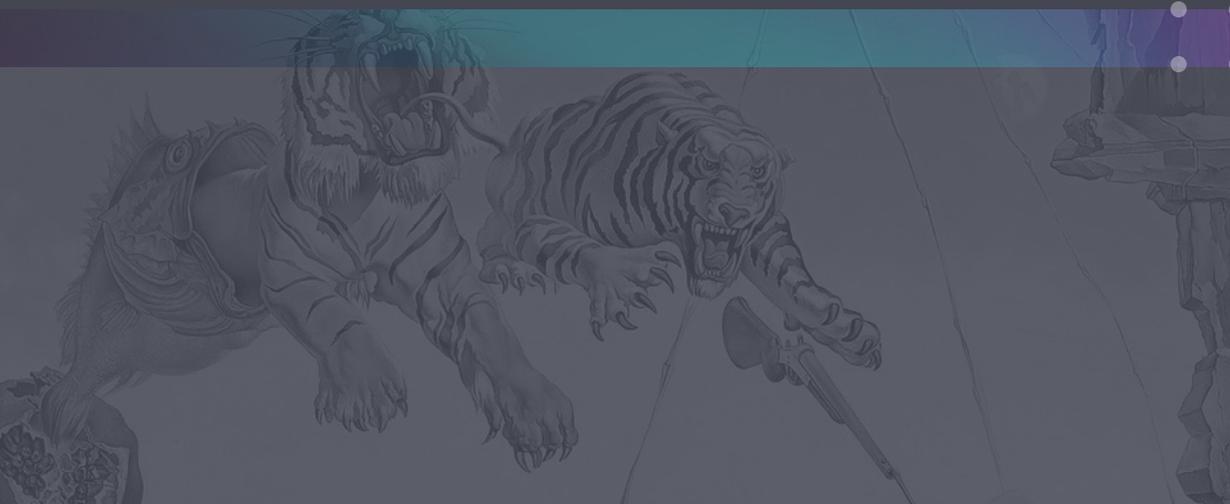
After ICO event, Flare coins holders will be able to spend Flare Coins for services offered by the Flare Foundation. The first service to go live will sell name entries to Flare Statue. Such entries will be payable in fiat currency or Flare Coins. In the latter case, they will be valued at nominal ICO price and subsequently burned (see chapter: An Art Milestone into Outer Space).

## OVERVIEW

<b>Token Name</b>	Flare Coins
<b>Token Symbol</b>	FLAR
<b>Total FLAR token amount</b>	1,500,000,000 FLAR
<b>Available in ICO (hard cap)</b>	975,000,000 FLAR
<b>Emission rate</b>	No Flare Coins will ever be minted after ICO event.  No Flare Coins will ever be minted but those allocated to involved counterparties - i.e. team, advisors, partners and reserves - or sold during ICO event or private pre-sale.
<b>Conversion rate</b>	1 FLAR = 0.09 USD

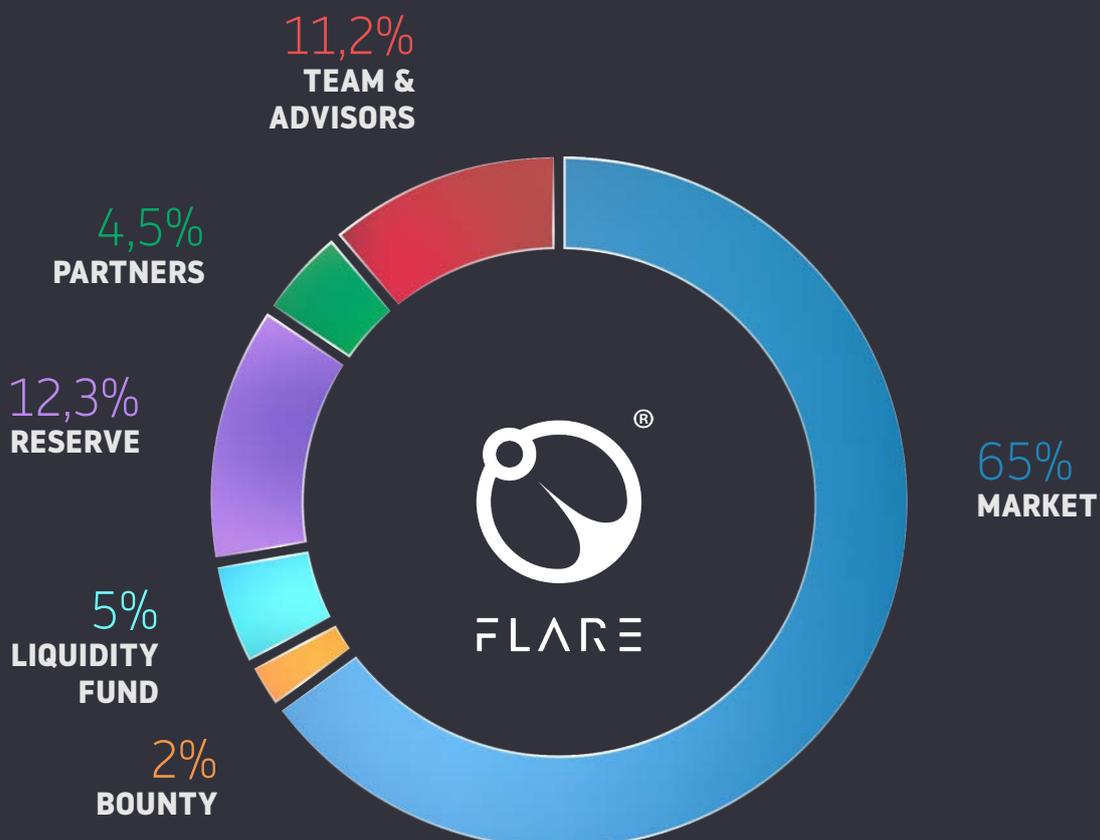
## ICO EVENT (DATE TBD)

<b>Exchange rates during ICO event</b>	ICO Power Days 1-2	1 FLAR = 0.064 USD	Unlocked
	ICO Week 1	1 FLAR = 0.075 USD	Unlocked
	ICO Week 2	1 FLAR = 0.082 USD	Unlocked
	ICO Week 3	1 FLAR = 0.09 USD	Unlocked
<b>Minimum transaction amount</b>	0.3 ETH		
<b>Main ICO distribution period</b>	2018 Q4		
<b>Token distribution</b>	Smart contract will distribute tokens after successful transfer of ETH.		
<b>Minimum goal</b>	20,000,000 FLAR		



## Token Distribution

- 65% of the total amount of tokens created will be available during the ICO event.
- 11.2% of the total amount of tokens will be provided to the Team and Advisors.
- 4.5% of the tokens will go to our Partners as a remuneration for their long and continuous support.
- 12.3% of the tokens will be assigned to an internal Reserve fund, in order to create a deposit of locked tokens that will be used to expand the Community business world-wide.
- 5% of all tokens will be available to the company as a liquidity fund. This fund will be used only in transparency and for Community approved necessities.
- 2% will provided to business Contributors through Bounty programs.





## Token Lock-up Schedule

We intend to lock part of the issued tokens for a fixed period to reduce the probability of a dump when Flare tokens hit the market, something that usually happens to most new tokens. Tokens assigned to the team, ad-

visors, ICO partners and reserve fund will be locked for 12 months and made available proportionally. The tokens will be available on a monthly basis, for 1/12 of the amount.

