

# FOR HOLDERS AND USERS OF THE AI TOKEN IN THE EUROPEAN UNION: CRYPTO-ASSET WHITE PAPER

---

*" This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for the content of this crypto-asset white paper » "*

## Table of Contents

Notification Date .....	6
Compliance Statements .....	6
1. Warning: Limited Regulatory Protections under the Markets in Crypto-Assets Regulation .....	6
2. Risk Warnings and Limitations Regarding the AI Crypto-Asset .....	7
3. Statement by the Management Body of the Issuer .....	7
Summary of the AI token White Paper .....	7
Disclaimer .....	7
Key Information .....	8
Part I - Information on the risks .....	9
1. Offer-Related Risks .....	9
2. Issuer-Related Risks .....	10
3. Crypto-Assets-Related Risks .....	10
4. Project Implementation-Related Risks .....	10
5. Technology-Related Risks & Mitigation Measures .....	11
Part A - Information about the offeror or the person seeking admission to trading .....	11
1. Name .....	11
2. Legal form .....	11
3. Registered address and head office, where different .....	11
4. Date of the registration .....	12
5. Legal entity identifier or another identifier required pursuant to applicable national law .....	12
6. A contact telephone number and an email address .....	12
7. Where applicable, the name of the parent company .....	12
8. Identity, business addresses and functions of persons that are members of the management body .....	12
9. Business or professional activity of the offeror or person seeking admission to trading .....	12
10. Financial condition .....	12
Part B – Information about the issuer, if different from the offeror or person seeking admission to trading .....	13

Part C – Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to article 6(1), second subparagraph, of regulation EU 2023/1114.....	13
Part D - Information about the crypto-asset project .....	13
1. Name of the crypto-asset project .....	13
2. Project description .....	13
3. Persons involved.....	13
4. Key features of goods/services (utility tokens) .....	14
5. Past and future milestones .....	14
6. Planned use of funds .....	14
Part E - Information about the offer to the public of crypto-assets or their admission to trading .....	14
1. Indicate if white paper concerns public offer or admission to trading .....	14
2. The reasons for the offer to the public or for seeking admission to trading .....	14
3. Amount to raise (in funds or crypto), min/max targets, oversubscriptions and allocation: .....	14
4. Issue price (currency or crypto), subscription fee, price determination method.....	14
5. Where applicable, the total number of crypto-assets to be offered to the public or admitted to trading: .....	14
6. Targeted prospective holders and any holder-type restrictions.....	14
7. Notice of purchaser reimbursement if minimum subscription not met, withdrawal right under Article 13, or offer cancellation; description of refund mechanism and expected timeline.....	15
8. Phases of the offer, early purchaser discount info, reasons for price differences, and impact on other investors: .....	15
9. For time-limited offers, the subscription period during which the offer to the public is open .....	15
10. The arrangements to safeguard funds or other crypto-assets as referred to in Article 10 during the time-limited offer to the public or during the withdrawal period .....	15
11. Methods of payment to purchase the crypto-assets offered and methods of transfer of the value to the purchasers when they are entitled to be reimbursed .....	15
12. In the case of offers to the public, information on the right of withdrawal as referred to in Article 13.....	15
13. Information on the manner and time schedule of transferring the purchased crypto-assets to the holders .....	16

14. Information about technical requirements that the purchaser is required to fulfil to hold the crypto-assets .....	16
15. Where applicable, the name of the crypto-asset service provider in charge of the placing of crypto-assets and the form of such placement (with or without a firm commitment basis).....	16
16. Where applicable, the name of the trading platform for crypto-assets where admission to trading is sought, and information about how investors can access such trading platforms and the costs involved.....	16
17. Expenses related to the offer to the public of crypto-assets .....	16
18. Potential conflicts of interest of the persons involved in the offer to the public or admission to trading, arising in relation to the offer or admission to trading.....	16
19. The law applicable to the offer to the public of crypto-assets, as well as the competent court .....	16
Part F - Information about the crypto-assets .....	16
1. Crypto-Asset Type .....	16
2. Crypto-Asset Functionality: .....	16
3. Planned Application of Functionalities: Crypto-Asset Characteristics .....	17
4. Type of white paper: White paper for the EU.....	17
5. Type of submission: New submission. ....	17
6. Crypto-Asset Characteristics .....	17
7. Commercial name or trading name .....	17
8. Website of the issuer.....	17
9. Starting date of offer to the public or admission to trading .....	17
10. Publication date.....	17
11. Any other services provided by the issuer .....	17
12. Identifier of operator of the trading platform .....	17
13. Language or languages of the white paper .....	17
14. Digital Token Identifier Code.....	17
15. Functionally Fungible Group Digital Token Identifier.....	17
16. Voluntary data flag .....	17
17. Personal data flag.....	17
18. LEI eligibility.....	17
19. Home Member State .....	17

