



PROXIAIR

WHITEPAPER



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WHAT IS



ProxiAir is a Blockchain based smart IoT cloud software solution for Airports-Improving luggage security by implementing IoT RFID (Radio Frequency Identification) technology at the airports with transparent and accessible data saved in Blockchain

PROXIAIR FOR AIRPORTS

ProxiAir is a cloud-based system that uses Blockchain technology to help the airline industry handle baggage modern, transparent, and accessible. ProxiAir was developed as a spin-off of a company called ProxiGroup, specializing in automatic localization and visualization of the object using cloud-based software and RFID technology.

Less than two years are left for airlines and airports to comply with the IATA Resolution 753, which requires adopting IoT tools to reduce baggage mishandling.

Millions of bags are mishandled by airlines each year, at a cost to the industry of hundreds of millions of dollars and upset customers. Additionally, the International Air Transport Association (IATA)—the trade association for 250 airlines worldwide—is mandating improved baggage handling systems by June 2018 through Resolution 753.

Radio-frequency identification (RFID) is an underlying approach to improving existing baggage-handling services and providing new services. The IATA is calling for the use of RFID technologies in baggage handling. The organization has participated in RFID trials, developed an industry standard for intelligent baggage tags, and produced a business case for its airline members.

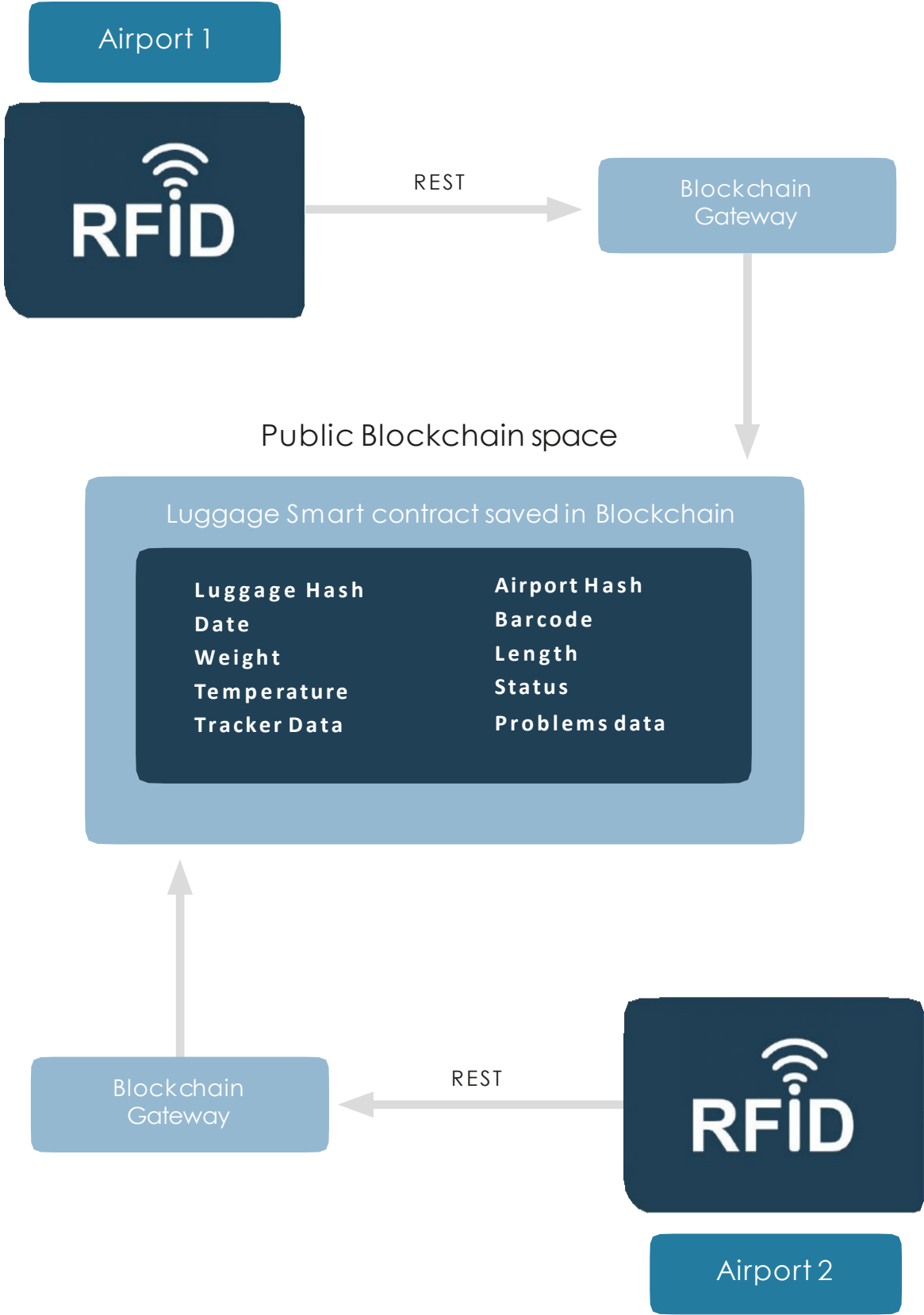
Numerous types of trials worldwide show that RFID tags—when coupled with management reporting systems—help improve baggage performance. Further research shows that airports and passengers benefit through fewer baggage claims, greater handling efficiency, and less journey disruption.

This leads airlines to standardize their use of modern technologies such as RFID, thereby eating various ways to improve customer satisfaction and sell additional products and services to passengers throughout their journeys.

The connection between the Airports is another big thing that needs an improvement. We're using BLOCKCHAIN technology to store and process luggage data in a transparent and effective way

ProxiAir is actively taking the lead in Industry 4.0 and collaborating with the lead companies in IoT and RFID deployments in the UK, Poland, EU, Asia, Middle East, and the US. The creation of the Smart Airport solution is a step further to the new market opportunities, which will allow us to grow and be competitive as EU based software solutions platform for intelligent connected airports.

PROXIAIR CORE



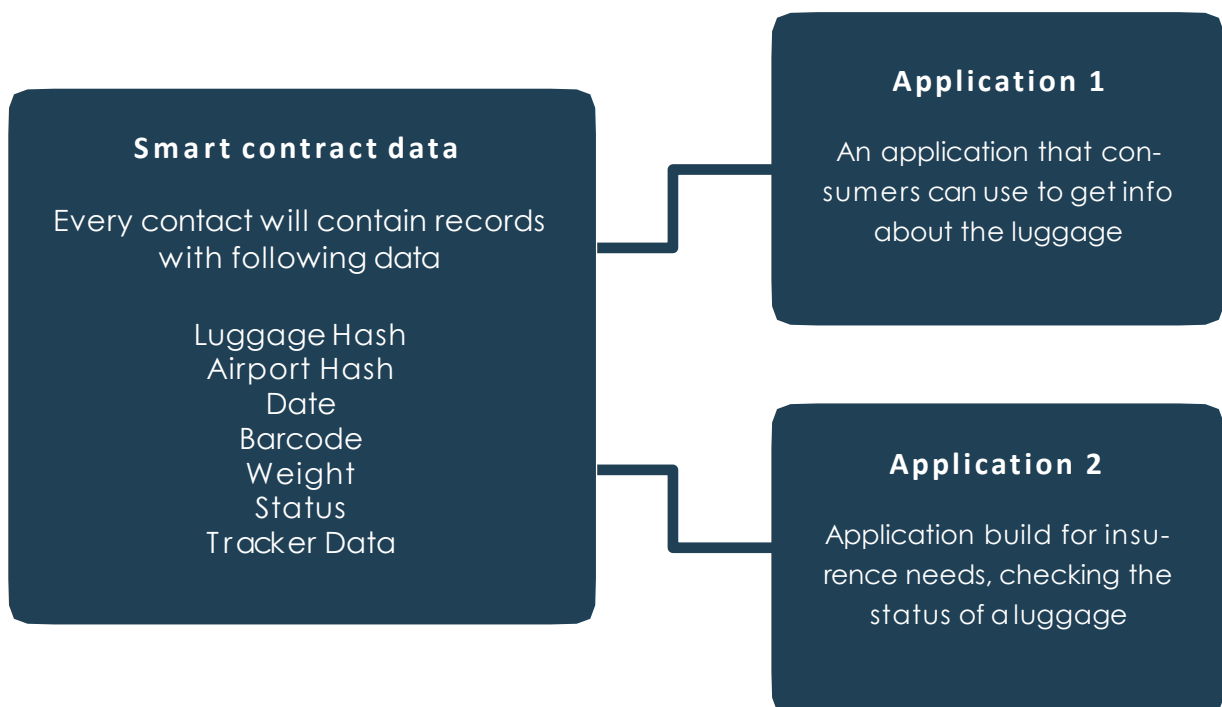
LUGGAGE SMART CONTRACT

Most of the airports are automated enough to handle some sort of information. But there is one general problem if you want to build a system which operates on those data. The problem is privacy and security.

Building one universal system for all the airports as a solution based for example on SaaS construction can be tricky because Airports don't want to deal with the system which store information in a potential place that can be under attack.