## Bonus Rates

- Flare ICO will start in Q4 2018 and will run for three weeks or until the hard cap is reached.
- During the first 2 days of the ICO Event (“Power Days”) Flare subscribers will have the right of 40% token bonus based on the ICO token pricing.
- For 5 days after the Power Days, i.e. during Week 1, token bonus will be 20% based on the ICO token pricing.
- Starting 7 days after the ICO launch and continuing for a week, i.e. during Week 2, token bonus will be 10% on the ICO token pricing.
- No token bonus will be applied for transactions received during the last week of ICO Event, i.e. during Week 3.





05

**An Art Milestone  
into Outer Space**



**As its first artistic project, the Flare Community aims to launch and station the first ever statue in Outer Space – Flare, a shining artwork that will revolve around our Planet for thousands of years.**

## Flare Statue Design and Community Curation

The Flare Foundation will put statue design to the vote of Flare Community in order to refine its former design proposal and select constituting components of the Flare artwork itself. Following Florian Crespol's former vision, a design idea will be conveyed thanks to the contribution of top contemporary artists currently elaborating on Flare concept.

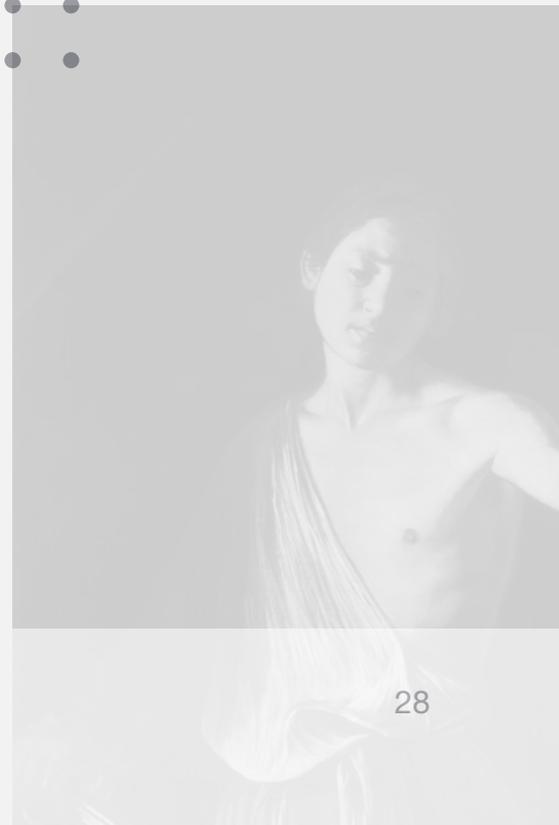
## Statue Funding and Your Name on Flare Statue

As part of business development, the Flare Foundation will co-fund statue realization and launch with the support of major sponsor and partners through a financing process independent from the ICO initiative here presented.

Notably, token holders will have the unique opportunity to add one or more custom name entries to the statue. Name entries will be payable in fiat money or Flare Coins. In this case, Flare Coins will be valued at nominal exchange rate (see chapter: Token Model) and subsequently burned.

## Earth-based Copy

Beyond Flare artwork, which is designed to revolve around planet Earth, the Flare Foundation will support the realization of a bigger physical copy of the statue to travel around the world and promote Flare Community concept and efforts. Contributors' names will be added to both the revolving statue and its Earth-based copy leaving a lasting trace on what is expected to be a true milestone in art history.



## A Matter of «Flares»

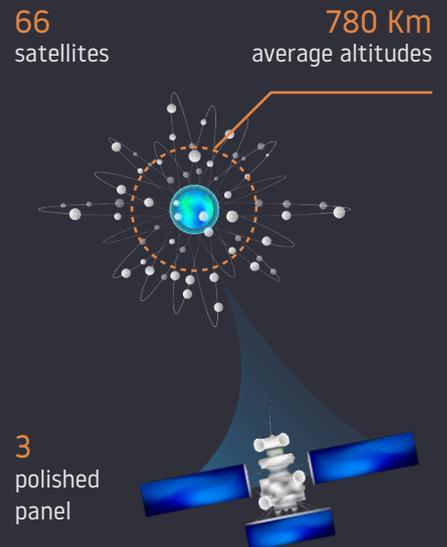
Sunlight on polished surfaces like satellites (antennas, solar panels, sides) generates light flares. The orbiting statue is designed to produce a brief, bright flare visible from Earth. The most common flares are given by the Iridium communication satellites.

- There is a constellation of 66 satellites whose average altitude is 780 km.
- Every satellite has 3 polished panels with a surface of 1.5 squared meters.
- When an antenna reflects sunlight directly down at Earth, it creates a quickly moving illuminated spot.

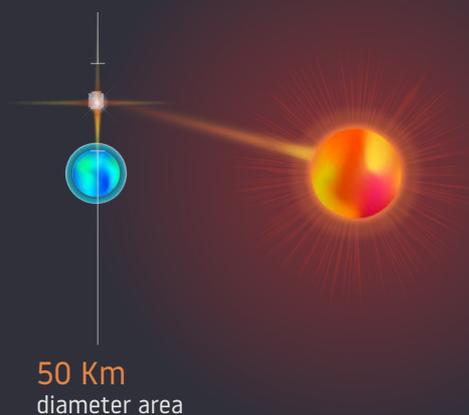
## The Statue Visibility from Earth

Sculpture altitude is significantly higher than Iridium satellites and will have thinner, oddly shaped reflective panels.

A 0.8 square meters polished panel, under optimal lighting conditions, is expected to produce at best a -2 magnitude flare over a 50 kilometer diameter area, not considering atmospheric interference. A gold plate covering the statue is under consideration for the former design proposal to put to the vote of Flare community. This method is expected to intensify production of flares under optimal lighting conditions.



0.8 m<sup>2</sup>  
polished panel



50 Km  
diameter area

Due to the sculpture shape, orbit and purely passive attitude control, occasional flares will be possible but not predictable.

## Technical Excerpt

Find in the following slides an excerpt from the technical feasibility study produced by Flare qualified engineers. Such calculations are part of the original monograph patented in Bern (CH), deposit nr. 51396/2018, registration nr. 713 006 and 51397/2018 registration nr. 713 005.



## Main requirements for launching

**The candidate satellite will have to satisfy the following launcher's requirements:**

-  Mechanical (withstand launch induced loads and accelerations)
-  Frequency (first order lateral and longitudinal frequencies of the main mode)
-  Maximum lateral and longitudinal load
-  Maximum dynamic lateral and longitudinal load
-  Coupled load analysis (manufacturer must provide a mathematical model of the spacecraft)
-  Satellite mass and CoG (Center of Gravity) position tolerance
-  Chemical (stability in space environment)
-  Safety (avoidance of toxic/dangerous/radioactive materials)

**And to reduce debris population international regulations will also impose that:**

-  Any artificial low Earth orbit satellite must decay within 25 years after the end of the mission.
-  At the end of the mission medium to high orbital slots satellites must move to a graveyard orbit.