20. Host Member States.....	17
Part G - Information on the rights and obligations attached to the crypto-assets.....	18
1. A description of the rights and obligations, if any, of the purchaser, and the procedure and conditions for the exercise of those rights.....	18
2. A description of the conditions under which the rights and obligations may be modified .....	18
3. Where applicable, information on the future offers to the public of crypto-assets by the issuer and the number of crypto-assets retained by the issuer itself.....	18
4. Where the offer to the public of crypto-assets or their admission to trading concerns utility tokens, information about the quality and quantity of goods or services to which the utility tokens give access .....	18
5. Where the offers to the public of crypto-assets or their admission to trading concerns utility tokens , information on how utility tokens can be redeemed for goods or services to which they relate.....	18
6. Where an admission to trading is not sought, information on how and where the crypto-assets can be purchased or sold after the offer to the public .....	18
7. Restrictions on the transferability of the crypto-assets that are being offered or admitted to trading .....	19
8. Where the crypto-assets have protocols for the increase or decrease of their supply in response to changes in demand, a description of the functioning of such protocols .....	19
9. Where applicable, a description of protection schemes protecting the value of the crypto-assets and of compensation schemes .....	19
10. The law applicable to the crypto-assets, as well as the competent court.....	19
Part H - Information on the underlying technology .....	19
2. The consensus mechanism, where applicable .....	19
3. Incentive mechanisms to secure transactions and any fees applicable .....	19
4. Where the crypto-assets are issued, transferred and stored using distributed ledger technology that is operated by the issuer, the offeror or a third-party acting on their behalf, a detailed description of the functioning of such distributed ledger technology .....	20
5. Information on the audit outcome of the technology used, if such an audit was conducted.....	20
Article 6.1 (j) - Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts .....	20
Annex 1 - Mandatory Information on the Environmental Impacts of the Consensus Mechanism .....	21

## **Notification Date**

Date of notification of the white paper: December 8, 2025

## **Compliance Statements**

This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The offeror of the crypto-asset is solely responsible for its content. Where applicable, in accordance with Article 6(3), second subparagraph of the Markets in Crypto Assets Regulation (EU) 2023/1114, references to the “offeror” shall be understood as referring to the “person seeking admission to trading” or the “operator of the trading platform”.

This white paper complies with Title II of the Markets in Crypto-Assets Regulation (EU) 2023/1114. To the best knowledge of the management body, the information it contains is fair, clear, and not misleading, and no material information has been omitted that would be likely to affect its import.

The crypto-asset referred to in this white paper – the AI token (utility token) – may lose its value in part or in full, may not always be transferable, and may not be liquid. It is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council, nor by the deposit guarantee schemes under Directive 2014/49/EU.

### **1. Warning: Limited Regulatory Protections under the Markets in Crypto-Assets Regulation**

The AI token does not qualify as an "asset-referenced token" (ART) nor as an "electronic money token" (EMT) within the meaning of Regulation (EU) 2023/1114 (“MiCA”), as it is not linked to any underlying asset, reserve, or official currency and does not aim to maintain a stable value.

Gensyn Network Ltd does not intend, and any readers of this white paper or any related materials must not classify, the AI token as an ART or EMT when considering whether to hold or use AI tokens.

As the issuer of a crypto-asset other than an ART or EMT, Gensyn Network Ltd has not been authorised by any national competent authority under Titles III or IV of MiCA.

