

Core Component Matrix (COR)

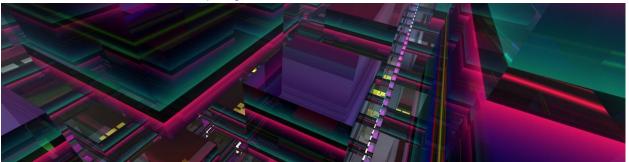
Value creation accelerator, token community, and incentive ranking algorithm.

02.14.2019

Rev 1.12

www.corcom.io

— Jesse Adams, Robbie Moen, Steven Malekos, Ryan Regier, Scott Erwin, Devin Steffens, Chris Budd, Keith Luker, Colton Jacobson, Nathaniel Jones



Summary

The core component matrix is a borderless, digital ledger, free from redundant overhead, where ideas can be born, incubated, accelerated, and grown to create value. The token of the core component matrix is COR and, in addition to being used to purchase goods and services, it is one of three ways for the individual core component utility tokens to reach liquidity¹ upon maturity milestones and arms-length consensus pricing. The other two being individual utility token purchase with COR and independent ICO with the bonus of COR token reward. COR is also the incentive mechanism of the corcom-matrix and it is generated to reward consensus-verified value creation, in what we call valent mining. The core component matrix is a place for innovators and laborers alike to create value with incentive to do so. It is designed for frictionless entry with a new idea or project, safe participation with multiple verification steps as participation increases, fair and fun rewards, and fair and equitable exit. Patents are possible, with disclosure dates nicely documented on the blockchain, but not needed. Ideas are free for addition, contribution, competition, growth, and forking and use of third party collaboration tools are encouraged. The best groups and ideas will create the most value, both in instantly-liquid COR valent reward, and also in their individual core component utility tokens which add to COR intrinsic value and can each reach liquidity without an independent ICO. Core component utility tokens are assignable for work product, purchasable via COR and tradable, but are firewalled from liquidity until they reach several maturity milestones and have their value set by arms-length bid and consensus.

While we have a lot planned for the years ahead as described in this white paper, we currently have the alpha prototype running with initial blockchain functionality and are planning for the beta software launch in May, 2021.

At ICO, COR token holders will be able to purchase goods and services from Core Components currently in the COR matrix as well as be rewarded for project contributions with COR token. New core component matrix projects will be listed, rated by the community and algorithm, monitored and ranked. Progress will be rewarded by consensus and initial algorithm and we will develop more advanced reward algorithms later. Participants will be rewarded for building their project with COR and for use of the COR token for their goods and services. The more they rely on the COR token to access their goods and services the more they will be rewarded. In this way we expect demand for the COR token to increase as individual core components have success in their respective markets. This is not a portfolio, but rather a community, and each core com has a lot of freedom and can help influence matrix features envisioned for the future.

¹ We have begun discussions with Bancor and could use COR as the reserve for other utility tokens in the corcom-matrix on a case by case basis.

In addition to an anticipated second COR token offering planned for early 2021, we are also planning to develop and release a registered security-class token (CRS) in early 2018 that will access a portion of the equity of the COR parent company as well as equity blocks of interested and participating core components.

COR is a value creation engine, idea accelerator, and, in addition to general market growth impact, could serve as an ICO prep and test-bed for many new projects. It doesn't hurt to list your project with us as you prepare for ICO since you gain COR token reward along the way, experience and access to our community.

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Glossary

Core Com: A Core Component, or value creation entity, in the matrix

Core Com Matrix: The matrix is a place to create value of any kind. Grow a deal before spinning it out...or keep it in. Start a company. Be an agent for a super star. Manage a piece of art. Create a charity. Develop a new technology or a new movie. Anything. In an incentivised, synergistic, and value rewarding environment.

Core Com Kernel: Interaction wrapper for an existing company to dual-exist.

Core Com Matrix Token: (COR) The currency of the matrix and a tradable commodity outside the matrix, tied to utility token market confidence on the outside and value creation Core Coms on the inside. Limited to 10,000,000 tokens released over 7-20 years.

Matrix Core Ballast: Inner matrix construct for algorithms, ranking, token exchange, oversight voting, and COR reserve

C3EO: Core Component CEO - the decision maker for a Core Com unless removed by the equity block majority. Core Com token holders can be surveyed for opinion.

Spark: BTC, ETH, or COR injection from the Core Ballast to a Core Com for tokens.

Inner-Matrix Mining: Mining of Core Com and Core Ballast transactions

Valent: Value creation events that generate COR.

Valent Hyper Structure: Inner-Matrix valent monitoring and allocation algorithms.

Milestones

I. Founding

After two years of development work as a thousand company accelerator concept, Core Com Matrix (COR) was founded on July 14, 2017.



II. Alpha Launch [off chain]

July 26, 2017 we went live with the working matrix based off-chain in Google documents with groups and permissions control and began creating value for our Core Coms, noting pre-ICO token allocation exchange, and further developing the rules and algorithms that will feed into this Alpha and the forthcoming Beta paper and development plan. C3EOs and team, are building and defining value in PoC, customer contact, and Core Com whitepapers and webpages.