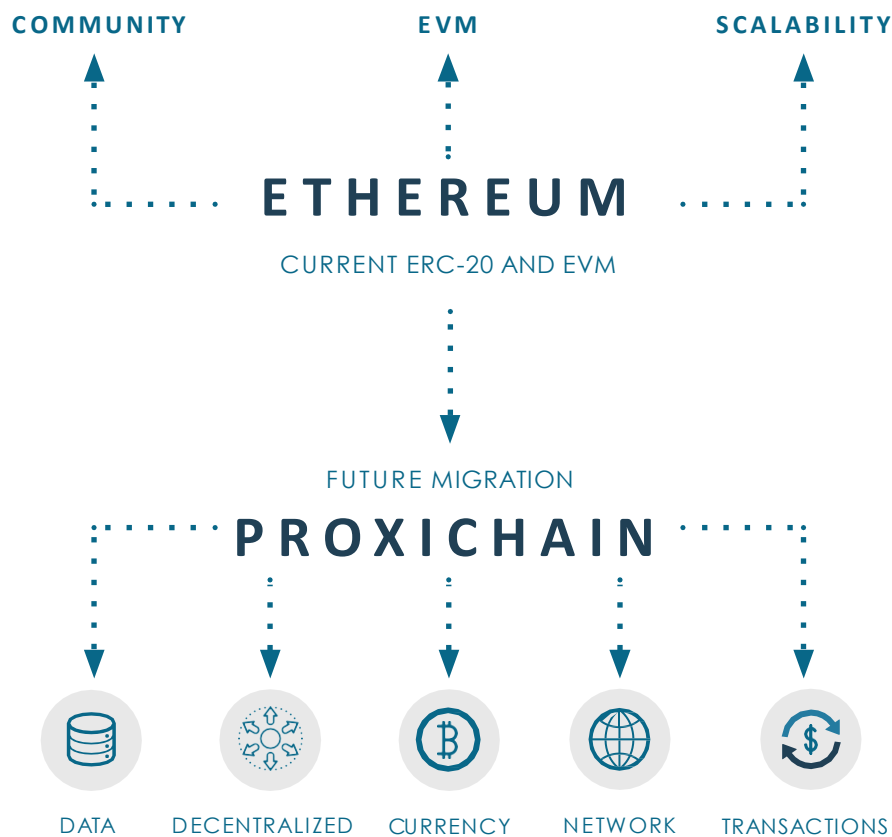
That's why most system used by airlines are more likely intranets which operates in a very clear and closed environment. Any type of automation needs to keep data inside one location and taking the data outside this space can be handled only by authorised systems, for example the airlines internat system which helps you to track information about certain things connected with your flights.

Blockchain is a perfect solution for storing data in a public space. At first blockchain can store a meta-data information which allow to make them transparent, Second it's a publicly owned system which can be manipulated easily. By bringing those data to the Blockchain space you can allow the community to build application that will improve the certain parts of the consumer overview over the luggage transportation problem. For example people can use the system for live tracking information about the luggage or smart insurance system based on that technology.



THE BLOCKCHAIN HEART

At first, we will improve the Ethereum Blockchain technology by developing a Luggage smart contract and a unique gateway for airports that can upload the data from our internal RFID/- Cloud technology. In the second step, we would like to build our master node technology



We want to implement our technology inside the airport and then migrate from Ethereum blockchain to our master node blockchain, which will be handled by the nodes that are the internal part of the airports

Did you know?
21.6 million baggage were mishandled in 2017

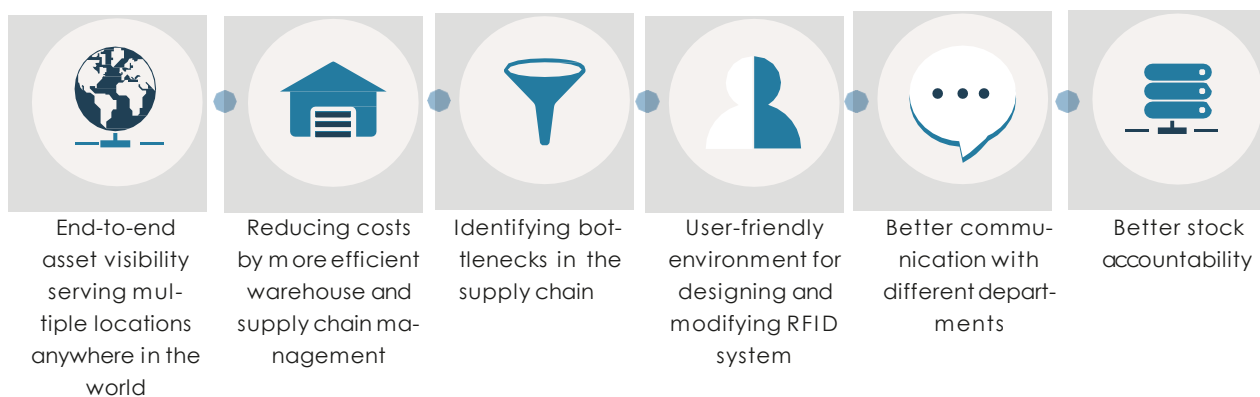
AUTOMATED SOLUTION

PROXIAIR platform is an entirely innovative approach to deploying and managing RFID IoT tracking systems as part of the global IoT ecosystem, creating a bridge for fluid synchronized communication between the virtual and physical world in Asset Management. Based on IoT technology, we control, provide, and promote the analysis of large amounts of data from RFID-tagged physical objects. PROXIAIR provides a cost-effective virtual site survey to effectively design and implement intelligent airport, factory, warehouse, or supply chain. Our technology synchronizes data communications between assets, eliminating human error and allowing faster and more efficient decision-making based on real-time data.

IoT in real-time is essential for tracking and automatic inventory of luggage, reducing the time and cost of losing and locating baggage.

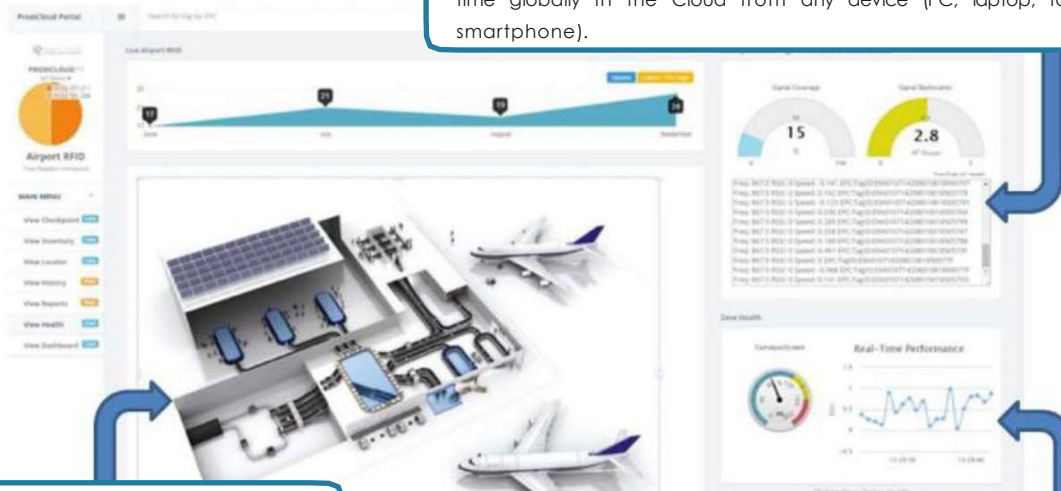
PROXIAIR aims at new business opportunities addressing EU/global challenges in logistics, transport, and supply chain areas. Our overall goal is to commercialize the most effective Industry 4.0, providing lower costs in all supply chains and filling aniche market in the Big Data sector.

PROXIAIR use comprises three steps: Design, Optimize and Track, as shown in the example screenshot below taken from an airport setup for luggage tracking. The operational output based on real-time data and events in their natural environments allows end-users to take the most important steps: deciding and acting quickly.



RAAS IN 3 STEPS

3 TRACK: When the system is live and optimized, the items are immediately available to be tracked on the Cloud by PROXIAIR in real-time. The end-user can track the history of a single asset location or view a detailed inventory of all assets with time duration (dwell time) per item, per zone, or the entire site. Locate, track, schedule events, and analyze assets anywhere, anytime in actual real-time globally in the Cloud from any device (PC, laptop, tablet, smartphone).



1. DESIGN: The first step is to design a digital representation of the floor plan layout utilizing a 2D/3D CAD live virtual site survey. This visual representation of the physical RFID LoT tracking domain becomes a dynamic live site survey using the CAD functionality

2. OPTIMIZE: Once the physical system hardware is installed at the customer site, the system is optimized by machine learning-driven tracking areas and zones to maximize the coverage. PROXIAIR provides a management utility that allows distance measuring through RSSI (received signal strength indicator), elevation, rotation, and sweeps angle alignment.