Any holder of the AI token will not have the rights or protections, and neither Gensyn Network Ltd nor any other entity will have the obligations, arising under Titles III and IV of MiCA, including, but not limited to, those relating to regulatory reporting, ongoing reporting to holders, complaints, the maintenance and custody of reserve assets, and rights of redemption.

## **2. Risk Warnings and Limitations Regarding the AI Crypto-Asset**

The following clear and unambiguous risk warnings apply to the AI token:

- a) The value of the AI token may fluctuate and could decrease to zero.
- b) Its transferability may be limited due to technical, regulatory, or market constraints.
- c) Liquidity is not guaranteed; it may be difficult or impossible to sell or exchange at certain times.
- d) If the AI token is a utility token, it may not be redeemable for the good or service promised, especially in case of project failure.
- e) The AI token is not protected by any investor compensation scheme under Directive 97/9/EC.
- f) The AI token is not protected by any deposit guarantee scheme under Directive 2014/49/EU.

## **3. Statement by the Management Body of the Issuer**

Gensyn Network Ltd, the issuer of the AI token, hereby declares that this white paper complies with the applicable provisions of Regulation (EU) 2023/1114 (MiCA) and, to the best of its knowledge, that the information contained herein is fair, clear and not misleading. The white paper is also, to the best of the management body's reasonable knowledge, free from omissions that would affect its substance.

## **Summary of the AI token White Paper**

### **Disclaimer**

This summary should be read as an introduction to the full white paper. Any decision to hold or use the AI token should be based on a thorough review of the white paper as a whole and not solely on this summary.

The public distribution of the AI token does not constitute an offer or solicitation to purchase financial instruments. Any such offer or solicitation may only be made through a prospectus or other offering documents in accordance with applicable national law.

This white paper is not a prospectus within the meaning of Regulation (EU) 2017/1129 nor any other offering document under Union law or applicable national law.

## Key Information

Crypto-Asset Name: AI token

Issuer: Gensyn Network Ltd

Type of Crypto-Asset: Utility token issued on an Ethereum rollup based on the OP Stack (Bedrock framework).

Purpose: Gensyn is an open protocol enabling verifiable AI training, evaluation, and inference across any device. It connects the world's data, compute, and capital into a network accessible to all, offering an open and transparent alternative to centralised AI systems.

Functions of the AI token:

- Payment for computational tasks performed on the network.
- Staking for network security and verification.
- Participation in protocol governance.

Target Audience: Developers, compute providers, and end users of AI systems.

Involved entities:

- Offeror and issuer: Gensyn Network Ltd (British Virgin Islands)
- Initial technical developer: Gensyn Limited (United Kingdom)
- Ecosystem development: Gensyn Foundation (Cayman Islands)

Key Risks:

- **Regulatory Compliance Risks:** Issuers of crypto assets must adhere to a wide array of regulatory requirements across different jurisdictions. Non-compliance can result in fines, sanctions, or the prohibition of the crypto asset offering, impacting its viability and market acceptance.
- **Operational Risks:** These include risks related to the issuer's internal processes, personnel, and technologies, which can affect their ability to manage crypto-asset operations effectively. Failures in operational integrity might lead to disruptions, financial losses, or reputational damage.
- **Financial Risks:** Issuers face financial risks, including liquidity, credit, and market risks. These could affect the issuer's ability to continue operations, meet obligations, or sustain the stability or value of the crypto-asset.
- **Legal Risks:** Legal uncertainties, potential lawsuits, or adverse legal rulings can pose significant risks to issuers. Legal challenges may affect the legality, usability, or value of a crypto-asset.

- **Fraud and Mismanagement Risks:** There is a risk of fraudulent activity or mismanagement by the issuer, which can lead to directly impacting the usability or value of a crypto-asset or damage the credibility of the project.
- **Reputational Risks:** Negative publicity, whether due to operational failures, security breaches, or association with illicit activities, can damage an issuer's reputation and, by extension, the value and acceptance of the crypto-asset.
- **Technology Management Risks:** Inadequate management of technological updates or failure to keep pace with technological advancements can render a crypto-asset, or the project it is connected to, obsolete or vulnerable to security risks.