III. Alpha White Paper

September 2, 2017 release of the limited distribution COR Alpha white paper.

IV. Beta White Paper

November 2, 2017 release of the COR Beta white paper and blockchain proof MVP alpha matrix.

V. Alpha ICO

January 1, 2018 - Initial utility token sale.

VI. Beta Launch

December, 2020 - Beta launch

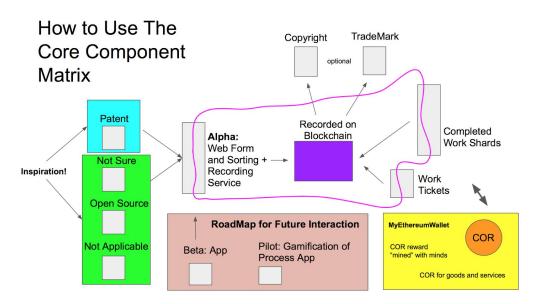
VII. Beta ICO

January 15, 2021 - Target date for second utility token sale.

Problems We Are Setting Out to Solve

- 1] Founders give away too much equity too soon and passion can be lost.
- 2] Everyone with a good idea that can be tokenized with utility tokens wants to get into the blockchain technology sphere.
- 3] Investors are looking for clarity, proof, and confidence in new ideas and teams and would love to see documented progress and track record in an active and competitive environment.
- 4] There is often a lack of clear record of who contributes what in the workplace.
- 5] Innovation is stifled by burdensome costs and startup procedures required before profitability or, in many cases, before any cash flow, leaving trillions in value "un-started."
- 6] Lack of reward for, and loss of, good ideas in the traditional workplace. People want to do meaningful work, enjoy it and be recognized and rewarded for it.
- 7] Lack of access to intellectually rewarding, flexible and potentially lucrative work.
- 8] It can take time to build good companies and ideas, and sometimes they need a place to wait, not lose track of progress, attract other participants or renewed energy, and then continue. [see matrix heap]

Alpha System



The alpha core component matrix provides a web form and sorting service with blockchain recording of your core component inception and COR incentivized progress steps and also offers the ability to pay for work and goods and services with COR as well as accept COR as payment using MyEthereumWallet. When someone arrives at corcom.io with a new idea for a project, screenplay, charity or product, they reach an initial decision point. If the idea is novel and easy to replicate, the inventor might want to consider patent protection first. If the idea is not patentable or you want to "let it ride" open source style and save costs, you proceed. We are not offering legal advice here and you should seek legal counsel for all your patent matters. While recording your idea with full enablement could provide some patent rights in the US, public disclosure without patenting first will remove the chance of obtaining international patent rights. On the other hand, fully enabling an idea and disclosing it can prevent others from getting a patent since the material will be in the public domain. This is our favorite approach but we have designed the core component matrix to be IP ownership agnostic. You can enter your idea and build your project with or without patent protection and in some cases, though you shouldn't count on this, you might be able to actually gain some limited protection in the US through filing a patent application within 12 months of disclosure date. It is our current view that the patent system is slow and expensive so we are trying to develop an alternative recording and building system that doesn't require the patent system at all but we realize this is new and there is a time and place for patents and/or new hybrid systems like Locipro that are trying to improve the patent system.

After passing this decision point you are ready to enter the matrix! Your idea is submitted to the matrix and recorded. We are using a freemium model at corcom.io so you are free to upload and record up to 25 ideas per day and earn the COR idea bounty rate for that day for submitting your ideas. A COR charge will be applied to ideas over 25 to help manage the system volume. Then, after your entry is reviewed and recorded you will be contacted by the matrix and assigned a matrix ID number. At this point you communicate directly with the matrix to submit work tickets and completed work shards. We encourage work shards to be published on social media with hashtags for proof of work, valent mining support and two-way marketing of your project and the core component matrix. Your project progress will be up for valent award according to the latest version of the valent algorithm running. Accepting COR as payment for your goods and services and paying for goods and services with COR also increases your COR reward.

Tools:

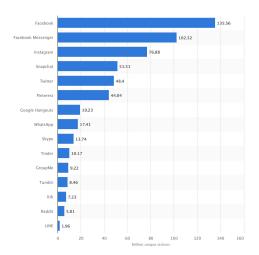
According to <u>Avery Hartman's Business Insider article</u> summing <u>comScore's 2017 US Mobile</u> <u>App Report</u> the top 10 most used apps are (% of app users who use the app): 1] Facebook (81%), 2] YouTube (71%), 3] FaceBook Messenger (68%), 4] Google Search (61%), 5] Google

Maps (57%), 6] Instagram (50%), 7] SnapChat (50%), 8] Google Play (47%), 9] Gmail [44%], Pandora (41%).

And the top social apps are: Facebook, Instagram, Snapchat, Twitter, Pinterest, Google Hangouts, WhatsApp, and Skype. Most popular mobile social networking apps in the United States as of July 2017, by monthly users (in millions)

We suggest you use the top social apps above and the work apps below and hashtag #corcom, your project name, your matrix ID, and your workshard names as you go.