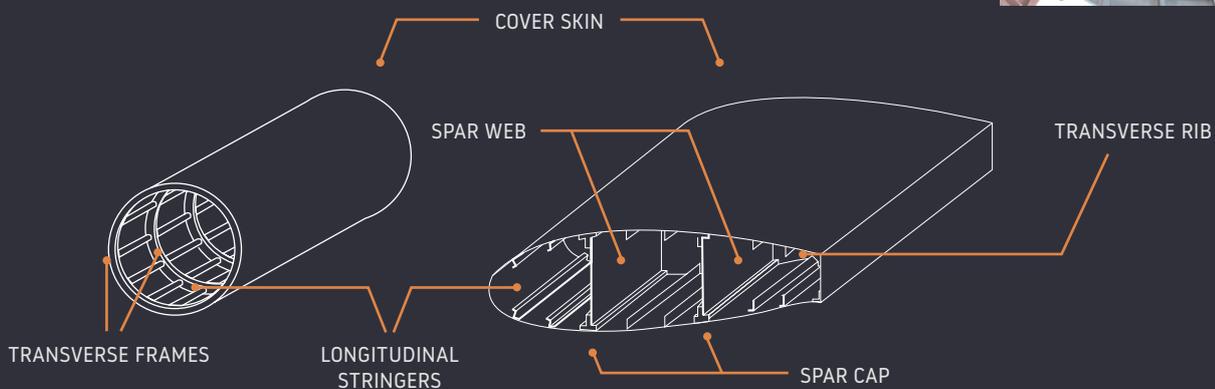
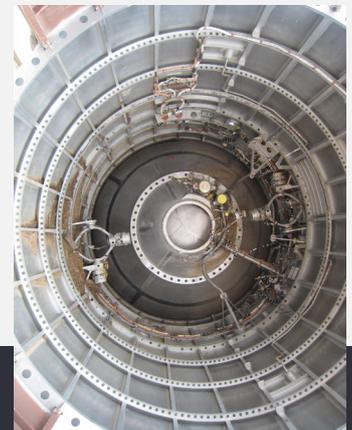
The statue Flare will be stationed in a medium orbital slot and will not undergo time limitation or any obligation to move to a graveyard.



## Mechanical Design & Composites

**Project Flare is eco-aware.**

The mechanical design of the statue Flare will comply with ECSS-E-30 Mechanical Engineering Standards (European Cooperation for Space Standardization). Such standards define overall principles and are relevant for all areas of mechanical engineering. In particular they identify the critical points to be assessed during the design, development and verification phases antecedent to the launch. The Sculpture's structure, in order to reduce the total mass will be built with a semi-monocoque technique. Outer skin and the internal reinforcements (spars and ribs) will hold loads in the same way as airplane wings and rockets are built.



Composite materials are made from the combination of two or more different materials; their properties depend on such materials as well as on the assembly procedure. Composites allow a significant increase of resistance with a minor mass increment.

## Qualification Tests and Mathematical Model

Certain qualification tests are mandatory:



**STATIC LOADS TEST**



**DYNAMIC TEST**



**ACOUSTIC TEST**



**SHOCK TEST**

A mathematical model of the structure will be used for design and validation purposes. Two models in use are Computer generated – virtual prototyping to validate the design without the need of a physical prototype – and FEM (Finite Element Model) for structural analysis.

Static tests objective is the verification of the strength of the satellite structure in accordance with accepted types of loading and determination of load carrying capability of the structure.

**Dynamic tests allow to:**

-  Estimate the modal frequencies of the satellite structure components and satellite structure as a whole.
-  Verify the consequences of the vibrations on the spacecraft's components.
-  Check locking and releasing devices after vibration loading.
-  Electro-mechanical shakers are used to impose sinusoidal forces with specific amplitude and frequencies.

Acoustic and shock tests are used to test both the structural integrity and the components behaviour as a response to the harsh environmental conditions encountered during the launch.



## Safety

The project promoter is required to demonstrate that the satellite, the support equipment and all operations comply with the launcher's safety regulations.

Reports detailing all the hazardous subsystems, hazardous materials, hazardous procedures used or implemented must be submitted for review and approval by the relevant authorities.

## Space Laws

Controversial attempts to regulate Space have defined rules for activity at is 100km above sea level and beyond. Five international treaties have been negotiated and drafted by a UN Committee (the Peaceful Uses of Outer Space Committee). Discussed topics were:

- Non-appropriation of outer space by any one country.
- Arms control.
- Freedom of exploration.
- Liability for damage caused by man-made space objects.
- Safety and rescue of spacecraft and astronauts.
- Prevention of harmful interference with space activities and the environment.
- Notification and registration of space activities.
- Settlement of disputes.

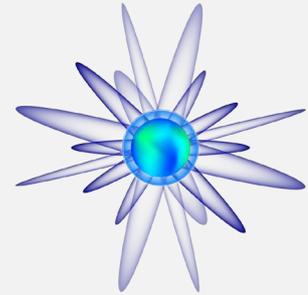
Launch sites are still subjected to national laws.

## Choice of Orbit

The Sculpture will retain its orbit for at least 10,000 years. Minimum orbital altitude will be outside the outer atmosphere.

Harmful interferences must be avoided: the Sculpture will be positioned in a low scientific/commercial interest orbit.

The Sculpture flares will be observed from Earth: inclined orbit will ensure vision from all inhabited continents.



- Circular Orbit
- Inclination 60°
- Inside Van Allen Belt

## Space environment

Various environmental issues affecting the orbiting spacecraft would need to be considered:



RADIATION



SPACE DEBRIS



METEOROID  
IMPACT



UPPER  
ATMOSPHERE  
INTERACTION



SPACECRAFT  
ELECTROSTATIC  
CHARGING



HEAT FLUXES



LOW PRESSURE  
(NEARLY PERFECT  
VACUUM)

## Launcher choice



We classify small/medium-class rockets. The following are examples of possible commercially available launchers:



USA



EU



RUS



IND

Launcher	Minotaur IV	Vega	Rokot	PSLV
Mass (Kg)	600-1200	1000-2300	800-2200	1100-3700
Altitude (Km)	200-1800	300-1500	300-2000	200-GTO
Site	Various	Kourou	Plesetsk	SHAR
Rate*	5/5	8/8	26/29	36/38

\* Parenthesis indicate reported launcher cost without additional services.  
 \* Successful over total number of launches.



E.g. The Polar Satellite Launch Vehicle is a modular expendable rocket developed and operated by the Indian Space Research Organisation from the Sriharikota Range (SHAR) sited off the Indian eastern coast. Standard fairing dimensions are reported to be 3.2 m (diameter) x 8.3 m (height).

## Other Phases of the Launch Project

- Launcher - Acceptance of work and contract settlement.
- Qualified construction.
- Integration.