3. EXPORT: The last step is to export the data from a facility without harming internal security protocols by building a special blockchain gateway with meta-data protection. This will allow airports to export data to one public cloud, which will be a blockchain-based technology

BAGGAGE HANDLING

Several flights are made locally and internationally every day, where both flight passengers and baggage are conveyed from one point to another by airline operators. It is a universal practice, mostly associated with international flights, though some standard local flight operators also use baggage handling system, a system through which passengers' baggage are checked in and out of the airport. Getting to the airport, a passenger goes directly to an agent to check if his flight ticket is genuine and then get a boarding pass. The traveler's load at the airport is called "Baggage", which is delivered for the airline operators to scan and transport to either the destination of the passenger, or to the terminal gate where the passenger goes out of the airport.



Several flights are made locally and internationally every day, where both flight passengers and baggage are conveyed from one point to another by airline operators. It is a universal practice, primarily associated with international flights. However, some standard local flight operators also use a baggage handling system, through which passengers' baggage is checked in and out of the airport. A passenger goes to the airport directly to an agent to check if his flight ticket is genuine and then gets a boarding pass. The traveler's load at the airport is called "Baggage," which is delivered for the airline operators to scan and transport to either the destination of the passenger or to the terminal gate where the passenger goes out of the airport.

The conveyors move the baggage from the distance it needs to travel before the passenger gets it back. The conveyor contains several 360-degree automatic scanners that scan the bar code or label on the baggage. If a passenger has more than one baggage, the label on each luggage will be the same. The sorting machines at various junctions of the conveyor automatically route the bag to where exactly it needs to go.

Several computers control the conveyor junctions to ensure that each bag ends up at the right place at the right time. Some baggage for international trips is passed through the X-ray machines and other security devices. When a bag arrives at a junction, the machine known as pusher lets it pass to another conveyor. The bag is loaded onto a passing meta cart at the main terminal known as the "Destination Coded Vehicles" (DVC), which travels faster than the conveyor. It's the DVC that finally moves the load to the baggage terminal and unloads it at a point very close to the plane. At the gate, there is an off-ramp at the airline terminals.

There is a short conveyor that conveys the load to the sorting station. At this station, the baggage handlers put the gears in a particular container that goes into the plane. Inside the plane, bags are separated into two sections, those that will be making the trip to baggage claim by the owner and those that will be transferred after the flight. The system monitor tells the handlers where each bag will be at the sorting station.

The baggage handling system is an intricately designed technology that knows where precisely the bag is going and makes sure you get your baggage at the end of the flight so have no fear whatsoever about your luggage whenever you are boarding a flight; there is proper control and safe transportation of your load to your destination with baggage handling system.

INTERESTING FACTS

Do you know that the total number of luggage damaged or lost in a year worldwide amounts to tens of millions in number? 21.6 million baggage was mishandled in 2017. Hundreds of computers are used to monitor each luggage from the check-in to the checkout of the airport. If your luggage was lost on the outbound flight, the only clothing you may be left with is the one on you, and you might need to overspend beyond your budget to purchase last-minute clothes. The global passenger numbers have risen by one third since 2007, while the number of mishandled bags has halved.

Technological development and improved operations systems have helped the airline industry to save about 2 billion dollars in running costs on baggage handling. It is pleasant to know that over 80% of lost baggage is returned to their owners within a period as short as 48 hours through courier. However, the airline can take as many days as it likes to find your luggage.

The total percentage of all the mishandled baggage stolen or lost never to be found again is less than seven percent. Sixteen percent of the mishandled luggage is due to failure to load the bags into airplanes.

“Arrival mishandling” accounts for about four percent of the delayed luggage, while less than twenty percent are due to ticketing errors. It could be very distressing for a traveler to be the last person at the airport conveyor belt and slowly realize that you will not get your bag one way or the other. Passengers can still receive their luggage after some hours or a few days of being lost.

When luggage is found, the airline company makes sure that the claimant of the bags is the owner. All unclaimed luggage is sent to the Baggage Center in Scottsboro, Alabama, where the items inside the bags and the unclaimed luggage are auctioned off. The Baggage center is one of the most prominent tourist centers in Alabama.

It's wise to know that the airline provides limited compensation for delayed baggage. Some travelers use “travel insurance” to minimize the risk of getting stranded with baggage delay. Air passengers are mostly allowed the opportunity of having two checked pieces of baggage in a single flight, not without size and weight limitations. These two reviewed reports contain one bag plus one smaller personal-type item.

Within 24 hours, ninety percent of all mishandled luggage are located, and ninety-eight percent of all lost baggage is reunited with their owner within five days.

NUMBERS

21.7mln

mishandled
baggages in 2017

80%

of baggages are returned
during first 48 hours

1mln

baggages handled every
month on a single high de-
mand airport

5000

baggages handled
by high demand
airport per hour

17.678*

Airports in the world

*<http://www.aeronevstv.com/en/lifestyle/in-your-opinion/2954-how-many-commercial-airports-are-there-in-the-world.html>

AIRLINE INDUSTRY

You might have had a lot of experience traveling by plane to several regions of the world but might have never come across the word "DELAG." DELAG is the abbreviation for the first airline to exist in the world; it was founded in 1909. The airline offered transatlantic passenger airline service operated the Zeppelin rigid airships and was forced to cease operations in 1935 by Military Inter-Allied Commission.

The advertisement of Emirate Airlines and Qatar Airways are widespread on DSTV channels these days. These are some of the biggest international airlines in the world. The most extensive airline in the world is the American Airlines Group. What exactly is an airline? Airline Industry is a firm, company, or organization that provides air transport for traveling passengers and freight. Airlines might form a partnership to provide service for the users.

Airlines cannot be operated without obtaining a certificate or license from the aviation arm of the government. Not all airlines are involved in international travels; some operate locally (domestic flights) or regionally, depending on their capability and size. The airline also provides a fast means of transportation from one continent to another, which may be operated as scheduled or charters. The European airline industry is the oldest running airline still operating with its original name. Some of the biggest airlines in the world include Vietnam airline, cargo airline, Air Berlin, South African Airways, American Trans Air (ATA), and World Airways, to mention but a few. There are tens of thousands of airports globally with codes of operation given by the International Civil Aviation Organization (ICAO), a united nations sponsored group. The number of airports globally, both operating and out of operations, will be over a hundred thousand. The global number of airports with Jet service is around 10,000 in number.

Millions of people travel by flight yearly; in 2014, over a hundred thousand flight schedules per day. However, many airlines in America, Japan, Mexico, India, the United Kingdom and Brazil have deregulated their airlines.

103,902,992 passengers

Hartsfield–Jackson Atlanta International Airport

The deregulation translates to the fact that the airlines are free to negotiate their way of operations, levy aircraft, enter and exit routes easily and arrange flights according to traveler's demand. It much easier for new airline industries to be created in deregulated markets which has led to a lot of competition in the airline market. Planes and other aircraft travels through the air consuming a vast amount of energy in one flight.

One of the major determinant of energy consumed by flight is the weight of the things on-board. There are rules that governs the use of airline services. One of the rule imposed on the user of the service is "baggage allowance". Baggage allowance is the number and size of baggage that a traveler is permitted to carry in a single flight. Commercial airlines operate limiting the baggage allowance of a passenger to 2-piece baggage.

This means that a traveler is allowed to carry two pieces of luggage with a maximum weight of 23kg each. Baggage fees are paid by the passenger depending on the weight and number of luggage. The fees could range from tens of dollars to hundreds of dollars. The baggage is conveyed from the check in to the baggage terminal where the travelers get back their load through the Baggage handling system.

The probability that a traveler can miss, lose or suffer damage to his luggage is quite low with the use of the current airline baggage handling system. The risk of losing one's luggage has been estimated to be less than one percent chance, with less than four cases of mishandled luggage per one thousand passengers. Should there be any damage or loss of luggage by the traveler, the rule is that the airline is liable to pay maximum of \$3000 per person on local flight and maximum of \$1742 for international flights.

The indisputable fact is the risk of your luggage missing and getting damaged is low and most of the missing luggage are recovered within a short period of time and taking flight still remains one of the fastest and safest means of transportation across.

