

PFPP_Payexpress; Partial Token Swap (PF_E_01-001-A)

Basic Information

Abstract of the PF

This PF aims to include a part of Payexpress' business into the BOScoin economy in the pursuit of expanding the single currency economy — BOScoin economy.

The inclusion will occur by swapping PESS tokens with BOS at a market rate of one million dollars for both BOS and PESS. For the swap, one million dollars of BOS will be created and exchanged with 100 million PESS tokens (PESS tokens having a par value of \$0.01 each).

The 100 million PESS tokens exchanged in this proposal will be burned and the created BOS will be used by Payexpress to execute their business plans, to operate sales and distribution of products payable with BOScoin.

The amount of issuance

One million dollars (USD) of BOScoin = \$ 1,000,000 (USD) ÷ \$ [VALUE] /BOS

※ [VALUE] = the average closing price over 30 days on "CoinMarketCap" from Jan. 22nd to Feb. 20th. However, among the 30 closing prices, the two most highest values and the two most lowest values will be excluded in calculating the average.

The amount of issuance will be rounded off to the nearest ten thousand.

(The [VALUE] and the number of BOScoin that will be issued shall be announced via Newsletter.)

★ Based on the above criteria, the [VALUE] and the issuance volume are calculated as shown below.

▷ [VALUE] = \$ 0.029678

▷ BOS Issuance = 33,700,000 BOS (This information was added on February 22, 2019.)

Voting schedule

Start: February 22th (Friday), 2019 13:00

End: February 28th (Thursday), 2019 13:00 (※ KST standard: UTC +09:00)

Conditions for approval of the PF proposal

$A/C - B/C \geq 0.1$

A: The number of "Agree" votes

B: The number of "Disagree" votes

C: The number of Members as of end of voting

Detailed Description

The purpose of the PF

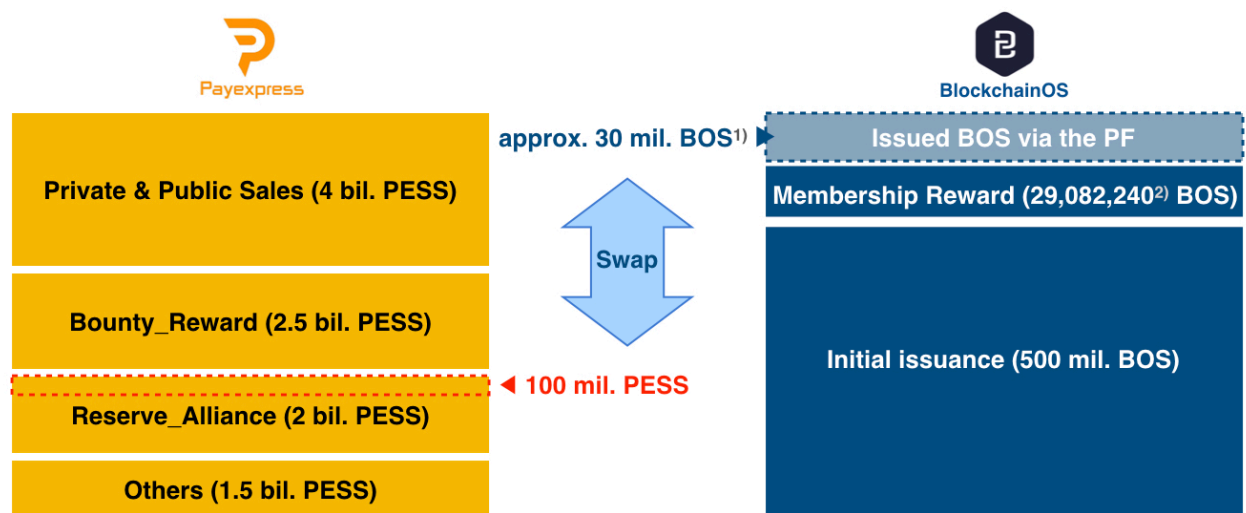
- 1) To increase the value of BOScoin network by utilizing Partnership
 - The PF will replace 100 million PESS tokens with BOScoin of the same value.
 - 1% of the total PESS token supply is swapped first, for early activation of BOScoin payment business.
 - Proactive diagnosis of large-scale swap risk through small-scale swap.
 - The swapped PESS token will be burned, building a single currency economy.
- 2) To secure a sales & distribution channel payable with BOScoin
 - 'BOSprime' will be the sales & distribution channel payable with BOScoin.
 - Demand of BOScoin is expected to increase due to its new payment usage.
- 3) To evaluate business capability of Payexpress
 - The result of this partial token swap can be a preliminary report of the total token swap of Payexpress.