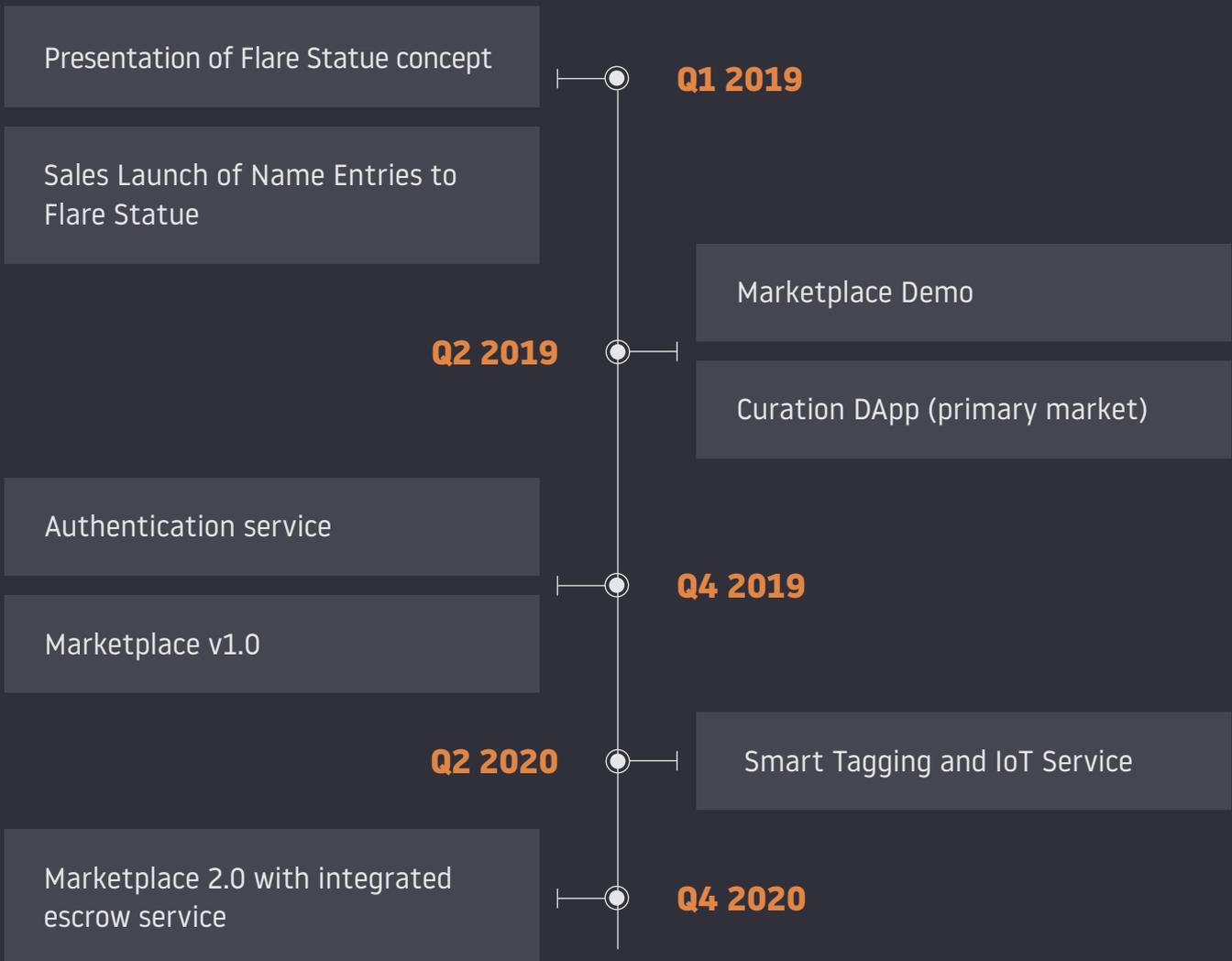


06

# Roadmap and Use of Proceeds

# Expected Roadmap

Flare Platform main constituting pillars will be released in a 2-year time span according to the following roadmap:



Token holders will have the chance to add one or more custom name entries to Flare Statue

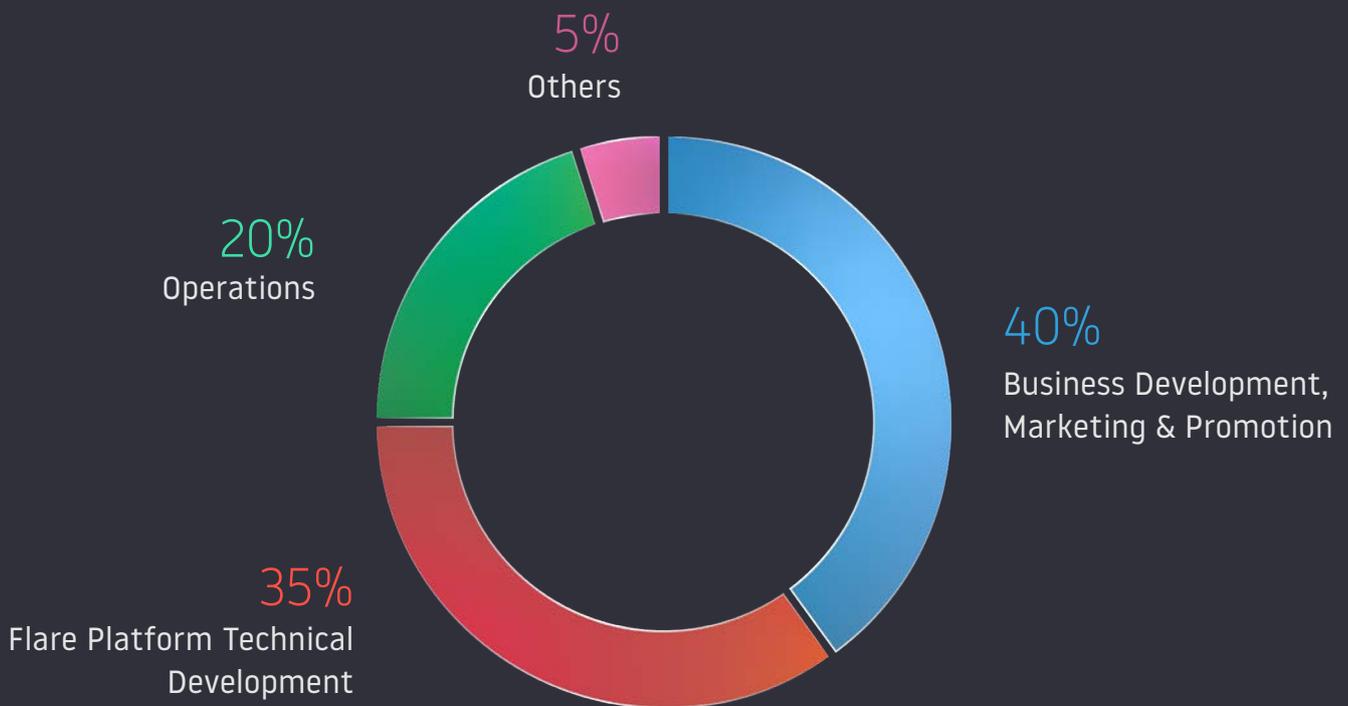
The Flare Foundation set the above milestone and time-frame holding the assumption that ICO hard cap is reached