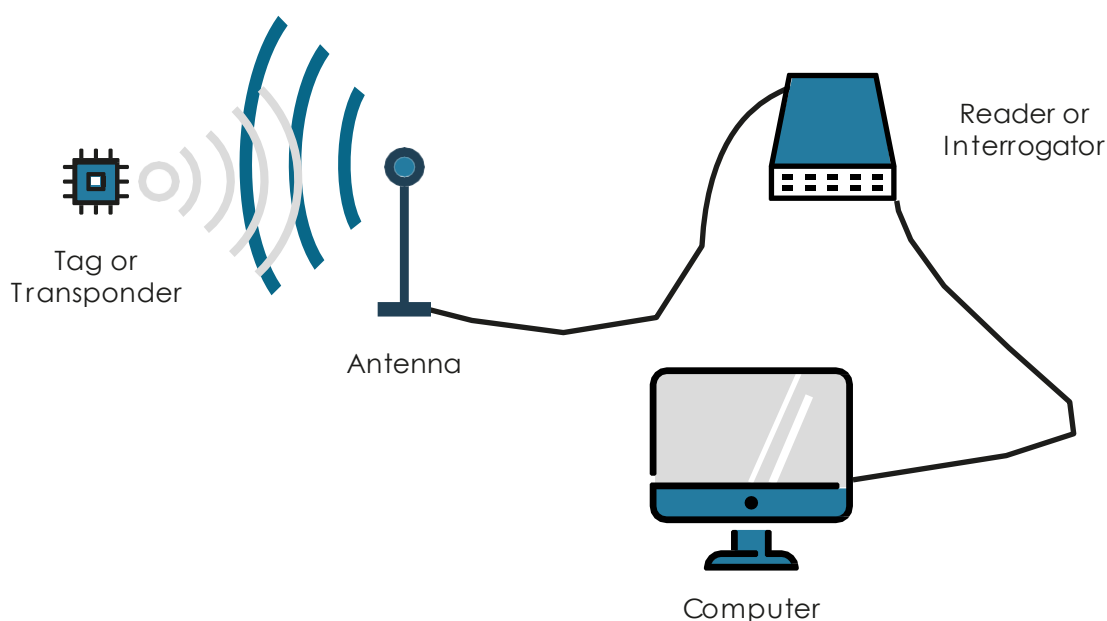
95,786,442 passengers

Dubai International Airport

THE RFID

RFID is the abbreviation for radio frequency identification. The meaning of the words is self-explanatory. The RFID system deals with the use of radiofrequency to identify objects. Radio waves are an electromagnetic spectrum longer than infrared light. They have frequencies from 300 GHz to 3 kHz and corresponding wavelengths from 1 millimeter to 100 kilometers. Radio waves are used for the transmission of radio channels. In RFID, radio waves are used for the identification of objects. The system uses electromagnetic waves to identify and track tags attached to things. The tags contain chips on which information has been stored. The tags usually contain electronically stored information which can then be released to the receiver upon the reception of the electromagnetic waves from the transmitter.

A widespread place to find the RFID system in use is the shopping malls. The goods are tagged so that they have to be deactivated electronically when the goods are purchased. If not, the alarm will be triggered as one tries to take the goods out of the mall. It is a common experience in a shopping mall; the attendants of the mall usually deactivate the goods with a device that recognizes the item and immediately reads on the computer, makes a sound, and deactivates the tag indicating that the goods have been paid for. It protects the establishment from theft both from customers and workers. That is an example of its use in for commercial setting. It is also used in locations like the Departments of State and Homeland Security, where its purpose is non-commercial. The RFID system should not be confused with bar codes; bar codes work only on the surface before being read. But, the tags can be placed inside the box or may not be visible to the receiver, which will still detect the tag.



The RFID works when a tag or label is attached to the objects to be identified. A radio transmitter-receiver called interrogators or readers sends a signal to the tag and reads its response. That shows that the tag has to respond to the signal sent by the transmitter; if not, the receiver cannot get any information from the tag. There are three significant classifications of tags VIZ

Passive tags are tag that depends on the energy coming from the electromagnetic wave or the radio energy coming from the reader. Operating a passive tag requires illumination with a power much more robust and perhaps a thousand times stronger than needed for signal transmission.

Active tags have batteries that make them function independently, independent of the electromagnetic signal coming from the transmitter. The active tag periodically transmits its ID signal, which a receiver can read within the transmission range. The battery-assisted passive tag has a minute battery on the tag, which is activated in the presence of an RFID receiver. The RFID system can be classified based on reader and tags. We have the passive reader-active tag system; the reader is passive but becomes activated by re-receiving a signal from the active tag. There is an RFID system of active reader-passive tag, the tag is passive as described above while the reader sends out electromagnetic waves to the tag.

The third type of RFID system is the active reader-active tag.


„Tracking device“ is a common word in modern-day technology; tracking devices are used for monitoring the progress, movements, and position of an item on which the tracker has been placed. That is another perfect example of the RFID system. This technology sends goods over water in cargo ships and transports precious items such as money and precious metals. One of the growing industries of an RFID system is its use to track humans who require personal tracking devices for personal use.

The debate on security and freedom on using the system to track people by the government is ongoing. The RFID is also used in pharmacies to track the distribution of goods to retailers, which helps to facilitate and make the distribution chain more efficient. The information on tags may include the batch number, date of manufacturing, expiry day, etc. RFID is commonly used in airports today.

The application of this technology in security systems has allowed some organizations to put RFID tags on cars as stickers which the security system can read off as the vehicle approaches the gate of the company, which opens automatically without any delay of entering code or waiting for a pass at checkpoints.

RESOLUTION 753

The IATA which is one of the major organisation in the airline industry announce that untril the year 2022 all the airports should improve their system for baggage tracking, automation and consumer view


**RESOLUTION 753:
BAGGAGE TRACKING**

PSC(34)xxxx Expiry: Indefinite
Type:
Effective: June 2018

RESOLVED that:
IATA members shall maintain an accurate inventory of baggage by monitoring the acquisition and delivery of baggage.

Purpose
Accurate baggage inventories will:

- prevent and reduce mishandling by determining custody of every bag during different phases of baggage chain,
- increase passenger satisfaction, as mishandling is reduced,
- reduce the possibility of baggage fraud by closing the baggage journey,
- enable exceptions to be detected where baggage is delivered to a party, but not processed further,
- speed up reconciliation and flight readiness for departing flights,
- help measuring compliance to SLAs,
- Provide evidence to an automatic interline proration process.

Member Obligations
Members shall be able to:

- **Demonstrate Delivery**, of baggage when custody changes;
- **Demonstrate acquisition**, of baggage when custody changes;
- **Provide an inventory of bags**, upon departure of a flight
- **Be capable of exchanging these events** with other airlines as needed

The minimum set of custody changes shall be:

Delivery of the bag to the passenger (delivery is by the handler, acquisition is by the arrivals facility, such as an arrivals belt, the passenger's home, etc.)

Delivery of the bag to the aircraft (delivery is by the handler, acquisition is by the flight)

Delivery of the bag to an airline system (delivery is by the handler, acquisition is by the airline system)

References
IATA Resolutions Manual: RP1800 and RP1745

[IATA Baggage Services baggage@iata.org](mailto:baggage@iata.org)

DEVELOPMENT PLAN

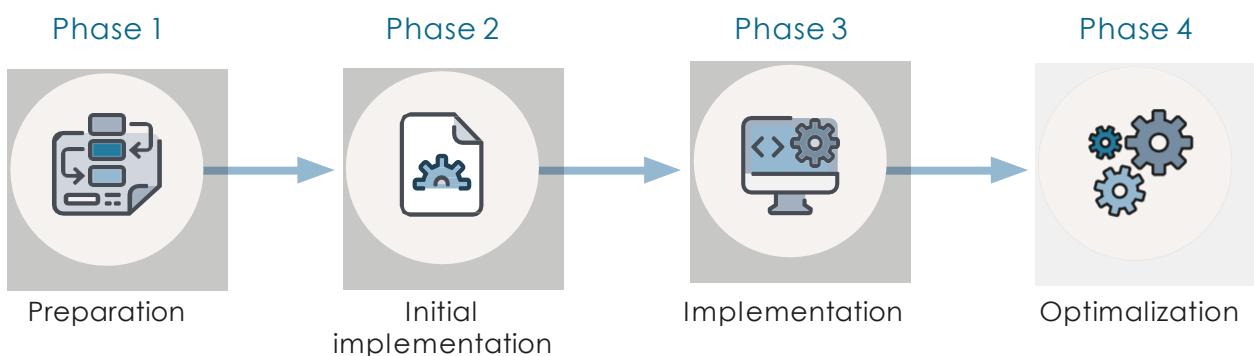
The project aims to confirm the use of passive RFID technology to improve the quality of luggage management, baggage security, and time of baggage transfer, in particular by:

- improvement of the baggage transfer route
- tracking luggage movement and tracking waiting time for loading and unloading
- tracking the movement of vehicles carrying luggage and waiting time
- automatic inventory of luggage in transport
- zone locating luggage
- passenger service automation (apps)
- tracking of temperature/humidity of baggage in real-time at airports and terminals

Automatic identification of up to several hundred items at a time. The technology needs just 1 second. One does not have to identify each suitcase anymore-Identification on a mass scale takes place automatically.

RFID allows identifying objects or moving objects at speeds up to several dozen kilometers per hour. RFID IDENTIFICATION of luggage is ideally suited for error-free recognition of bags and suitcases placed: in the sorting room, on the belt, at the place of baggage collection, when loading luggage on trolleys or the plane. The above analysis will be confirmed by implementation in selected locations, including the airport terminal, sorting plant, and transport trolleys.

To identify processes in which technology can bring business benefits, a technical and business analysis was carried out to reduce costs, reduce incidents with luggage, and increase customer satisfaction. The description of the processes is below, indicating the possibility of using technology.