Details of the PF

- 1) The PF will create and issue additional BOScoin.
(The amount of issuance is described in the "[The amount of issuance](#)".)
- 2) The PF will exchange 100 million PESS tokens with the BOScoin created and issued.
(The swap result will be announced upon the completion.)
- 3) The exchanged PESS tokens will be burned, and the result will be announced upon the completion.
- 4) The issued BOScoin will be used by Payexpress to execute their business: 1) BOScoin payment system; 2) Import and distribution of seafood through O2NB.

Token Swap Structure

100 million PESS tokens will be exchanged with the created and issued BOScoin of the same value.



1) based on 0.033 \$/BOS. The amount will likely to change.
2) as of the end of Feb. 2019.

Description of funds and product flows after Swap PF

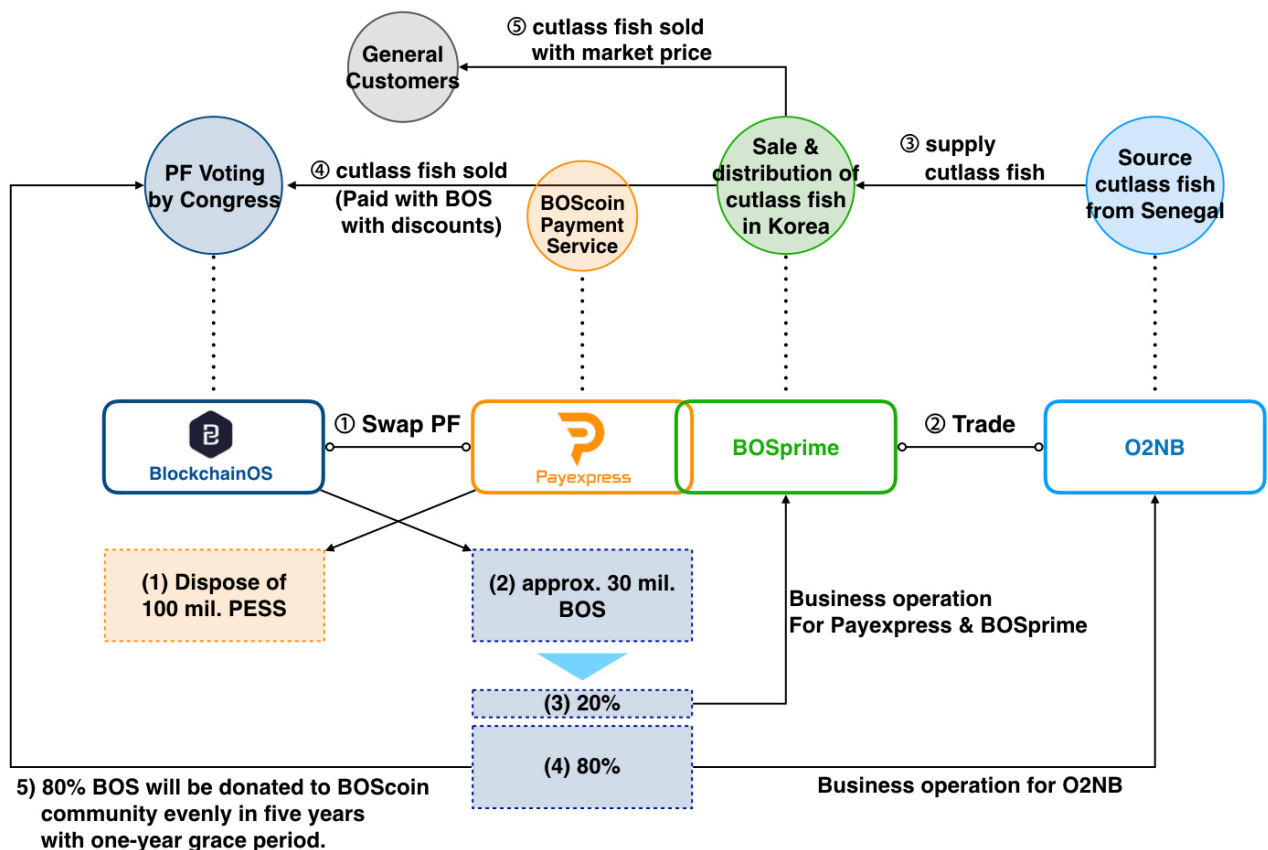
Swap PF will enable Payexpress to operate "BOSprime" that will source products to sale and distribute, especially "cutlass fish" through partnership with another company, "O2NB."