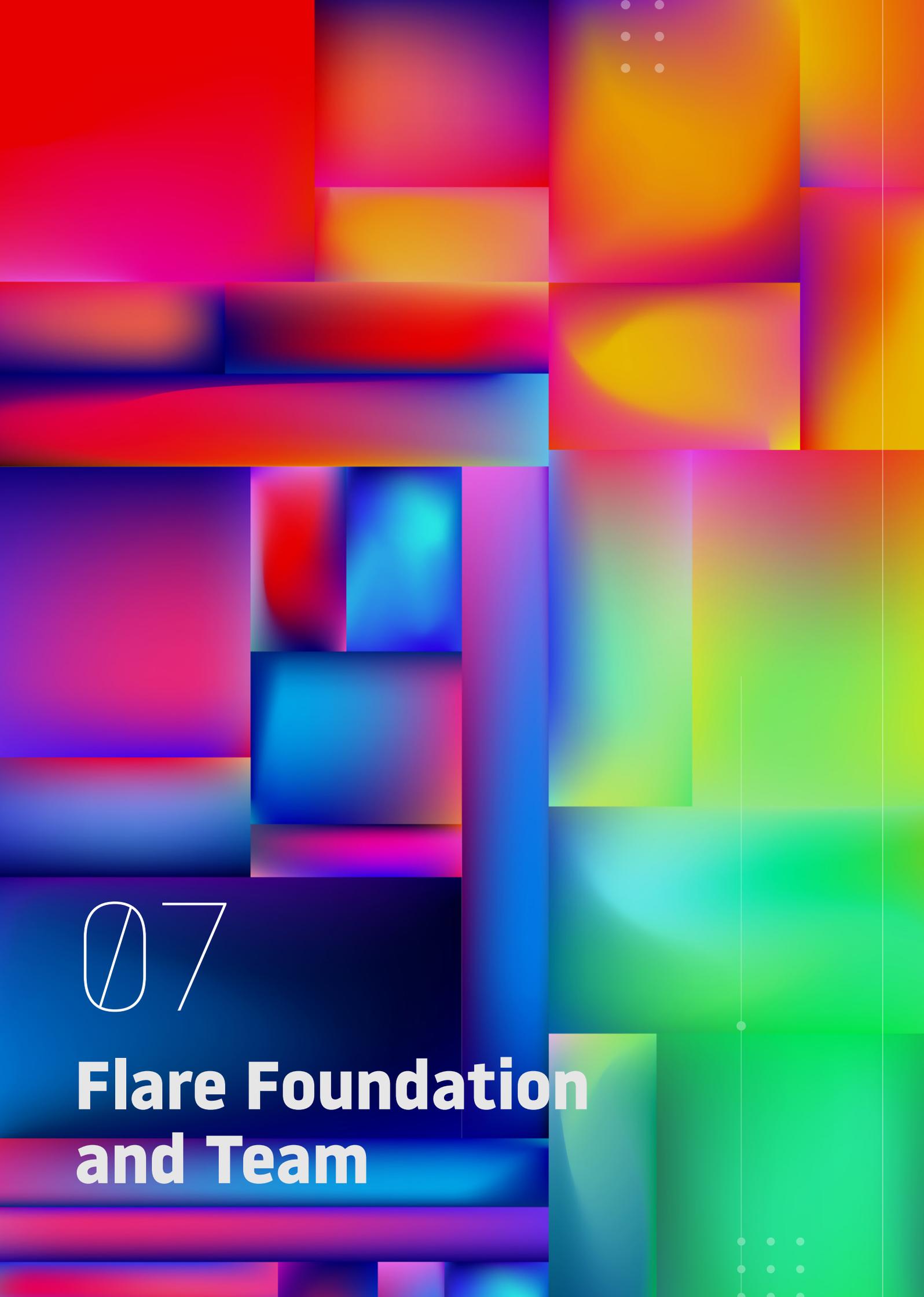
The Flare Foundation expects Art Sharing service to be delivered after the completion of the reported foundational milestones

## Use of Proceeds

Funds collected through ICO process serves for three main purposes:

- Realization of main services constituting Flare Art Platform.
- Development of Flare Community worldwide.
- Continuous Marketing & Promotion of Flare Community efforts and achievements.
- Ensuring legal and regulatory compliance to Flare initiatives.





07

# Flare Foundation and Team

[www.flarecommunity.io](http://www.flarecommunity.io)



## About the Flare Foundation

The Flare Foundation is the organization directly promoting Flare ICO and services development, and eventually managing future business of the organization in the Art Platform scope. The Flare Foundation was established in 2018 with the mission to realize the original vision matured by Celebrate Humanity non-profit organization, whose efforts are devoted to raise awareness around democratization of contemporary art.

The Flare Foundation identified best team members, partners and advisors in order to successfully complete its ICO funding and turn into reality Flare concept and services.

## About Celebrate Humanity



Celebrate Humanity is a non-profit organisation dedicated to the discovery and support of contemporary visual art.



**Francisco de Borbón y Escasany,**  
Chairman

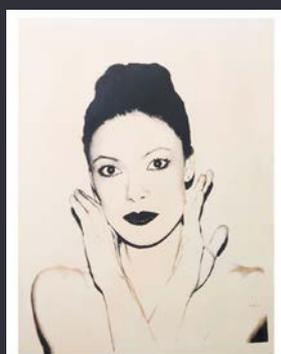
Mr. de Borbón has held several senior board positions within the financial services, engineering, energy and property sectors during his career. These include, among others: Bank of Miami (Chairman and CEO); International Bank of Miami (Chairman and CEO); Deutsche Chamber of Commerce in Spain (Executive Chairman), and Polaris (Chairman). He has been investing and advising on private equity and real estate in the United States, Europe and South America for over 25 years. Since 1993, he has been Chairman of the engineering company IECSA.

*“Our organisation was founded by a collective united by a common vision. We connect local talent to a global network, ensuring that under-represented artists are known to the right people. We use our expert knowledge of the industry to sponsor gifted individuals, so that the world can see their beauty.”*

### Selected pieces from Celebrate Humanity’s collection



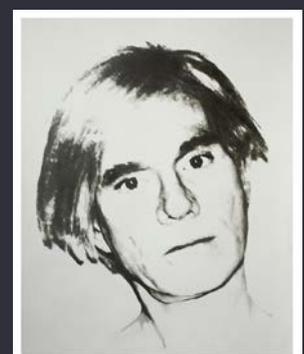
**GEORGE CONDO**  
CONSTRUCTED  
FEMALE FIGURE



**ANDY WARHOL**  
KAREN KAIN



**ROBERT RAUSCHENBERG**  
ROULETTE



**ANDY WARHOL**  
SELF-PORTRAIT

## Flare Team



**Alberto Veronesi**  
**CEO**

Alberto combines IT skills – formerly acquired as web master and IT manager – with wide business background. He matured his business experience as founder of leading firms in food & catering European market, import/export companies operating in GCC & US areas, together with a consulting experience in the Russian Oil & Gas industry. Being an active business developer in the ICO scope, joined Flare as Chief Executive Officer.



**Daniel W. Engel**  
**COO**

Dan founded and was President/Director of both an International executive and time management leather goods manufacturer and a corporate imaging and packaging corporation which secured contracts globally from 1985 to 2000. He was also Vice President, Director & Co-Founder of the first completely Digital Diagnostic Medical Imaging Centre in Western Canada. Moreover, Dan has been involved with numerous international companies as Founder, President, COO and Director – including several software corporations in Curacao, and a number of firms in Malta, EU, Canada and US.



**Esben Stockmarr**  
**CFO**

Esben is an entrepreneur and venture developer with more than 6 years of experience in building and scaling tech ventures. Esben has previously worked as venture developer for Rocket Internet and was the VP growth at Moneyfarm. In addition to Flare, Esben is a Partner at Rising Global Partners and works in private equity with fundraising and deal origination. He is also a mentor at Google Launchpad and Virgin Startup. Esben graduated cum laude from Copenhagen Business School and is an alumnus of MIT's Global Entrepreneurship Bootcamp.



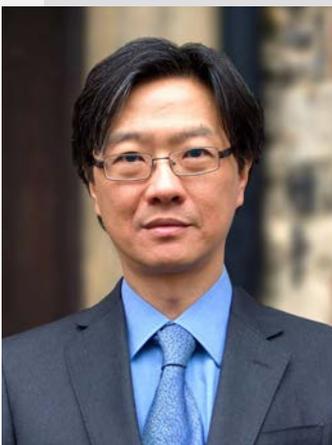
**Alexis Jonnson**  
**CMO (Art-related operations)**

Alexis brings 15 years of experience in the art and publishing industries, working for US-based contemporary galleries and leading media groups such as Hearst, XO Group Inc., and Domino Media Group. After honing her skills as a creative director in marketing, she has returned to support the promotion and growth of contemporary art. Alexis holds a Bachelor's in Art History and is a Junior Associate at the Museum of Modern Art, remaining active in the global art community.