The top collaborative work apps are: WeWork Skitch Flow Dropbox Google Apps and Salesforce



When it comes to **legal**, you're on your own. We are not offering legal advice but we have found these tools and information helpful:

- -Open legal documents at <u>Docracy</u> and helpful search at <u>Law Insider</u>
- -Example free template <u>founders collaboration agreement</u> for pre-company formation collaboration.
- -Online legal document and filing services: LegalZoom
- -Legal support for IP and business counsel: Holland and Hart

How to copyright a script or other work of the performing arts, or a general literary work, a sound recording, or audio visual motion picture work. Copyright registration proves authorship, but the work is copyrighted as soon as you create it. Still, it's best to file within 5 years if possible, see write up here. And register here. [\$114 plus \$50 filing fee] One of the benefits of registering is to create a public record of your work and a date of that public record -- recording your script in the core component matrix also does this! :)

How to Trademark (process) get a trademark for a logo, slogan, product name, or business name. [Costs about \$600 fee plus \$275 government filing fee] You can still use a TM (trademark) or SM (service market) without registering with the USPTO in the US. Some countries with a first-to-file for registration system are: China, France, Germany, Japan, and Spain . See more trademark <u>info here</u>, <u>here</u> and <u>here</u> and then, if in a first to use country,

like the United States, The UK, Ireland, note 1) a date of first use anywhere and, 2) a date of first use in commerce as described here. The core component matrix can also record both of these!:)

How to Patent See provisional patent application filing [\$199 + \$65, \$130, or \$260 filing fee micro, small, large.] Also see additional <u>reference reading</u> on provisional patent applications. A year after filing a provisional, or at the start, you can file a <u>Utility Patent Application</u> in the US for about \$5000. Much more if filed in other countries as well. At that point, or earlier, you might also consider patent drawing <u>support</u>. An alternative if funds are tight is good disclosure and wait 12 months to see if you want to file. In the US, you lose international rights but might have enabled enough to get some US patent protection. The patent grace period, while risky and described <u>here</u> and <u>here</u>, and quoted from the last link to say there is a chance for some patent protection up to 12 months after disclosure: "This personal grace-period says that the inventor's own disclosures, or the disclosures of others who have derived from the inventor, are not used as prior art as long as they occurred within 12 months of the filing date of a patent application relating to the invention."

Alpha Core Component Matrix Summary:

What you get: Recorded proof of creative element existence on a public blockchain. Encouragement to take the next step in your creative process and reward for progress made. Possible exposure to helpful community and investors.

What you don't get: Any promises. Any rights to matrix management or ownership. Any guarantees.

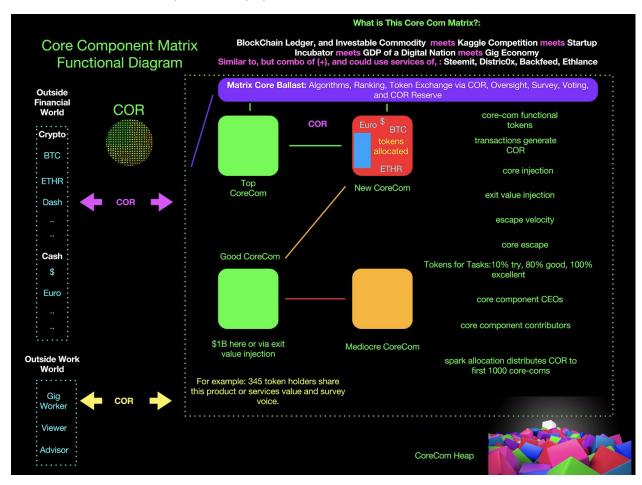
What we get: A synergistic community and valuable data.

What we don't get: Ownership to any of your IP or products. (other than in exchange for investment agreed upon separately from standard matrix use)

Further Potential Concept Development

COR is a new cryptocurrency wrapped around, tied to, and generated in a digital value creation accelerator that could become a digital nation. It's like a place to play chess where knowing what to do next, and doing it, pays. In this case taking ideas to proof of concept, then to customer engagement and accelerated value creation. Entering the "real corporate world" is possible but not necessarily desirable. Staying in the digital world with reduced legal and lossy systematic overhead while maintaining world-wide collaboration could

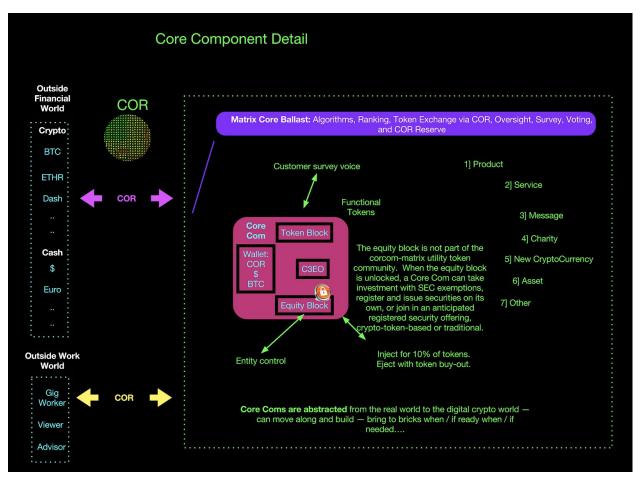
create a digital nation of 1000 incentivized Core Coms generating value in the matrix. (See this synergistic message piece on freedom innovation and incentives by Tim Draper².) We envision an interesting interplay between the internal value and external value of this "GDP coin" where the whole can be worth more or less than the sum of its core component parts at any given time. A sneak peek into the concepts, potential and COR founders brainstorming discussions can be found in the 14-page founding perspectives notes and the last version of the Alpha white paper can be found here.