Applicable Regulation: Regulation (EU) 2023/1114 (MiCA) for the public offering of crypto-assets.

## Part I - Information on the risks

### 1. Offer-Related Risks

A description of the risks associated with the offer to the public of crypto-assets or their admission to trading: There are inherent risks associated with the public distribution and potential trading of crypto-assets, including the absence of guarantees regarding service continuity, security, and regulatory clarity affecting access to or use of such assets. The public distribution of the AI token involves several risks, both general to the crypto-asset market and specific to the decentralised Gensyn ecosystem. These include, but are not limited to:

**Risk of value loss:** The price of the AI token may fluctuate significantly due to the volatility of the crypto-asset market and speculative activity. There is no guarantee of stability or preservation of the token's value.

**Liquidity risks:** There is no assurance that an active or liquid secondary market for AI will develop or be maintained. Lack of liquidity or concentration of trading volumes may make it difficult to buy or sell tokens at a fair price.

**Custody risk:** Holders are solely responsible for the safekeeping of their tokens and private keys. The loss or theft of private keys may result in the permanent loss of tokens without any possibility of recovery.

**Reputational risk:** Any technical incident, cyberattack, or compliance issue affecting Gensyn Network Ltd or Gensyn Limited could undermine public confidence and negatively impact the value or adoption of the AI token.

Prospective users are encouraged to assess their risk tolerance before interacting with the AI token or participating in the Gensyn network.

## 2. Issuer-Related Risks

A description of the risks associated with the issuer, if different from the offeror, or person seeking admission to trading: The offeror and the issuer are the same entity, Gensyn Network Ltd. However, the issuer and its parent company, the Gensyn Foundation, rely on the technical support of Gensyn Limited for protocol development and maintenance during the initial mainnet launch phase. Any disruption or withdrawal of this partner could impact the issuer and Foundation's operational capabilities.

## 3. Crypto-Assets-Related Risks

A description of the risks associated with the crypto-assets: Using and holding AI tokens involves risks inherent to open blockchain systems, including:

**Nature of the token:** AI is a utility token. It does not represent ownership rights, profit participation, or any claim against Gensyn Network Ltd, the Gensyn Foundation, or Gensyn Limited. Its value derives solely from its functional use within the Gensyn Protocol.

**Limited utility risk:** The AI token only has functional value within the Gensyn Protocol. If the project fails, is delayed, or achieves limited adoption, the token's utility could be reduced or lost entirely.

**Token concentration risk:** A significant portion of the initial AI supply may be allocated to the Foundation or to core contributors. Such concentration could influence network governance or affect market liquidity.

**Taxation risk:** The tax treatment of crypto-assets remains uncertain and varies depending on the holder's country of residence. Token holders are responsible for determining and complying with their own tax obligations.

## 4. Project Implementation-Related Risks

A description of the risks associated with project implementation:

The implementation of the Gensyn protocol and the AI token involves several operational, technical, and strategic risks that may affect the successful deployment and sustainability of the project. Key risks include:

**Development risk:** The Gensyn Protocol is currently in its testnet phase. The launch of the mainnet depends on the success of testing and the availability of technical and financial resources. Delays or failures in development could affect the token's intended functionality.

**Third-party dependency risk:** The protocol relies on open source ML libraries and external infrastructure providers, including OP Stack components, cloud services, and various blockchain services. Failures of these providers could impact the network's availability or performance.

**Adoption risk:** The protocol’s success depends on user participation and engagement by network contributors (AI developers, compute providers, verifiers, and stakers). Low adoption could limit economic activity and the token’s utility.

**Interoperability risk:** As the protocol operates on an Ethereum-based rollup, compatibility with other blockchains or Layer-2 solutions is not guaranteed. This may limit integration with other ecosystems.

## 5. Technology-Related Risks & Mitigation Measures

A description of the risks associated with the technology used as well as mitigation measures, if any: The technology underlying the Gensyn protocol, including its Ethereum-based rollup infrastructure, carries inherent risks such as:

**Technical vulnerability risk:** The Gensyn Protocol relies on smart contracts and an Ethereum rollup architecture (OP Stack). Code vulnerabilities, security flaws, or failures of network bridges could result in token losses or service disruptions.