Jacopo Vanetti  
**Blockchain Development Dept.**

Programmer since 10 years old, at the age of 17 he was ranked as the first Italian in the “Capture The Flag” international hacking competition. In 2008, he founded a software house and in 2011 started a company focusing on mobile payments. Internationally awarded, this company raised 7 Million of euro from 2 Venture Capital & European Union and was the most funded company in 2013. In 2016 he received "Award of the awards" for innovation from the Italian President Sergio Mattarella in person.



Marcos Lin  
**Blockchain Development Dept.**

Hands on manager with extensive experience in mobile payment system, from app to backend, from transactional system to regulatory reporting. Technically focusing on delivering multi-platform solution using Javascript and Python. Creator of angularAMD open source package.



**Salavat Khairouline**  
**Exchange Relations Manager**

Salavat has worked in commodity trading since 2003. He traded raw and white sugar in one of the famous trading house named Cargill. After having matured experience in sugar trading, he joined a grain trading company in Switzerland to supply countries such Egypt and North Africa, and eventually moved to oil trading market accessed by European refineries.

08

# ICO Partners



## Blockchain Reply

Blockchain Reply is the operative arm in blockchain technologies of group Reply, a publicly traded company on the Milan Stock Exchange (REY.MI) with a total market capitalization of about Euro 2 billion (“Reply”).

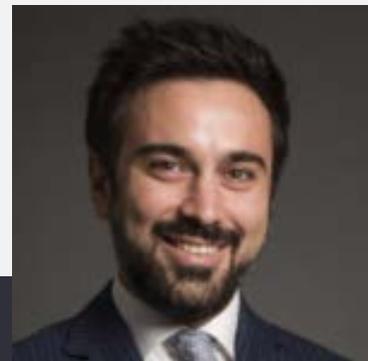
Since 2014 Blockchain Reply has been researching and focusing specifically on blockchain technology.

Its fields of specialisation are summarised as follows:

- In-depth research of technological and business impact.
- Ongoing market monitoring through a dedicated specialised observatory.
- Strategic consulting for selection and design of blockchain use cases and business models.
- End-to-end software solutions development with a wide range of blockchain protocols and technologies.
- Collaboration with international association, universities and legal firms.



[www.reply.com](http://www.reply.com)



*«Blockchain Reply is committed to support the Flare Foundation as recognized industrial partner for a successful delivery of Flare ICO process. In particular, Blockchain Reply will support the Flare Foundation in designing and developing Flare Art Platform leveraging, beyond its own blockchain expertise, competencies belonging to Reply group, which supports leading industrial players in defining and developing business models to optimise and integrate processes, applications and devices, using new technology and communication paradigms, such as Big Data; Cloud Computing; Digital Communication; Internet of Things; Mobile and Social Networking.»*

**Maurizio Sironi**  
Blockchain Reply



## Friendz

**Friendz is a fast-growing communication company whose main goal is to connect brands with their target audience, taking advantage of the most powerful marketing tool ever: word of mouth in social media.**

Friendz is proud to have introduced in the digital marketing scenario a new way of advertising, based on peer-to-peer communication. Friendz has been actively operating in the market since 2016, with a working APP already globally available on iOS and Android store.



[www.friendz.io](http://www.friendz.io)



*“Based on our recent successful ICO where we have raised 28M\$, we are proud to be partner of the Flare Foundation offering them our know-how on community, content management and gamification support for their amazing project.”*

**Alessandro Cadoni**  
Friendz Co-founder

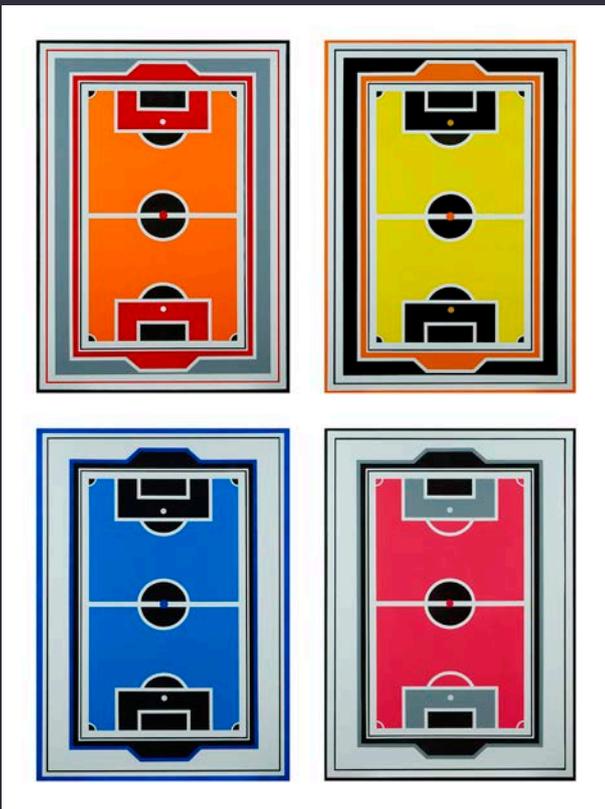
# Florian Crespol

[www.fcrespol.com](http://www.fcrespol.com)

*“The innovative, great artists of the future, those who will deeply influence art in its evolution, are among us, somewhere in the world. Most of them will want to be part of the Flare Community if they will consider us able to help and as innovative as they are. Flare, that I conceived, will take the shape of a large Community, embracing the whole of humanity and epitomised by a beautiful statue to be placed at the entrance of the Planet — our first bold, innovative project.”*



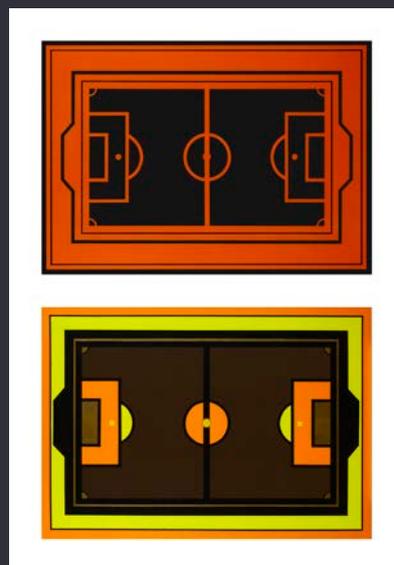
## Florian Crespol



**Composition Nr. 1**  
4 Paintings Cm. 64x45 each  
Acrylic on PVC



**Golden Game -**  
Cm. 125.5x88.5  
Acrylic and Epoxy  
Resin on Wood



**The Chinese Train.  
Composition Nr.3**  
2 paintings of Cm.  
64x45 each.  
Acrylic on PVC

09

# Advisory Board



## Dava Newman

Is the Apollo Program Professor of Aeronautics and Astronautics and Engineering Systems at the Massachusetts Institute of Technology and a Harvard–MIT Health, Sciences, and Technology faculty member in Cambridge, MA. Dava is the former Deputy Administrator of NASA. She is also a MacVicar Faculty Fellow (awarded for contributions to undergraduate education), former Director of the Technology and Policy Program at MIT (2003–2015), and former Director of

the MIT–Portugal Program (2011–2015). As the Director of MIT’s Technology and Policy Program (TPP), she led the Institute’s largest multidisciplinary graduate research program, with over 1,200 alumni. She has been a faculty member in her home department of Aeronautics and Astronautics and MIT’s School of Engineering since 1993.