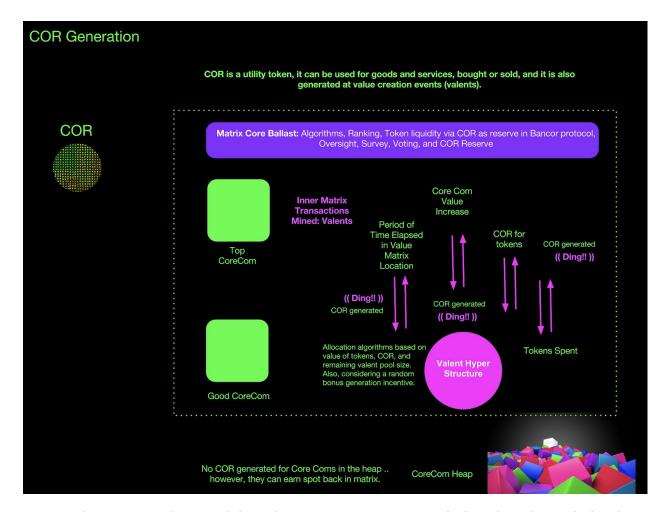
Core Com Matrix Functional Diagram showing the Core Component Matrix, 4 example Core Components, the matrix Core Ballast and the two channels of interaction, financial and intellectual capital, respectively. Core Component founders are part of an incentivized community and are incentivized to develop a utility token based idea and "auto-ICO" when ready, earning liquid COR cryptocurrency for good work on their idea and also joining with and learning from others to earn additional COR reward and other tokens that will go liquid upon success too. The Core Coms are competing to create value and move up in valent mining performance or risk slipping into the non-incentivized heap .. but .. if that happens,

²

they still exist as live value creation projects with event records forever on the blockchain, revisitable or fork-able by the founders or others, respectively. It is also possible to work back up into the matrix from the heap.

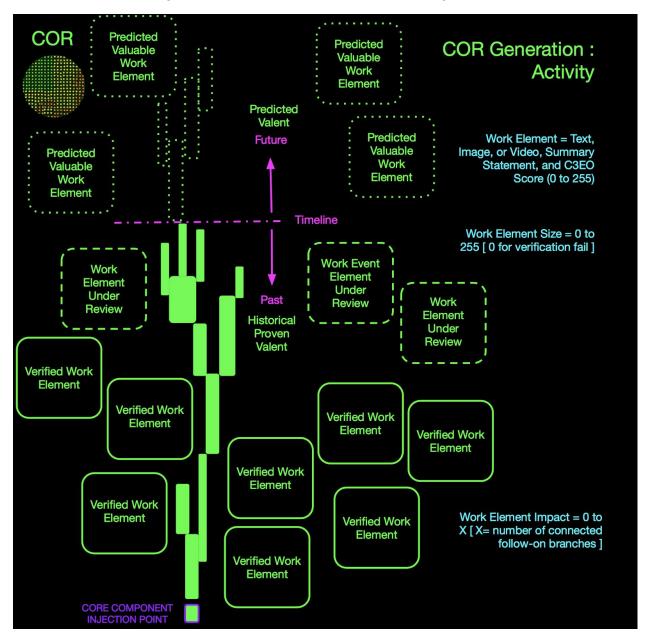


The Core Com example illustrated above shows the equity block (locked in this case), the C3EO seat, the token block and the Core Com wallet. Core Coms can be products, services, messages, charities, new cryptocurrencies, assets or something new. The Core Com is abstracted from the "real world" into a place where it can be defined, gain support, be tested, compete with other Core Coms for the best place in the matrix to generate extra COR, get noticed and grow. It is held by the equity block and as it creates its good or service and demand for its utility token goes up these tokens can be exchanged for the good or service or converted to COR, the reserve currency of the matrix. Utility tokens can be sold for goods and services under development and be used to reward early developers. Each Core Com has one survey voice in matrix issues, COR holders will be granted a voice, and token holders have survey voice, but the Core Com control resides in the equity block. It is conceivable that a founder may never have to give away any equity. This is a fantastic opportunity for innovators. That said, the equity block can be unlocked and private placement can be taken from accredited investors, jobs act qualified investors or in the form of securities if the securities of the equity block are registered with the SEC.