PLAN: PHASE 1

The following areas were distinguished:

1. R&D tasks in an environment similar to natural, Improvement of compliance with leading RFID readers and antennas-PROXIAIR can be integrated with leading RFID readers and antennas dedicated for Airports, integration with ERP or any internal IT system.
- 2 Leading the implementation project in the airport:
 - a. Baggage check-in process
 - b. The process of transferring luggage to the sorting room
 - c. The process of picking up luggage for transport trolleys
 - d. The process of moving luggage to/from the plane
 - e. Baggage check-out process
 - f. Temperature tracking (and humidity) process
 - g. Launching the smartphone application for travelers
 - h. The process of optimizing the work of transport trucks
 - i. Launch the application for drivers of transport trucks

3. Blockchain Gateway Development and Mobile Reading application

Considering the conducted analysis, we recommend a pilot project carried out on a large scale, covering a minimum of two different airports to complete the process from check-in to check-out. The process will be divided into so-called Phases. Confirmation of technology in selected areas will also confirm the possibility of using technologies at other airports or for airlines. At the same time, restrictions will be indicated (resulting, for example, from the infrastructure or type of resources being tracked), which may be an obstacle in implementing technology, with the indication of ways to minimize restrictions. The proposed approach (e.g., 2-3 airports and airlines) will simultaneously enable the verification of technologies and analyzed measures, confirming the possibility of scaling the solution to following airports and combining them into one logistic network to manage luggage in real-time. At the same time, PROXIAIR technology allows you to fill an unmet market niche that involves real-time tracking of your baggage at the airport, significantly increasing travelers' satisfaction.

Technical activities:

- Purchase, integration, and testing of hardware in near real-life conditions,
- floorplan development of selected airports,
- programming of applications for travelers,
- application programming for airport employees and drivers, coding RFID tags)
- passive programming temperature and humidity RFID Tags
- programming virtual reality glasses

PLAN: PHASE 2

Business aspects:

- Automatic registration of luggage at check-in. Encoding and printing of the RFID tag using an RFID printer (the possibility of using an analog tag number (EPC) as a bar code (UPC))
- Automatic baggage scanning-Identification of the moment when baggage appears on the conveyor belt, the possibility of taking a photo of luggage, scanning of luggage at the checkpoint (security scan), sorting of luggage, control check of sorted luggage (check with a checklist),
- Measurement of the time spent the luggage in zones (tape, sorting plant, storage box), locating luggage
- Reducing the number of baggage events (lost, downtime)

Technical activities:

- UPC barcode coding for UHF RFID EPC label. This is to ensure accurate identification of the baggage with a unique bar code number and analogously RFID label.
- Network and Internet configuration-devices, equipment, RFID devices will not interfere with, disclose, infringe, use or impede the protocols, resources, data, security processes, paradigms, or business rules of the Airport / Airline.
- Installation and configuration of the PROXIAIR server in the location (used in all in phases of the process).
- Installation and configuration of the Router in the location (will be used in all process phases).
- Azure cloud configuration in cooperation with a dedicated Microsoft manager (used in all process phases).
- Development of visualization mapping of the airport plan. The terrain in 3D (for the selected location), mapping of existing processes in real-time.
- Arrangement of RFID equipment on the baggage route: check-in, conveyor belt, checkpoint, sorting plant, sorting field under sorting.
- Installation and configuration of antennas and RFID readers in selected zones.

Blockchain Activities:

- Setup a ProxiAir Node for Ethereum Blockchain
- Implement connection between Ethereum and REST API
- Deploy the Utility Token for platform usage

PLAN: PHASE 3

Business aspects:

- Automatic luggage scanning-Identification of the moment when baggage appears on the transport trolley
- Automatic luggage inventory on a transport trolley
- Locating baggage in the zone and measuring the time of luggage being transported
- Alert for luggage leaving the transport trolley
- Automatic scanning of luggage loaded onto the aircraft
- Inventory of the loaded aircraft hatch (compliance with the checklist)
- Reducing the number of incidents with luggage (lost, downtime)
- Tracking the temperature/humidity of individual items (storage + transport)
- Alerts / notifications of temperature / humidity fluctuations in real-time / exceeding temperature/humidity limits
- Reporting to customers about the conditions of storage and transport of delivered goods throughout the supply chain (bar code with the item and batch number scanned
by phone- reference to transport measurement data: time from production and confirmation of compliance with climatic conditions)
- Identification of baggage and tracking its route in real-time from the check-in point to the plane and from the plane to the check-out point
- Identification of the moment when baggage appears on the plane
- Identification of the moment when the baggage leaves the plane
- Identification of the waiting time for luggage

Technical activities:

- Installation and configuration of antennas and RFID readers in selected zones
- Wrapping carts/trolleys with RFID tags
- Marking of trolleys with antennas Alerts for the trolley about picking up the right luggage
- Installation and configuration of antennas and RFID readers in selected zones
- Sticking passive RFID tags to measure temperature/humidity
- Installation and configuration of antennas and RFID readers in selected zones

PLAN: PHASE 4

Business aspects:

- locating of trolleys
- real-time monitoring of vehicle movement, failure reporting
- memorization of marked luggage during the movement of trolleys
- automation of transport processes at the airport
- real-time information on loading and picking up luggage
- monitoring the driver's behavior (traveled route, working time)
- monitoring of savings, energy consumption and battery packages (fuels)
- alerts about servicing the fleet
- monitoring the intensity of trolley work
- monitoring the movement of trucks
- monitoring of the driver leaving the trolley
- monitoring the wheelchair ride by an unauthorized person
- monitoring of collisions
- elimination of bar code readers used by drivers when scanning luggage
- monitoring the battery status, alerts that the battery is charged and discharged

Technical activities:

- Installation and configuration of antennas and RFID readers in selected zones (airport, airside, land side, trolleys, fleet)

Scope of measures and functionalities, the use and tracking of which will enable the solution at the pilot implementation stage:

1. Possibility to analyze and monitor:
 - dwell time of baggage at the airport
 - locating luggage
 - automation of the entire baggage transfer process
 - time of loading and when you leave luggage in zones
 - automatic list of baggage list
 - transport trolleys during transfer
 - temperature and humidity of luggage requiring
 - work of transport trucks
2. Providing accurate information on luggage, transport trucks and their location in real time
3. Limiting human errors, faster transfer processes and the ability to monitor downtime (too long stays in one place)
4. Quickly locate luggage or trolley
5. Information /notifications about the presence of luggage in a given zone beyond a defined time period

The solution will be based on a cloud computing and will work in real time.

LEADERS/FOUNDERS



Curtis Shull
Founder CEO/CTO

The inventor of PROXIAIR RFID IoT cloud software platform is a graduate of the US Colorado Technical University. He holds a Master of Computer Science and Engineering. He studied at MIT-Massachusetts Institute of Technology. Pioneer and innovative software technology for NATO and the Pentagon.

He worked as a Technology Director for CSCI. Author of numerous publications on design CAD (Computer-Aided Drawing) and Distributed (cloud) RFID systems (Radio Frequency Identification) within the intelligent software. Curtis has several US patents and tied several international Agreements Patent Cooperation Treaty (PCT) in the field of asset tracking in the environment the Internet of Things and software management concerning the creation, integration, and deployment of software asset tracking based on the CAD tools in the ecosystem of the Internet of Things, contributing to the globalization, automation, and digitization of data Big data in the cloud.





Aleksandra Sękowska

Co-founder, CFO/Deputy CEO

Ambitious, hardworking, disciplined entrepreneur financial analyst. She believes success is a function of passion and determination. Alex deals with company management, commercialization, promotion, and popularizing ICT IoT technology and BIG DATA Analytics. She takes the initiative, the advantage of market and business opportunities by organizing, building, and bringing a venture idea to life. Have an excellent knowledge of the IoT ICT M2M BIG DATA market, market trends, and market distribution channels



Anna Opłatek

Co-founder, Managing Partner

Graduate of the Economic University of Wrocław. Engineer and Manager of project and sales with many years of experience in the field of startups market. She gained experience in the media group Agora SA, then she worked as the regional manager for the Lower Silesia of one of the biggest automotive company. In ProxiGroup she is responsible for strategy, sales & business development areas, she manages marketing, PR department. Proven track record of launched projects for B2C and B2B markets.

TEAM



Rafeal Hughley

Technical manager

Global expertise in military project management, networking strategy, RFID project strategy, business and market analyses, market research, DoD insights & behavior, military leadership, and CRM (customer relations management). We have achieved strategic achievements across numerous military sectors with extensive experience managing, maintaining, and designing various co-located networks globally.



Joe McGarrity

Cloud Engineer

With several years of experience in military warehouse management, a graduate of Web Publishing at the American Military University. At The RFID Professional Institute, he obtained a certificate for RFID systems and implementation as a certified RFID Associate. He is enduring a degree in Electrical Engineering at the University of Arizona. He has worked with the U.S. military in material management and quality control services. Having the knowledge and expertise in RFID deployments and the IoT market, he will strategize and implement plans for the expansion on the U.S. market.



Hubert Bartkowiak

Project Manager/ Software Engineer

Managing the technical and sales team, Introducing and monitoring the tasks of the subordinate team, searching for the latest knowledge in the field of ICT, implementing technologies on the market, support in programming and system maintenance, hardware and software care.



Paweł Lal

Corda Certified Developer

Paweł is an honest team player, always willing to help the team. In addition to performing his duties, he skillfully relieves stressful situations. Insightful focus and clear communication are what Paweł brings to every occasion, as well as a great sense of humor. His jokes can make everything seem easier. Paweł is a perfect example of a work-life balance employee. He is not only a great PHP developer but a very charismatic coworker. Paweł always tries to bring his code to perfection.