## Patryck Rafael Starak

Is a board member of the Starak Foundation, the leading art collector in Poland.

Mr. Starak is also a director of Herbapol and has been previously part of Polpharma management Board, the leading pharmaceutical enterprise in Poland.

### **Starak Family Foundation**

The Starak Family Foundation inaugurated its activity in December 2008.

The Foundation’s main aim is to support and promote young gifted people, and create optimal conditions for their growth to assist them in realizing their dreams and life goals.

### Selected pieces from Starak Family Foundation’s collection



**Teresa Rudowicz**  
Here and here



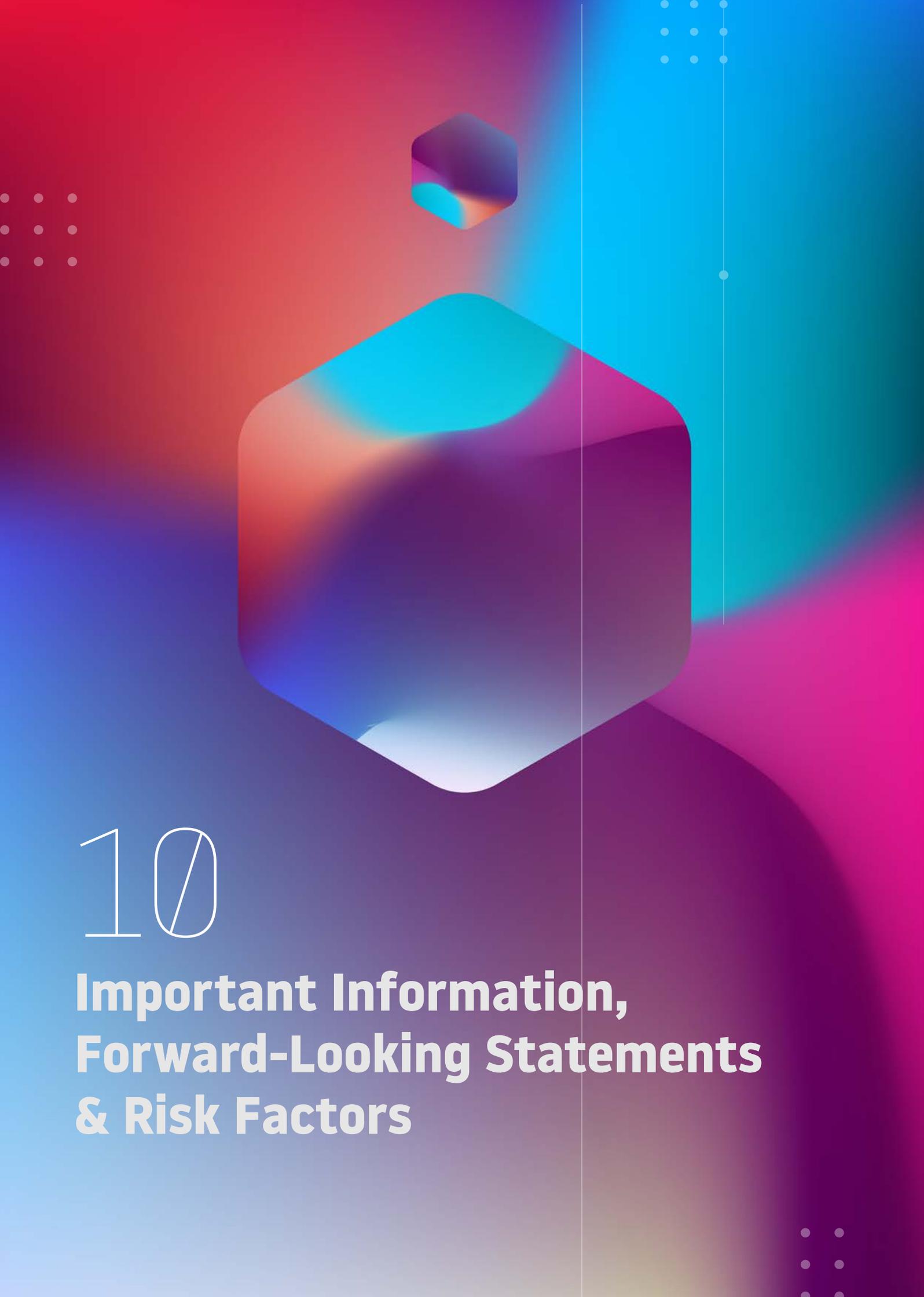
**Victor Vasarely**  
Yablapur



**August Zamoyski**  
Tango



**Vik Muniz**  
The Dream (after Picasso)



10

**Important Information,  
Forward-Looking Statements  
& Risk Factors**

# Important Information



PLEASE READ THIS SECTION AND THE FOLLOWING SECTIONS ENTITLED “DISCLAIMER OF LIABILITY”, “NO REPRESENTATIONS AND WARRANTIES”, “REPRESENTATIONS AND WARRANTIES BY YOU”, “CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS”, “MARKET AND INDUSTRY INFORMATION AND NO CONSENT OF OTHER PERSONS”, “NO ADVICE”, “NO FURTHER INFORMATION OR UPDATE”, “RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION”, “NO OFFER OF SECURITIES OR REGISTRATION” AND “RISKS AND UNCERTAINTIES” CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).

Flare Coins (FLAR) - which hereinafter referred as “Tokens” - are not, nor are they intended to, constitute a security, an investment scheme, financial instrument or any other regulated product in any jurisdiction. This Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction.

This Whitepaper does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer to purchase any Tokens nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any con-

tract or investment decision. “The information contained in this Whitepaper is subject to change.”

No person is bound to enter into any contract or binding legal commitment in relation to the sale and purchase of the Tokens and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper.

You are not eligible to and you shall not purchase the Tokens if you are a citizen or resident (tax or otherwise) of any country or state where the purchase of the Tokens or similar cryptocurrencies or tokens, may be prohibited or the token sale is deemed to be non-compliant with the applicable laws and

regulations. You are not eligible and you are not to purchase any Tokens if you are a citizen, resident (tax or otherwise) or green card holder of the United States of America. For clarity, natural persons and entities that are a resident of (tax or otherwise), domiciled in, or have a connection to, the United States of America, Canada, the People's Republic of China, New Zealand, Japan or Hong Kong are expressly prohibited from participating in the token sale and purchasing of the Tokens.

No regulatory authority has examined or approved of any of the information set out in this Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this Whitepaper does not imply that the applicable laws, regulatory requirements or rules have been complied with.

There are risks and uncertainties associated with the Issuer and the Tokens (as described in further details in the section entitled 'Risk Factors').

This Whitepaper, any part thereof and any copy thereof must not be taken or transmitted to any country where distribution or dissemination of this Whitepaper is prohibited or restricted.

No part of this Whitepaper is to be reproduced, distributed or disseminated without including this section and the following sections entitled "Disclaimer of Liability", "No Representations and Warranties", "Representations and Warranties By You", "Forward-Looking Statements" and Risk Factors.

## **DISCLAIMER OF LIABILITY**

To the maximum extent permitted by the applicable laws, regulations and rules, the Issuer shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you.

## **NO REPRESENTATIONS AND WARRANTIES**

The Issuer does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in this Whitepaper.