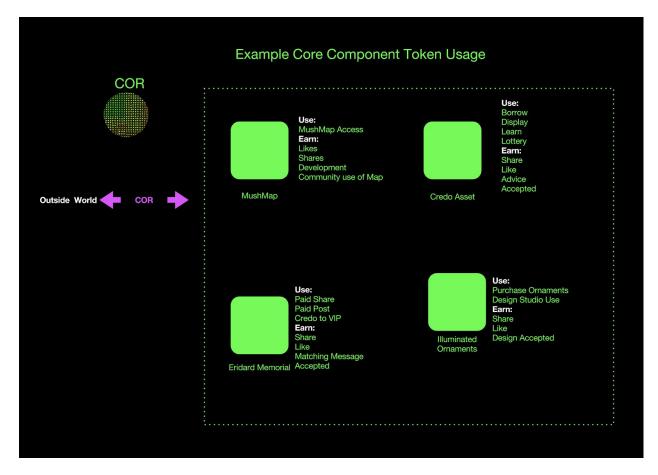


COR can be generated (minted) by value creation events. Proof of work and proof of stake mining will take place in the outer market to record COR transactions, and inside the matrix, proof of work and proof of stake mining (split, TBD) will be implemented to record all COR and Core Com token transactions. Additionally, value creation events, "Valents", will be awarded via the valent hyper structure in the matrix that keeps track of tokens spent, COR for token purchases, Core Com value increase (including work tickets completed, customer interaction, and revenue), period of time elapsed in high value matrix locations and additional inputs and use the remaining available valent pool, target COR market cap, size of the value creation event, and current COR value to distribute valent-created COR to participating parties. For initial development and deployment we envision a community and outside expert network and app rewarding participants via valent mining participation. Secured by proof-of-human and two-factor authentication, consensus and track record of voting with consensus will be weighted for input to the early valent allocation algorithms. Consensus determines if valent is awarded, and valent mining reviewer nodes suggest amount but a valent hyper-structure algorithm, ranking and lottery system determine actually amount awarded. Voting with consensus and having advice

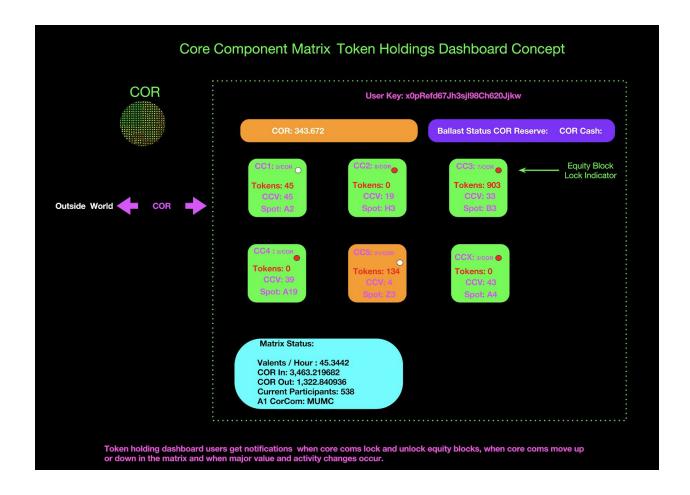
rewarded from Core Coms moves valent mining reviewer nodes up in impact and reward. All Core Com work tickets and all transactions are recorded on a blockchain and value creation, determined by consensus here, is rewarded with newly minted COR valent.



The activity metric for each corcom is calculated from the sum of the work elements [each with a unique ID and proof content] times their size and impact plus views, mentions and likes. Predicted valuable work elements are also listed going forward and the value of this element by element tracking is not only seen in proving and growing COR award but also for machine learning in the core component matrix or as an operating system for corporate workflow management and reward.



The utility of Core Component tokens can be determined by the C3EO of each Core Component. Examples of how to use and earn utility tokens for four of the existing Core Components are shown above.



The dashboard concept that will allow COR holders (investors, participants, and founders) to see matrix status and their token holdings in the various Core Coms. COR will of course also show up along with other cryptocurrencies such as BitCoin and Ethereum in other wallets, but this dashboard for COR holders will allow them to see inside the matrix and spend some of their COR utility tokens on the goods and services utility tokens of various Core Coms, or "COR out" of all Core Coms and hold their value only in COR. Unlocked Core Com equity blocks are open for private placement or SEC registered securities sales and are highlighted for interested COR holders to investigate further.

Equity Block Guidelines: Exemptions for unlocking and allowing investment for equity from functional token holders.



Every issuance of securities must be registered with the SEC unless a particular exemption applies. The three most common exemptions are:

1] "Founder's Stock" and Rule 4(a)(2)

Under Securities Act Rule 4(a)(2) an exemption from registering an issuance of securities with the SEC is carved out for transactions not involving a public offering, in which stock is sold to those who "take the initiative in founding or organizing the business" (See SEC Release No. 33-4552).

2] "Reg D" Offering and Rule 506 (and the less commonly used 504 and 505)

A "Reg D offering" is a term used to describe a private placement offering that allows you to raise an unlimited amount of money from an accredited investor under Securities Act Rule 506, or up to \$5 million under Rule 505 and \$1 million under Rule 504 during a 12-month period, and not register the offering with the SEC.

3] Incentivizing service providers under Rule 701

Under Rule 701 of the Securities Act, a startup is permitted to offer equity as part of a written compensation agreement to consultants, employees and directors without having to comply with complex federal securities registration. However, in order to stay within the parameters of Rule 701, the total sales of stock during a twelve month period must not exceed the greater of (1) \$1 million, (2) 15% of the issuer's total assets, or (3) 15% of all the outstanding securities of that class.

http://www.bendlawoffice.com/2015/10/15/the-securities-laws-founders-should-be-aware-of/

The equity block of each Core Component is locked unless the Core Component decides to take investment or award equity according to one of the three SEC exemptions listed above, or register with the SEC and sell equity securities. These choices and options are independent of the distribution, use, and trading of Core Component utility tokens. An added bonus of being a utility token holder is notification and potential to participate in equity events, if qualified.