Artur Pawłós

Corda Certified Developer

Artur is a talented mobile programmer. He feels the best in Xamarin technology, where can create an application for any mobile platform. But he, not afraid challenges to develop apps in native equivalents. Artur does his work very reliably and professionally. Projects, that Artur created are always high quality.

ADVISORS



Szymon Piekarz

Blockchain Technology Specialist

Experienced blockchain entrepreneur and private investor. Software and blockchain engineer with experience in large scale ecosystems. Co-founder of Tokensgate limited, Blockchains house limited, level.me. Private investor in 36 companies. Graduate of computer science, economy and iMBA. A sales guy with passion to technology.



Piotr Danelski

Kambaya Managing Member
Incaptum - Noor - Navigator Capital

Early-stage private investor with portfolio of 20+ projects invested. High-tech companies consultant with 50+ start-ups advised. Interested mainly in VR, SaaS, wearables looking to scale globally. Co-founder of noor.vc, kumbaya.vc, Incaptum. Finance and Banking at University of Warsaw.



Tanya Suárez

IoT Tribe, Founder; BluSpecs, CEO;
AIOTI, Board Member.

Founder of IoT Tribe, an equity-free accelerator that brings start-ups and corporates together to do business. We are proud partners in the CREATE-IoT consortium, funded by the European Commission to enable the 5 IoT Large Scale Pilots to find more synergies and work together on areas of common interest such as interoperability, data privacy, cybersecurity, ecosystem building, and more. I am a member of several Advisory Boards on start-up initiatives, Tech London Advocates, and Tech Spain Advocates. Board Member of the Alliance of Internet of Things Innovation (AIOTI), an industry body set up to promote IoT adoption.



Prof. Mirosław Miller

Research and Innovation Expert

Professor of chemistry at Wrocław University of Environmental and Life Sciences, Coordinator of R&D projects. Founder and first President of Wrocław Research Center EIT+ (2008–2012), expert of European Commission and World Bank in RIS3 strategy for Poland, entrepreneur, and co-founder of 13 innovative start-ups. He is committed to building creative entities on the interface between science and business, including Poles working in the leading scientific centers in the world. He works for investment funds and innovative companies in biomedicine and nanotechnology areas (i.a., Labor PLC, Smart Nanotechnologies PLC).



Andrzej Rucinski, Ph.D.

Professor at the University of
New Hampshire

Professor Andrzej Rucinski was educated both in Poland and the former Soviet Union and has conducted his academic career in both the United States (University of New Hampshire, USA), Europe (France, Germany, Hungary, Poland, Russia, Ukraine, and United Kingdom), Africa (Ethiopia), and Asia (India, Kazakhstan).

He has been a member of the Executive Committee (Innovation Chair) of the IEEE Computer Society's Design Automation Technical Committee. He chaired the leading microelectronics education conference, the 2009 Conference on Microelectronics Systems Education (MSE'09), in San Francisco. At the University of New Hampshire, he is the founding Director of the Internet of Things Research and Development Laboratory, a former Critical Infrastructure Dependability Laboratory, the Professor in the Department of Electrical and Computer Engineering, the Space Science Center, and the IBM Professor. He was the Member of the US State Department/ Fulbright National Screening Committee, a Visiting Professor at the Gdansk University of Technology, a Professor of the Indo-US Coalition of Engineering Education (IUCEE), an Ambassador of the International Society of Service Innovation Professionals (ISSIP), and he has been the Fulbright Senior Specialist. Member of ASEE, ACM, IEEE (Senior Member), IEEE-SA, IGIP, SEFI, and ACM Distinguished Speaker. Professor Andrzej Rucinski is co-author of three books, chapters, and approximately 150 publications.



Ted Kochański

Chief Scientist at Sensors Signals Systems

Dr. Kochanski, the founder of Sensors Signals Systems, co-founder Media Signals, co-founder Mu Vision. He is a scientist, consultant, educator, and entrepreneur with a background in experimental physics, SB (MIT), Ph.D. (U. Texas, Austin).

Dr. Kochanski has lectured, consulted and organized conferences in North America, Europe, and Asia; and is a member of the eCollaborative Ventures, a collaborative of international experts leveraging Information and Communication Technologies, and Internet of Things to address Grand Challenges. He authored the chapter "Disruptive Innovation in Vital Embedded Systems and the Internet of Vital Things," in the book Dependable IoT for Human and Industry: Modeling, Architecting, Implementation (2018), and is the lead author in a paper, "Flexible Fractal Network as a Foundation for Enhanced Wellness" (2018).

As a volunteer: led the introduction of the Appliance Efficiency Rebate Program (City of Austin Electric Utility Commission); recognized for 4000 hours as Exhibit Interpreter (Museum of Science); Chaired Boston Section of the IEEE (2005), organized the annual IEEE Conference Technologies for Homeland Security. The IEEE honored him with the Third Millennium Medal, and the Boston Section Distinguished Service Award.



Patryk Szymczak

Bizdev Pro in IoT and hard tech ventures

Patryk started his IoT career as an embedded software developer. He co-founded Monitech, an IoT R&D service business, and CloudYourCar, a full-stack IoT startup with worldwide exposure to the market. Patryk gained another experience in IoT, supporting Eteplan Oy in enterprise sales. Nowadays, he is committed to building new innovative companies and acts as a bridge from science and hard technologies to the business world. He works for VC funds and innovative startups in the fields of #IoT, #nanotech, #SaaS, #fintech, and #cleanenergy.



Piotr Krawiec

Partner at proFinanse.eu & owner of
Praktycy.com |Ex-Onet.pl |Ex-Money.pl

Multiple entrepreneur, business angel, online marketer & analyst with 15+ years of professional experience. His knowledge, skills and practice emphasized mainly in the following areas: investing, gaining capital, delivering smart money, strategies, analysis, growth of companies, business development, boosting brand awareness, digital marketing, business models, valuation, monetization, new business & start-ups in sectors: digital business, HRTech, SaaS, Fintech, IoT, Blockchain, EduTech, mobile commerce & e-commerce, new media, ECOTech, and other disruptive technologies.

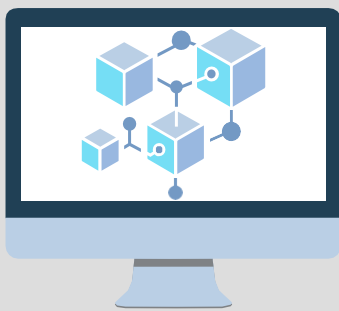


PRX

A token for airline luggage handling

WHY TO ADOPT PRX

We will develop a system which will use a token for handling transaction inside the system which will be acquired by interesting parties. For example Airline or consumers for reading the data.



in Application

The token will be utilized inside the application. It will be needed to use our Blockchain Gateway for injecting and reading information from a contract.



on Exchanges

The token will be available on major exchanges for trading possibilities. The demand we will build over the past will make the price of our asset a vital thing

TOKEN PRICE PROTECTION



PRX price protection Plan

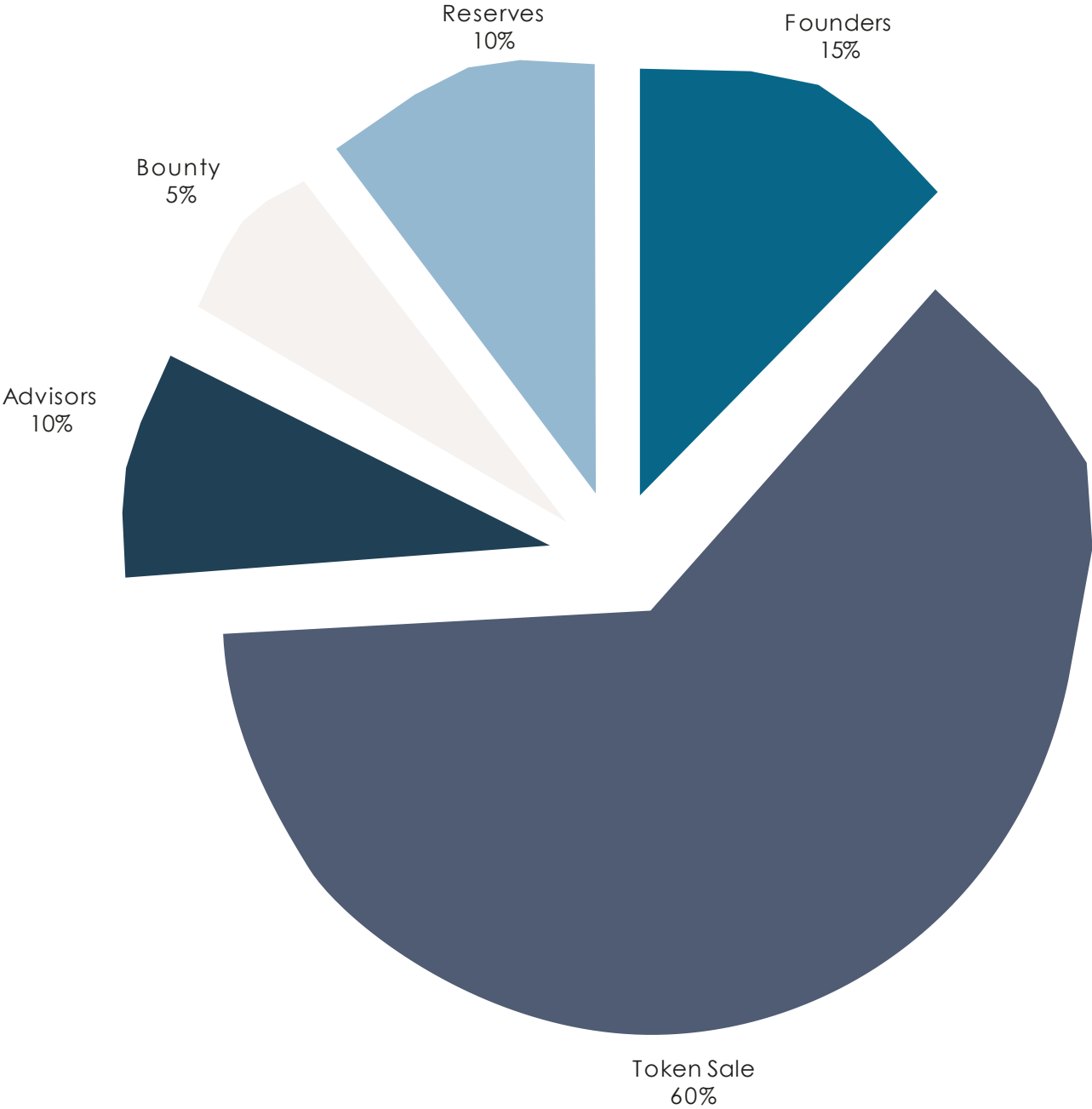
To protect the value of a token, we would like to use a price protection price. The token price within the application will be adjusted to an average exchange price available on exchanges with proposed parameters. We will protect the downside of a ticket, but not allow it to go lower than a certain level to watch our token acquires