**Cybersecurity risk:** As a distributed system, the protocol may be exposed to cyber threats such as hacking, code injection, or Sybil attacks. These incidents could compromise network integrity, availability, or data confidentiality.

**Dependency on the Ethereum network:** The stability of the Gensyn rollup depends on the reliability of the Ethereum mainnet. Congestion, protocol upgrades, or unexpected forks may affect AI transactions or protocol performance.

**Technological obsolescence risk:** Rapid developments in blockchain and artificial intelligence technologies may render parts of the protocol outdated if regular upgrades are not implemented.

**Mitigation measures:** Gensyn Network Ltd implements independent security audits, formal verification of smart contracts, and continuous monitoring of network performance. Incident response procedures and periodic updates are in place to address identified technical risks.

## Part A - Information about the offeror or the person seeking admission to trading

1. **Name:** Gensyn Network Ltd.
2. **Legal form:** British Virgin Islands Business Company
3. **Registered address and head office, where different:** The offeror of the AI token will be Gensyn Network Ltd, a British Virgin Islands Business Company with registered offices at Walkers Corporate (BVI) Limited, 171 Main Street, PO Box 92, Road

Town, Tortola, British Virgin Islands, VG 1110. Gensyn Network Ltd is a subsidiary of the Gensyn Foundation, a Cayman Islands Foundation Company, with registered offices at Walkers Corporate Limited of 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The initial technical development of the Gensyn Protocol is carried out by Gensyn Limited, a UK private limited company (no. 12601008), with registered offices at *International House, 64 Nile Street, London, England, N1 7SR*.

4. **Date of the registration:** September 22, 2025
5. **Legal entity identifier or another identifier required pursuant to applicable national law:** 2187906
6. **A contact telephone number and an email address:**  
info@gensynfoundation.org
7. **Where applicable, the name of the parent company:** Gensyn Foundation
8. **Identity, business addresses and functions of persons that are members of the management body:** Gensyn Foundation (Director), with Glenn Kennedy acting as authorised representative on its behalf.
9. **Business or professional activity of the offeror or person seeking admission to trading:** Gensyn Network Ltd will be responsible for the issuance of the AI utility token, and together with the Gensyn Foundation, for managing the protocol's treasury to support the continued development of the Gensyn network and ecosystem.
10. **Financial condition:**

Gensyn Network Ltd is a recently incorporated entity established for the issuance of the AI token and the management of the associated ecosystem treasury. As such, it is in the early stages of its operational lifecycle and does not yet have audited financial statements. Audited financial statements will be prepared in accordance with applicable accounting standards once the entity has operated for a full financial period.

The overall Gensyn project has received nearly \$70 million of venture capital at the development company level (Gensyn Limited) in order to support protocol development, mainnet launch, and early ecosystem growth. Gensyn Network Ltd benefits from financial support and resourcing from the Gensyn Foundation for the purpose of carrying out its mandate, including treasury operations, ecosystem incentives, and ongoing network development.

The issuer believes that available financial resources are sufficient to support the initial launch of the network and its early expansion phase. However, as a newly formed entity in an emerging technology sector, Gensyn Network Ltd is subject to risks associated with early-stage projects, including funding and liquidity risks. There is no guarantee that additional capital will not be required in the future to support ongoing operations and network development.

## **Part B – Information about the issuer, if different from the offeror or person seeking admission to trading**

Not Applicable.

## **Part C – Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to article 6(1), second subparagraph, of regulation EU 2023/1114**

Not Applicable.