Plotting, Reporting, and Valent

Example: The Core Component Value (CCV) for each Core Component in the matrix (1000 fully active, 40 on the bubble, remainder in the heap and not generating incentive valent), aka **CCV** is a vector function that can be plotted in three dimensions of the COR tokens received, COR tokens spent, and activity, with a scalar magnitude given as:

$$CCV = \sqrt{(CO)^2 + (CI)^3 + A^2}$$

Where:

CO= COR tokens out {Scaled location on Y-Axis [A to Z]}

CI= COR tokens in { Scaled location on X-Axis [1 to 40]}

A= Activity = sum (views + mentions + likes + $\sum_{work \ element=1}^{n}$ work element* size*impact)

Activity Plotted as a color= Normalized Across Matrix 1040 [Heat map, 256 steps between hot [good] and cold[bad]

A1, hot, is the best spot and state for a Core Com and will generate the most COR incentive per unit time.

Corner 40 spots are out of the matrix and on the bubble.

1041 is in the Core Com heap. Value still attached to matrix but no incentives operating.

Valent COR Assignment Algorithm:

Every Wednesday for Top 1040 CCV Core Components after 1040 approved core components have entered the core component matrix³:

Calculate: Raw Weekly Score = A*random.randint(1,1041) + CCV

Normalized Weekly Score = Raw Weekly Score / Highest Current Week Score

Trend = (0.45*max(0,(Raw-LastWeeksRaw)/LastWeeksRaw) + 0.45*max(0,Norm-LastWeeksNorm) + 0.1)

Normalized Trend = Trend / Highest Current Week Trend

Trend-Adjusted Weekly Score = Normalized Weekly Score*Normalized Trend

Assigned COR Valent =0.25%*Remaining Valent Pool [Initial COR valent pool = 2,000,000 COR] assigned pro rata to top 1040 core components based on their Trend Adjusted Weekly Score.

Sum 1040 COR valent awards (0.25%* Previous Remaining Valent Pool) and subtract sum from valent pool.

Record new valent pool total COR.

³ Until 1040 approved core components are in the matrix, each approved core component receives 100 COR.

Alpha1.0 Run Version: The Core Component Value (CCV) for each Core Component in the matrix is a vector function that can be plotted in three dimensions of the COR tokens received, COR tokens spent, and activity, with a scalar magnitude given as:

$$CCV = \sqrt{(CO)^2 + (CI)^3 + A^2}$$

Where:

CO= COR tokens out

CI= COR tokens in

A = Activity = sum (tweets⁴ + 10*retweets + tickets + 10*workshards)

Valent COR Assignment Algorithm:

Raw Score = A*random.randint(1,1041) + CCV

Scaled Score = Raw Score / Sum of Scores

COR_to_Assign = 0.25%***APP COR Valent Allocation**[Initial COR valent for APP.Alpha.1.0 = 200,000 COR]

COR Valent Assigned = ScaledScore*COR_to_Assign

New APP COR Valent Allocation = APP COR Valent Allocation - COR_to_Assign

⁴ #matrixIDXYZ #corcom #COR -- all three need to be included in the tweet and the word matrixID with the number connected need to be just so -- just the number won't work since Twitter doesn't allow hashtags to start with a number or just be numbers.

Team

The management team includes an interim CEO, a CCO and we have openings for CFO (candidate in discussions), COO and CTO. 6 advisors have been placed, and we have openings for 4 more advisors. 7 Pioneers have been placed, and we have openings for 93 more pioneers. All of these listed positions come with respective COR allocation and management also includes BTC and COR per month allocations.

Chief Executive Officer [interim, & developer + multi-C3E0]

Jesse Adams, Ph.D.



Experienced executive, inventor, author, educator, programer, and communicator. Track record of creating millions of dollars in value through predictive skills, project definition, deal formation, fund-raising, invention, and management. Manages with encouragement, rigor, humor and focus to create an executive culture that is far reaching, effective and realistic. Experience managing teams with laser-focus and clear big-picture thinking. Currently serves as CTO and is on the board of directors for NevadaNano and as Vice President of North America for HIL Applied Medical.

Chief Communications Officer

Robbie Moen

Broadcast personality, television producer, marketing and brand developer, entrepreneur, story-teller and touring musician. Robert's breadth of experiences have helped him develop a honed sensemaking mindset. Creating actionable strategies based on available data and cultural foresight. Passionate about the balance between human experience



and hard data, Robert strives to create systems that insist on ease of use and a clear vision of human/system interaction. Currently president of Moen America LTD and Agency: First Class Concierge.