1,000,000,000

PRX

Token supply

TOKEN ALLOCATION



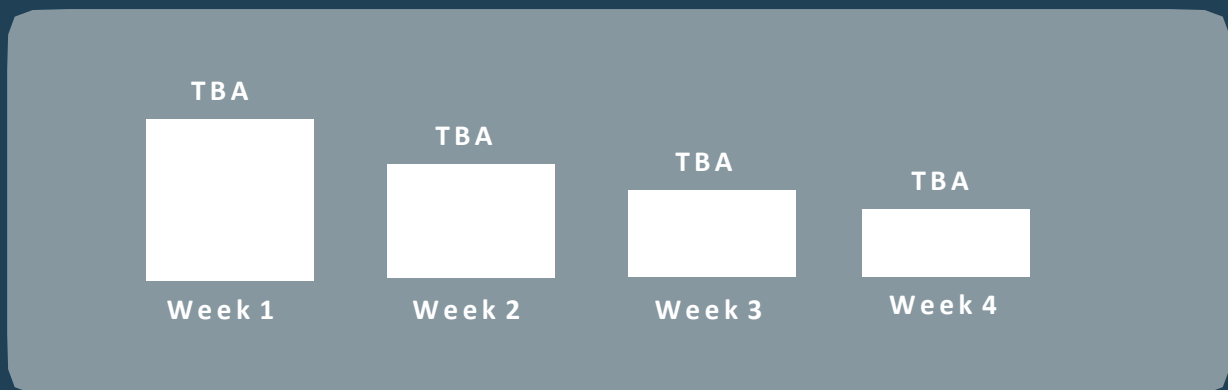
Token ICO

For funds from the token sale we would like to build a system and implement it in at least 5 airports at start

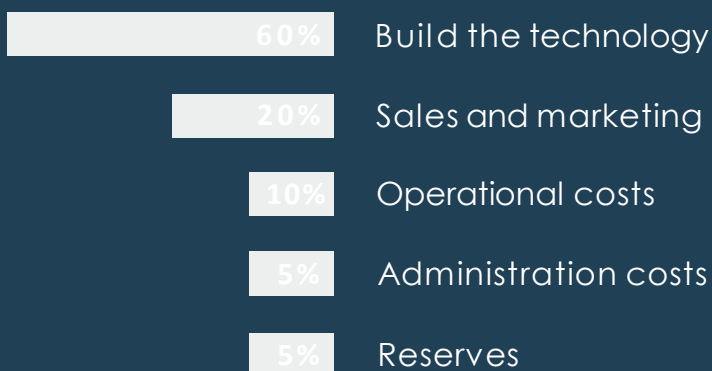
ICO **600 000 000**



- Start date: To be announced
- End date: To be announced
- Soft Cap: To be announced
- End date: To be announced



Distribution of funds



DISCLAIMER

The information outlined in this White Paper may not be exhaustive and does not imply any elements of a contractual relationship. The content of this White Paper is not binding for Immersion ProxiAir Limited ("PRX Company" or "PRX") and its affiliates and PRX reserves the right to change, modify, add, or remove portions of this White Paper for any reason at any time before, during and after the sale of PRX tokens by posting the amended White Paper on the website.

This White Paper does not constitute any investment, legal, tax, regulatory, financial, accounting, or other advice. This White Paper is not intended to provide the sole basis for any transaction evaluation on acquiring the PRX tokens. Before accepting the PRX tokens, a prospective purchaser should consult with their legal, investment, tax, accounting, and other advisors to determine the potential benefits, burdens, and other consequences of such a transaction.

Nothing in this White Paper shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it in any way pertain to an offering or a solicitation of an offer to buy any securities in any jurisdiction. This document is not composed per and is not subject to laws or regulations of any jurisdiction which prohibit or in any manner restricts transactions in respect of, or with use of, digital tokens. The PRX token is not a digital currency, security, commodity, or any other kind of financial instrument. It has not been registered under the Securities Act of 1933, the securities laws of any state of the United States of America, or the securities laws of any other country, including the securities laws of any jurisdiction in which a potential token holder is a resident.

The PRX tokens are not being offered or distributed to, as well as can not be resold or otherwise alienated by their holders too, citizens of natural and legal persons, having their habitual residence, location, or their seat of incorporation in the country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations. If such a restricted person purchases the PRX tokens, such a limited person has done so on an unlawful, unauthorized, and fraudulent basis and in this regard shall bear negative consequences.

PRX neither offers nor distributes the PRX tokens nor carries on a business (activity) in any regulated activity in Singapore, in the People's Republic of China, or in other countries and territories where transactions in respect of, or with use of, digital tokens fall under the restrictive regulations or require from PRX to be registered or licensed with any applicable governmental authorities.

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The PRX tokens are not being offered or distributed to, as well as can not be resold or otherwise alienated by their holders too, citizens of natural and legal persons, having their habitual residence, location, or their seat of incorporation in the country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations. If such a restricted person purchases the PRX tokens, such a limited person has done so on an unlawful, unauthorized, and fraudulent basis and in this regard shall bear negative consequences.

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RISKS FACTORS

An acquisition of the PRX tokens involves a high degree of risk. Each potential purchaser of the PRX tokens should carefully consider the following information about these risks before he decides to buy the PRX tokens. If any of the following risks actually occurs, the PRX platform and the value of the DAR tokens could be materially adversely affected. Risks and uncertainties described below in this White Paper may not be the only ones token holders face. Additional risks PRX and uncertainties may also materially adversely affect on the PRX platform or the value of the PRX tokens.

Lack of Development of Market for PRX tokens. Because there has been no prior public trading market for the PRX tokens, the sale of the PRX tokens described in this White Paper may not result in an active or liquid market for the PRX tokens, and their price may be highly volatile. Although applications have been made to the cryptographic token exchanges for the PRX tokens to be admitted to trading, an active public market may not develop or be sustained after the PRX token sale. If a liquid trading market for the PRX tokens does not develop, the price of the PRX tokens may become more volatile and tokenholder may be unable to sell or otherwise transact in the PRX tokens at any time.

Risks Relating to Highly Speculative Traded Price. The valuation of digital tokens in a secondary market is usually not transparent, and highly speculative. The PRX tokens do not hold any ownership rights to Company's assets and, therefore, are not backed by any tangible asset. Traded price of the PRX tokens can fluctuate greatly within a short period of time. There is a high risk that a token holder could lose his/her entire contribution amount. In the worst-case scenario, the PRX tokens could be rendered worthless.

PRX Tokens May Have No Value. The PRX tokens may have no value and there is no guarantee or representation of liquidity for the PRX tokens. Company Parties are not and shall not be responsible for or liable for the market value of the PRX tokens, the transferability and/or liquidity of the PRX tokens and/or the availability of any market for the PRX tokens through third parties or otherwise. For the purposes of this Section of the White Paper, the term „Company Parties" shall include Company and its respective past, present and future employees, officers, directors, contractors, consultants, attorneys, accountants, financial advisors, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns.

PRX Tokens May Be Non-Refundable. Except for as provided in a legally binding documentation or prescribed by the applicable legislation, Company Parties are not obliged to provide the PRX token holders with a refund related to the PRX tokens. No promises of future performance or price are or will be made in respect to the PRX tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that the Tokens will hold any particular value. Therefore, the recovery of spent resources may be impossible or may be subject to foreign laws or regulations, which may not be the same as the private law of the PRX token holder.