## REPRESENTATIONS AND WARRANTIES BY YOU

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case may be), you represent and warrant to the Issuer as follows:

- a.** you agree and acknowledge that the Tokens do not constitute securities in any form in any jurisdiction;
- b.** you agree and acknowledge that this Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper;
- c.** you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Whitepaper, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this Whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;
- d.** you agree and acknowledge that this Whitepaper, the undertaking and/or the completion of the Initial Token Sale, or future trad-

ing of the Tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of the Issuer and/or the Tokens;

- e.** the distribution or dissemination of this Whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to the Issuer;
- f.** you agree and acknowledge that in the case where you wish to purchase any Tokens, the Tokens are not to be construed, interpreted, classified or treated as:
  - i. any kind of currency other than cryptocurrency;
  - ii. debenture, stocks or shares issued by any person or entity;
  - iii. rights, options or derivatives of such debentures, stocks or shares;
  - iv. rights under a contract for differences or under any other contract the purposes or pretended purposes of which is to secure a profit or avoid a loss;
  - v. units in a collective investment scheme; or
  - vi. any other security or class of securities.

g. you are fully aware of and understand that you are not eligible to purchase any Tokens if you are a citizen, resident (tax or otherwise) or green card holder of the United States of America;

h. you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology;

i. you are fully aware and understand that in the case where you wish to purchase any Tokens, there are risks associated with the Issuer and its business and operations and the Tokens;

j. you agree and acknowledge that the Issuer is not liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you; and

k. all of the above representations and warranties are true, complete, accurate and non-misleading from the time of your access to and/or acceptance of possession this Whitepaper or such part thereof (as may be).

## FORWARD-LOOKING STATEMENTS

This Whitepaper contains statements which to the extent that they do not recite historical fact, constitute forward-looking statements. These statements can be identified by the fact that they do not relate strictly to historical or current facts and may include the words “may”, “will”, “could”, “should”, “would”, “believe”, “expect”, “anticipate”, “estimate”, “intend”, “plan” or other words of expressions of similar meaning. These forward-looking statements are based on the current expectations of the Issuer about future events. These forward-looking statements include statements that reflect the Issuer’s beliefs, plans, objectives, goals, expectations, anticipations and intentions with respect to the financial condition, results of operations, future performance and business of the Issuer. The Issuer urges you to carefully review this Whitepaper, particularly the “Risk Factors” in this Whitepaper, for a more complete discussion of the risks of a subscription to the Tokens. Although the Issuer believes that the expectations reflected in this forward-looking statements are reasonable, the Issuer cannot guarantee future results, level of activity, performance or achievements. Actual results may differ materially from those that might be anticipated from forward-looking statements. In light of these and other uncertainties, you should not regard the inclusion of forward-looking statements in this Whitepaper as a representation by the Issuer that its plans and objectives will be achieved, and you should not place undue reliance on such forward-looking statements. The Issuer does not undertake any obligation to publicly update and forward-looking statements, where as a result of new information, future events or otherwise.

## 1. RISK FACTOR

### 1.1 GENERAL

An investment in the Tokens issued by the Issuer involves certain risks, including but not limited to those risks described in this Section. The following risks are those identified by the Issuer as at the date of this White Paper. Prospective investors should carefully consider, together with their independent financial and other professional advisors, the following risk factors (not listed in order of priority) and other investment considerations as well as all the other information contained in this Whitepaper before deciding to make an investment in the Tokens.

Some of these risks are subject to contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingencies occurring. The sequence in which the risks below are listed is not intended to be indicative of any order of probability of a particular cause of loss arising or of the extent of that loss should it arise.

Should any of the risks described below materialise, they could have a serious adverse effect on the Issuer's financial results and trading prospects and the ability of the Issuer to fulfil its obligations.

The risks and uncertainties discussed below may not be the only ones that the Issuer faces. Additional risks and uncertainties, including those the Directors of the Issuer may not currently be aware of, could well result in a material impact on the financial condition

and operational performance of the Issuer. Accordingly, prospective investors should make their own independent evaluation of all risk factors, and should carefully read, consider and understand the Whitepaper as a whole before investing in the Tokens. In addition, prospective investors ought to be aware that risk may be amplified due to a combination of risk factors.

### 1.2 RISKS RELATING TO THE ISSUER

#### 1.2.1 STARTUP

The Issuer has been recently incorporated and has a limited track record. Furthermore the Issuer's business model may not be successful in which case the Tokens would have limited or no value.

#### 1.2.2 REGULATION OF THE ISSUER

The Issuer is not regulated in any manner. The fact that the Issuer is registered as a limited liability company in Malta should not be construed to mean that the Issuer is under some form of supervision by the Maltese authorities. Nevertheless there are currently laws being debated and discussed in Malta which are still subject to approval by the Maltese parliament whereby some of the operations of the Issuer might be subject to regulation in the near future, possibly within the first anniversary from the issue of the Tokens. In such case the Issuer's costs of running its business could increase significantly in view of the regulatory standards and requirements

which may be imposed. The Issuer may also be subject in the near future to rigorous anti-money laundering and know your client requirements which will also increase the costs of doing business albeit will also ensure that the Issuer is operating within a well regulated legal framework.

### 1.2.3 SERVICES OF THE ISSUER

The purchaser recognizes that some of the services in the Issuer's ecosystem are currently under development and may undergo significant changes before release and/or made available for use. The purchaser acknowledges that any of its expectations regarding the form and functionality of the Issuer's Art Platform and associated services may not be met for any number of reasons.

## 1.3 RISKS RELATING TO THE TOKENS

### 1.3.1 NO EXISTING TRADING MARKETS

The Tokens are a new issue of digital tokens for which there is no established public market. Although the Issuer intends to admit the Tokens on several cryptocurrency exchanges, there can be no assurance that such exchanges will accept the listing of Tokens or maintain the listing if accepted. There can be no assurance that a secondary market will develop or that it will continue for the life of the Tokens.

### 1.3.2 LIMITED RIGHTS

Holders of Tokens will have no voting rights or other management or control rights in the Issuer. Furthermore, the Tokens will have no distribution or dividend rights. The law of such rights means that the Token holders will have a very limited say in the running of the Issuer's business.

### 1.3.3 REGULATORY RISKS

Regulation of tokens and token offering such as this, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently are undeveloped and likely to rapidly evolve, varies significantly among international and local jurisdictions and are subject to significant uncertainty.

New or changing law and regulations or interpretations of existing laws and regulations may adversely impact the status of the Tokens, their offering or the possibility to exchange the Tokens on cryptocurrency exchanges.

### 1.3.4 RISKS RELATED TO BLOCKCHAIN NETWORKS

Participating in this Initial Token Offering required technical skill beyond that of many investors. Securing, trading or collecting distributions relating to the Token require working knowledge of blockchain technology, blockchain assets and their attendant systems and

processes. Similar knowledge of blockchain asset exchanges and other industry participants may be required.

### 1.3.5 RISKS RELATED TO STORAGE OF THE TOKENS

The Tokens will be stored in a wallet, which can only be accessed with a password selected by the purchaser. If a purchaser of the Tokens does not maintain an accurate record of their password, this may lead to the loss of their tokens. If your password protection is weak and it is cracked or learned by somebody else, this may also lead to the loss of tokens. As a result, purchasers must safely store their password in one or more backup locations that are well separated from the primary location.



# Contact

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Valletta - VLT1123  
Malta

<https://flarecommunity.io>  
[info@flarecommunity.io](mailto:info@flarecommunity.io)