First Five Advisors

Steven Malekos



A native Nevadan Eagle-Scout born and raised in the Sierra Nevada Mountain ranges. Having an appreciation for the numerous outdoor activities the Lake Tahoe region provided, he discovered the beauty of combining business and adventure at an early age. He started his first company at the age of 13 in landscape design and maintenance. His entrepreneurial spirit and ability to connect with people of all ages helped propel his next venture as a mobile disc jockey. His love of technology was ignited while designing advanced-laser-light shows using state-of-the-art equipment. His Dj business put him through college with a degree in Mechanical Engineering at the University of Nevada Reno, debt free. He has over a decade of experience working out of the

Stanford Nanofabrication Facility specializing in the area of nanoscience, which helped build multiple startup companies in the Northern Nevada region.

His patented technology has applications in the area of advance cancer treatment, fusion based energy, advanced diagnostic systems

and more.

Ray Sidney

Ray Sidney received his undergraduate education in mathematics at Caltech and Harvard and then received his PhD in mathematics from MIT with a specialty in cryptography. In 1999, he started work as the second engineer at Google. He also has an MBA from UC Berkeley.



Scott Erwin



Scott Erwin held a Reactor Operator License at the Southern California power plant, San Onofre Nuclear Generating Station (SONGS). Scott worked for both Pacific Gas and Electric and Southern California Edison in their grid control centers and holds Reliability Coordinator Status with the North American Electric Reliability Council. He currently helps the stakeholder Generation and Transmission companies within the Western Electricity

Coordination Council to create regulatory policies for heightened reliability of the Western Interconnection. Scott brings many years of experience from within a regulated environment that will help founders and C3EO's avoid the pitfalls of developing too rigid a structure and stifling the creativity, freedom and easy entrance by participants in the

Matrix. Scott holds a Bachelor's of Science in Nuclear Engineering Technology from Thomas Edison State University and is an avid online gamer.



Greg Durkin

Former Warner Brothers SVP of Marketing Analytics. Greg Durkin's career at Warner Bros spanned some of its most successful years, and he has worked on such franchise properties as Harry Potter and Lego as well as numerous superhero films such as Man of Steel and The Dark Knight along with The Hangover films.

Tyson Cross (LL.M.)

Tyson is one of the leading authorities on cryptocurrency taxation and regulation. Licensed in California and Nevada, Tyson helps clients in all 50 states with federal tax and regulatory matters. Prior to opening his own law office, Tyson worked for a boutique tax law firm in San Diego, California where he represented clients in routine and multi-million dollar tax matters. Tyson's other practice areas include estate planning and asset protection.



Oversight Committee

Robbie Moen, Steven Malekos, Scott Erwin

Chair: Robbie Moen

Events

COR Utility Token Sale < January 1, 2018>

2021 COR C3EO meetup and developer conferences in Reno, London, Zurich, Paris, Singapore, and Kampala.

Incentives for Investors

Accredited investors can invest in CORCOM INC and/or in the upcoming CRS security token sale.

Incentives for Core Components

Creative individuals and companies are incentivized to seed their idea into the matrix as a Core Component in order to securely record and track early contributions, reduce startup costs, utilize matrix startup funds and matrix activity and performance rewards and the fundraising boost of being part of a risk reducing group all working together.

The matrix rewards Core Coms for value creation activity.

Long Term Incentive

Early adopters will be rewarded and we don't know of another venue like this that will help the early stage of development and accelerate ideas to value creation -- but we also envision reward and incentives to stay in the matrix. In addition, any Core Coms holding onto Matrix token (COR) for value creation and activity reward will earn value as other Core Coms gain value, meaning they have a way to fundraise while doing literally nothing after those early successful events if they need to wait. They are of course incentivised not to sit back and wait, but this principle is in place either way.

Video Storyboard and Summary

Script and video voice over starts with the same Core Component Matrix token background and working summary and then focuses on the incentives for Core Coms to be in the matrix, either as new ideas started there or as kernel interfaced outside companies injected into the matrix. The marketing boost, funding boost, and COR generated from progress are all key incentives for Core Coms to be in the matrix. Plus there's a community of incentivized, ranked and vetted contributors to get things done for the Core Com.

Incentives for Participants

The digital gig economy is here! Early participants who support, advise or work for matrix Core Coms will be rewarded every step of the way, and from the first interaction. The Matrix works with a 10, 80, 100 principle. That is, acceptance by a C3EO to try a task is rewarded with 10% no matter what, 80% for a good job, and 100% for an excellent job. Tasks can be paid in hybrid pay packages that include core component utility tokens, COR utility tokens and ETH. Participants performance history is recorded and displayed, so C3EOs can make good decisions when accepting support ... and participants can request one reputation reset after 15 actions. [learning curve]

Long Term Incentives

The incentive to participate long term is that COR will be worth even more if it is successful, and it is a flexible, exciting place to work.

Video Storyboard and Summary

Script and video voice over starts with the same Core Component Matrix token background and working summary and then focuses on the incentives for participants to work in the matrix. A digital, value creating workplace that rewards all contributions and greatly rewards early contributions with digitally recorded utility tokens that can become a big payoff for contributors to successful Core Coms whose goods and services, and therefore, utility tokens are in high demand.

Marketing Potential of the Matrix

The matrix can help create a marketing engine for its Core Coms, for itself, and for the outside world that wants to market to the matrix Core Coms and participants.