## **Part D - Information about the crypto-asset project**

1. **Name of the crypto-asset project:** The Gensyn protocol is the crypto-asset project; AI (utility token) is the crypto-asset.
2. **Project description:** The Gensyn Protocol is a decentralised network that enables verifiable AI training, evaluation, and inference across any device. It connects compute providers, developers, and users through a blockchain-based infrastructure that records, verifies, and rewards machine learning work. Built on an EVM Layer-2 rollup using the OP Stack, it ensures correctness through deterministic reproducibility (RepOps) and on-chain arbitration (Verde). The network supports continual learning through a feedback loop of user-driven training, distributed computation, and open evaluation markets. The AI token powers payments, staking, and governance, making Gensyn an open and economically self-sustaining system for distributed machine intelligence.
3. **Persons involved:** The Gensyn Protocol was initially developed by Gensyn Limited, a UK private limited company (No. 12601008) registered at International House, 64 Nile Street, London, England, N1 7SR. Following the Token Generation Event (TGE), Gensyn Network Ltd will oversee the issuance of the AI token, and the Gensyn Foundation will support protocol governance, ecosystem development, and treasury management. Gensyn Limited will continue to support technical development and infrastructure maintenance as a service provider to the Gensyn Foundation. The protocol architecture includes several components under development, such as *RL Swarm* (peer-to-peer AI training system), *CodeAssist* (assistance learning system for coding), *BlockAssist* (assistance learning system for gaming), *RepOps* (reproducibility framework), *Verde*

(arbitration system), and *Delphi* (evaluation markets). The project's codebase is open source and can be found at: <https://github.com/gensyn-ai>.

4. **Key features of goods/services (utility tokens):** The AI utility token is used for payments, staking (security and verification), and governance of the protocol.
5. **Past and future milestones:** Active Testnet with nearly 1 million AI models trained across various applications, including *RL Swarm*, *BlockAssist*, *CodeAssist*, and *Delphi*; future development includes new distributed learning mechanisms and applications.
6. **Planned use of funds:** Funds and network task fees collected in AI will be directed to a treasury managed by the Gensyn Foundation, with allocations decided through governance proposals to finance ongoing protocol development, research, and ecosystem initiatives.

## Part E - Information about the offer to the public of crypto-assets or their admission to trading

1. **Indicate if white paper concerns public offer or admission to trading:** Public offer of utility tokens.
2. **The reasons for the offer to the public or for seeking admission to trading:** To distribute the AI utility token broadly among network participants (developers, compute providers, and users) for use within the system, and to enable community governance.
3. **Amount to raise (in funds or crypto), min/max targets, oversubscriptions and allocation:** The issuer aims to raise up to USD 50 million equivalent. The public offer will be conducted in an English auction format. A minimum subscription threshold will apply. In the event of oversubscription, allocations will be adjusted proportionally based on bid size, bid timing, verified testnet activity, community engagement, open source ML contributions, and lock-up participation.
4. **Issue price (currency or crypto), subscription fee, price determination method:** The final token price will be determined through an auction process within a defined valuation range, payable in USDC or USDT on Ethereum mainnet. No subscription or placement fees will be charged to purchasers. Participants who elect a voluntary lock-up may be eligible for a discounted purchase price, as well as priority allocations in the event of over-subscription.
5. **Where applicable, the total number of crypto-assets to be offered to the public or admitted to trading:** Up to 1,000,000,000 AI.
6. **Targeted prospective holders and any holder-type restrictions:** The offer is open to non-U.S. participants who complete KYC/AML verification. U.S. accredited

- investors may participate with applicable holding periods. Participants in sanctioned jurisdictions are excluded.
7. **Notice of purchaser reimbursement if minimum subscription not met, withdrawal right under Article 13, or offer cancellation; description of refund mechanism and expected timeline:** If the minimum raise is not met or the offer is cancelled, all funds are refunded within 10 business days to originating wallets. EU purchasers may withdraw within 14 days of allocation confirmation (Article 13 MiCA). Refunds in the original payment asset (USDC or USDT) through the same wallet used for subscription.
  8. **Phases of the offer, early purchaser discount info, reasons for price differences, and impact on other investors:** The public offer will take place as a single English-auction event. All participants bid within the same price range and clearing process. Testnet participants may receive multiplier-based allocation adjustments, and purchasers who elect a voluntary one-year lock-up before the auction closes are eligible for a 10 percent price discount. U.S. accredited investors participate under the same auction mechanics but are subject to a mandatory one-year lock-up, which includes the 10 percent price discount as well. These measures create differentiated allocation tiers but operate within a single, transparent auction process to ensure fair price discovery and distribution.
  9. **For time-limited offers, the subscription period during which the offer to the public is open:** Registration is expected to open in early December 2025 and run for roughly 10 days. The sale will commence immediately thereafter, and remain open for roughly 5 days. Allocations will then be determined, and the refund window for EU participants will open.
  10. **The arrangements to safeguard funds or other crypto-assets as referred to in Article 10 during the time-limited offer to the public or during the withdrawal period:** Sale proceeds held in qualified custodian wallets administered by Anchorage, with detailed reconciliation and audit logs, until close or refund triggers.
  11. **Methods of payment to purchase the crypto-assets offered and methods of transfer of the value to the purchasers when they are entitled to be reimbursed:** USDC and USDT on Ethereum mainnet for purchases. Any reimbursements are paid back in the same asset to the submitting wallet.
  12. **In the case of offers to the public, information on the right of withdrawal as referred to in Article 13:** EU retail purchasers have a 14-calendar-day right to withdraw from the date of their agreement to purchase. No fees apply. Upon withdrawal, all payments are reimbursed without undue delay and in any event within 14 days from notification, using the same means of payment, unless the purchaser expressly agrees otherwise.