Blockchain Delay Risk. On the most blockchain PRX used for cryptocurrencies' transactions (e.g., Ethereum), timing of block production is determined by proof of work so block production can occur at random times. For example, the cryptocurrency sent as a payment for the PRX tokens in the final seconds of the PRX token sale 43 may not get included into that period. The respective blockchain may not include the purchaser's transaction at the time the purchaser expects and the payment for the PRX tokens may reach the intended wallet address not in the same day the purchaser sends the cryptocurrency.

Blockchain Congestion Risk. The most blockchains used for cryptocurrencies' transactions (e.g., Ethereum) are prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the network in an attempt to gain an advantage in purchasing cryptographic tokens. That may result in a situation where block producers may not include the purchaser's transaction when the purchaser wants or the purchaser's transaction may not be included at all.

Risk of Software Weaknesses. The token smart contract concept, the underlying software application and software platform (i.e. the Ethereum) are still in an early development stage and unproven. There are no representations and warranties that the process for creating the PRX tokens will be uninterrupted or error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the cryptocurrency and/or the PRX tokens.

Risk of New Technology. The PRX platform, the PRX tokens, and all of the matters outlined in this White Paper are new and untested. The PRX platform and the PRX tokens might not be capable of completion, creation, implementation, or adoption. It is possible that no blockchain utilizing the PRX platform will ever be launched. The purchaser of the PRX tokens should not rely on the PRX platform, the token smart contract, or the ability to receive the PRX tokens associated with the PRX platform in the future. Even if the PRX platform is completed, implemented, and adopted, it might not function as intended, and any PRX tokens may not have desirable or valuable functionality. Also, technology is changing rapidly, so the PRX platform and the PRX tokens may become outdated.

Risk of Loss of Private Key. The token holder may hold the PRX tokens in his digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private keys associated with such token holder's digital wallet or vault storing the PRX tokens will result in loss of such PRX tokens, access to token holder's token balance, and any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private keys, including by gaining access to login credentials of a hosted wallet or vault service the token holder uses, may be able to misappropriate the token holder's PRX tokens.

Lack of Token Security. The PRX tokens may be subject to expropriation and or/theft. Hackers or other malicious groups or organizations may attempt to interfere with the token smart contract, which creates the PRX tokens or the PRX tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform rests on open-source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses that may negatively affect the PRX tokens or result in the loss of PRX tokens, the loss of ability to access or control the PRX tokens. In the event of such a software bug or weakness, there may be no remedy, and holders of the PRX tokens are not guaranteed any treatment, refund or, compensation.

Attacks on Token Smart Contract. The blockchain used for the token smart contract which creates the PRX tokens is susceptible to mining attacks including double-spend attacks, majority mining power attacks, „selfish-mining“ attacks, and race condition attacks. Any successful attacks present a risk to the token smart contract, expected proper execution and sequencing of the PRX token transactions, and expected proper execution and sequencing of contract computations.

Failure to Map a Public Key to Purchaser's Account. Loss of a purchaser of the PRX tokens to map a public key to such purchaser's account may result in third parties being unable to recognize the purchaser's PRX token balance on the Ethereum blockchain when and if they configure the initial balances of a new blockchain-based upon the PRX platform.

Risk of Incompatible Wallet Service. The wallet or wallet service provider used to acquire and store the PRX token is technically compatible with the PRX tokens. The failure to assure this may result in the purchaser of the PRX tokens not gaining access to his PRX tokens.

Risk Related to Reliance on Third Parties. Even if completed, the PRX platform will rely, in whole or partly, on third parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, all of which might have a material adverse effect on the PRX platform.

Dependence of PRX Platform on Various Factors. The development of the PRX Platform may be abandoned for several reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects, or departure of key personnel

Lack of Interest to the PRX Platform. Even if the PRX platform is finished, adopted, and launched, the ongoing success of the PRX platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the PRX platform. Changes to the PRX Platform. The PRX platform is still under development and may undergo significant changes over time. Although the project management team intends for the PRX platform to have the features and specifications outlined in this White Paper, changes to such features and specifications can be made for any number of reasons, any of which may mean that the PRX platform does not meet expectations of the holder of the PRX tokens.

Risk Associated with Other Applications. The PRX platform may give rise to other alternative projects, promoted by unaffiliated third parties, under which the PRX token will have no value. Risk of an Unfavorable Fluctuation of Cryptocurrency Value. The proceeds of the sale of the PRX tokens will be denominated in cryptocurrency and may be converted into other cryptographic and fiat currencies. If the value of cryptocurrencies fluctuates unfavorably during or after the PRX token sale, the project management team may not be able to fund development or may not be able to develop or maintain the PRX platform in the manner that it intended.

Risk of Conflicts of Interest. Company Parties may be engaged in transactions with related parties, including respective majority shareholders, companies controlled by him or in which he owns an interest, and other affiliates. They may continue to do so in the future. Conflicts of interest may arise between any Company Party's affiliates and respective Company Party, potentially resulting in the conclusion of transactions on terms not determined by market forces.

Risks Related to Invalidation of Company Parties Transactions. Company Parties have taken a variety of actions relating to their business that, if successfully challenged for not complying with applicable legal requirements, could be invalidated or could result in the imposition of liabilities on the respective Company Party. Since applicable legislation may be subject to many different interpretations, the respective Company Party may not be able to defend any challenge brought against such transactions successfully, and the invalidation of any such dealings or imposition of any such liability may, individually or in the aggregate, have a material adverse effect on the PRX platform. Risk Arising from Emerging Markets. Company Parties or some of them may operate in emerging markets. Emerging markets are subject to greater risks than more developed markets, including significant legal, economic and political risks. Emerging economies are subject to rapid change, and that the information set out in this White Paper may become outdated relatively quickly.

Failure to Obtain, Maintain or Renew Licenses and Permits. Although as of the date of starting of the PRX token sale, no statutory requirements are obliging the Company to receive any licenses and permits necessary for carrying out its activity, there is the risk that such statutory provisions may be adopted in the future and may relate to any of Company Parties. In this case, Company Parties' business will depend on the continuing validity of such licenses and permits and its compliance with their terms. Regulatory authorities will exercise considerable discretion in the timing of license issuance and renewal and monitor licensees' compliance with license terms. Requirements which may be imposed by these authorities and which may require any of Company Party to comply with numerous standards, recruit qualified personnel, maintain necessary technical equipment and quality control systems, monitor our operations, keep appropriate filings and, upon request, submit relevant information to the licensing authorities, may be costly and time-consuming and may result in delays in the commencement or continuation of operation of the PRX platform.

Further, private individuals and the public possess rights to comment on and otherwise engage in the licensing process, including intervention in courts and political pressure. Accordingly, the licenses any Company Party may need may not be issued or renewed, or if issued or renewed, may not be published or renewed in a timely fashion, or may involve requirements which restrict any Company Party's ability to conduct its operations or to do so profitably.

Risk of Government Action. The industry in which Company Parties operate is new and may be subject to heightened oversight and scrutiny, including investigations or enforcement actions. There can be no assurance that governmental authorities will not examine the operations of Company Parties and/or pursue enforcement actions against them. All of this may subject Company Parties to judgments, settlements, fines, or penalties, or cause Company Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Company Parties' reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on the PRX tokens and the development of the PRX platform.

Risk of Burdensomeness of Applicable Laws, Regulations, and Standards. Failure to comply with existing laws and re-regulation or the findings of government Inspections or increased governmental regulation of Company Parties operations could result in substantial additional compliance costs or various sanctions, adversely affecting Company Parties business and the PRX platform. Company Party's functions and properties are subject to regulation by multiple government entities and agencies in connection with ongoing compliance with existing laws, rules, and standards. Regulatory authorities exercise considerable discretion in enforcing and interpreting applicable laws, regulations, and bars. Respective sources have the right to and frequently do 46 conduct periodic Inspections of any Company Party's operations and properties throughout the year.

Any such future Inspections may conclude that any Company Party has violated laws, decrees, or regulations, and it may be unable to refute such conclusions or remedy the violations. Any Company Party's failure to comply with existing laws and regulations or the findings of government Inspections may result in the imposition of fines or penalties or more severe sanctions or in requirements that respective Company Party ceases certain of its business activities, or in criminal and administrative penalties applicable to individual officers. Any such decisions, conditions, or sanctions, or any increase in governmental regulation of respective operations, could increase Company Parties' costs and materially adversely affect Company Parties business and the DAR platform—unlawful or Arbitrary Government Action. Governmental authorities may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner contrary to law or influenced by political or commercial considerations. Moreover, the government also has the power in certain circumstances, by regulation or government act, to interfere with the performance of, nullify or terminate contracts. Unlawful, selective, or arbitrary governmental actions have reportedly included the denial or withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions, and civil actions. Federal and local government entities have also used common defects in matters surrounding the Token sale as pretexts for court claims and other demands to invalidate or void any related transaction, often for political purposes. In this environment, Company Parties' competitors may receive pre- preferential treatment from the government, potentially giving them a competitive advantage over Company Parties.