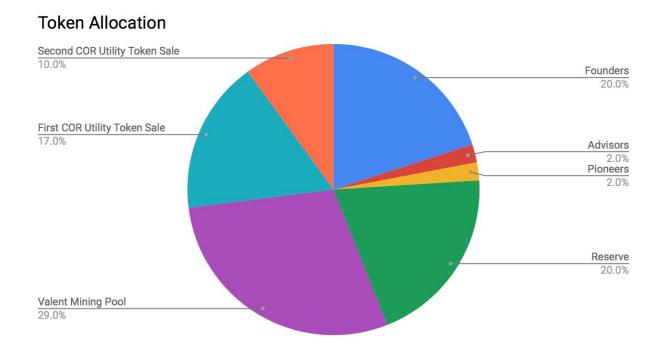
Prediction of Positive Outcomes, Global Value Search and Matrix 2.0

Looking out further on the horizon, data from the matrix combined with Al algorithms could birth what we are calling Matrix 2.0 and global value search. Our first matrix and cryptocurrency wrapper, Core Component Matrix token, will have developed an unprecedented insight and knowledge in algorithm development and refinement to determine the probability of positive outcomes by simply tracking outcomes of the Core Coms as they move in and out, up and down in the matrix over the years. This will eventually allow us to utilize algorithms for global search, for example, finding youtube videos with sections of compelling video that could indicate a promising actor, director, or score write. The algorithms could identify promising team members, topics, threads and keywords. And most or all of the new Core Coms could be run through a simulation with this algorithm to identify deficiencies and increase chance of success and positive outcome. The related, nascent, idea at this point is that as matrix 1.0 reaches its \$1T target of goods and services value creation, or sooner, matrix 2.0 could be launched and it could include 100,000, 1,000,000 or unlimited incentivized Core Coms and actively identify, by various algorithms, "signs of life, value and promise" in the noise of all other activity and promote those Core Coms higher in position. This could be wrapped in a new utility token or become part of the original COR token.

Injection, Escape Velocity, and Ejection Protocols

Core Coms can be injected into the Matrix as a new idea or entity by any qualified applicant or as a project belonging to a company or the company itself. Once in the matrix, Core Coms can reach self-determined escape velocity and leave the matrix, they can be ejected, and they can slide into the heap (collection of all Core Coms not in the top 1040) for poor performance. The heap allows continued work and development but without COR generation incentives. Non-voluntary ejection out of the matrix is only possible when a Core Com is considered a bad actor and even in that case its actions and matrix ID are still recorded for non-functional historical reference. Core Coms that self-determine escape velocity and want to leave the matrix have two choices: 1) Buy back all utility tokens with COR or, 2) Assign a 10% equity stake to a fund that will one day buy back utility tokens with COR. Token holders are also given a first right to join the exit, as they are qualified, depending on the exit type, and participate, pro-rata, based on their share of the utility tokens as a measuring stick, not in a conversion.

Core Com Matrix Token Allocation



2M are allocated to the founders who developed and are developing this concept.

200k are allocated for 10 key advisors.

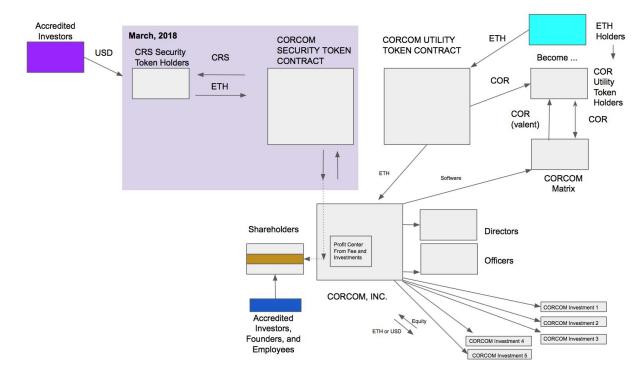
200k are allocated for 100 pioneers [investors, developers and users]

2M is held in reserve.

- 2.9M is for the combined mining and value creation [valent] pool.
- 1.7M will be offered during the first COR Utility Token sale, January 1, 2018 for access to and participation in the alpha system.

1M will be offered during the second COR Utility Token sale on January 15th, 2019.

Business Model



Blockchain has enabled the creation of new business models including the one we are building at Corcom Inc. It is now possible to securely tokenize the product and or service of a company and utilize digital utility tokens as the means of access to the product or service as well as the incentive for positive participation in the ecosystem of the product or service.

In addition, using the same technology with different rules and requirements, it is possible to additionally create separate digital security tokens that access the profit center of the corporation. In this way it is now possible to build a three dimensional business core that includes traditional stock and ownership, utility tokenization of the product and/or service, and additional tokenization of a section of the corporate profit center. If the product or service is good, and the company is well managed, any one of these dimensions would be valuable alone, and we see a synergy and growth potential for the three working together that hasn't been fully realized.

Tools Used and Recommended Vendors

We recommend <u>Facebook</u>, <u>Snapchat</u>, <u>UpWork</u>, <u>Dropbox Paper</u>, <u>WeWork</u>, <u>Ethlance</u> and <u>LinkedIn</u>.