A. Product flows after Swap

- ① BlockchainOS and Payexpress will sign a contract upon the PF being approved.
- ② Payexpress (BOSprime) and O2NB will sign a contract to source products(cutlass fish) to sell and distribute.
- ③ O2NB will source cutlass fish from Senegal by an agreement between the company and the Senegal government. O2NB is expected to increase the amount of products sourcing as business grows.
- ④ Payexpress (BOSprime) will sell and distribute cutlass fish imported from Senegal. The products will be distributed and sold, and discounts will be offered only to BOScoin community. Payexpress will offer payment services payable with BOScoin.
- ⑤ The "sales and distribution" is expected to earn profits when sold to consumers at a market price. The profits will be used to increase the scale of business and diversify the products payable with BOScoin.

B. Cash flows after swap

- (1) After the swap, the exchanged 100 million PESS tokens will be burned by BlockchainOS. The result will be announced upon the completion.
- (2) After the swap, approximately 30 million BOScoin owned by Payexpress will be divided into two pools of funds by the following percentages, 20% and 80%.
- (3) 20% of the BOScoin will be collateralized for a private equity fund, but if the fund can't be approved, Payexpress has the right to use it to operate BOSprime.
- (4) The remaining 80% of BOScoin will be collateralized for a private equity fund, and the approved funds will be used to operate O2NB business.
- (5) The 80% of BOScoin collateralized will be returned to BOScoin community as donations. The donation will occur evenly in five years with one-year grace period. The donation will be used to fund Membership Reward.



Year 2019 Business plan after Swap PF approval

March : Signs contract to source cutlass fish

April : Imports the first shipment

May: Completes distribution of the first shipment

June: Continues the next shipment and distribution; starts to build local refrigeration warehouse

December : Completes manufacturing the refrigeration warehouse

Description of O2NB's business, sale & distribution of cutlass fish from Senegal

1) Business goal

- To secure local/global sale and distribution channel by importing marine products from Senegal.
- To take more business opportunities by developing relationship with Senegal government.

2) Background to initiate the business

- Senegal is one of the rapidly growing distribution hubs especially for marine products, thanks to its well-equipped harbor in the west part of Africa.
- Senegal government is supporting businesses to increase marine products exportation via various policies including official development assistance (ODA).
- Korea has been in high demand of cutlass fish, and the increasing demand from China has been causing more needs of importation from various countries. Korea's cutlass fish importation from Senegal has been growing from 3% to 38% between 2009 and 2016.
- O2NB aims to develop sale and distribution business of marine products based on the amicable relationship with Senegal government.
- Korea imports cutlass fish from Senegal 6,000 ton per year, and O2NB aims to import 600 ton maximum.

3) Business action items

- Import marine products from Senegal
- Secure and expand sale and distribution channel throughout Korea, China, and UAE.
- Build refrigeration warehouse
- Farm marine products in Senegal

4) Expectation from the business

- BOScoin's usage as global payment will be expanded through the partnerships of BlockchainOS and Payexpress.

END

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