13. **Information on the manner and time schedule of transferring the purchased crypto-assets to the holders:** Tokens can be claimed by purchaser wallets on Gensyn mainnet, likely beginning in January 2026.
14. **Information about technical requirements that the purchaser is required to fulfil to hold the crypto-assets:** EVM-compatible wallets required (ERC-20 standard).
15. **Where applicable, the name of the crypto-asset service provider in charge of the placing of crypto-assets and the form of such placement (with or without a firm commitment basis):** Not applicable (no CASP engaged for placement services). Issuer-led distribution through the Sonar public-sale platform. If a CASP is formally appointed, details will be added in the final whitepaper.
16. **Where applicable, the name of the trading platform for crypto-assets where admission to trading is sought, and information about how investors can access such trading platforms and the costs involved:** No admission to trading at publication. After distribution, tokens may trade on decentralised exchanges compatible with Ethereum and Gensyn mainnet. Tokens may be tradable on centralised exchanges in the future as well.
17. **Expenses related to the offer to the public of crypto-assets:** No fees charged to purchasers.
18. **Potential conflicts of interest of the persons involved in the offer to the public or admission to trading, arising in relation to the offer or admission to trading:** Team members and affiliated entities may hold AI tokens subject to vesting and lockups, however they are not eligible to participate in the sale.
19. **The law applicable to the offer to the public of crypto-assets, as well as the competent court:** Applicable law: French law; Competent court: Paris, France.

## Part F - Information about the crypto-assets

1. **Crypto-Asset Type:** Utility Token (AI).
2. **Crypto-Asset Functionality:** The AI token serves as the primary coordination and incentive asset of the Gensyn network, providing three core functions:
  - a. **Payments** – Used to pay for verified compute, inference, and evaluation tasks executed across the network.
  - b. **Staking** – Staked by compute providers and verifiers to secure workloads and by arbiters within the Verde system to enforce correctness and network integrity.
  - c. **Governance** – Holders may submit and vote on protocol proposals governing parameters such as emissions, treasury allocations, and system upgrades.

3. **Planned Application of Functionalities: Crypto-Asset Characteristics:** The AI token is used to pay for verifiable machine-learning work, to provide collateral for compute execution and verification via deterministic reproducibility, and to participate in network governance. The token has purely functional value within the protocol and confers no ownership, profit participation, redemption, or claim against Gensyn Network Ltd, Gensyn Foundation, or Gensyn Limited.
4. **Type of white paper:** White paper for the EU.
5. **Type of submission:** New submission.
6. **Crypto-Asset Characteristics:** The AI token is a fungible ERC-20-compatible utility token deployed on Gensyn's custom Ethereum Layer-2 rollup built using the OP Stack (Bedrock framework). The rollup provides settlement and verification for all network activity, including compute execution, staking, and evaluation markets. Token parameters such as divisibility, total supply, and emission schedule are defined at the Token Generation Event (TGE). The AI token does not represent equity or debt and entails no right to income, profits, or redemption.
7. **Commercial name or trading name:** AI (Gensyn Token).
8. **Website of the issuer:** "<https://gensyn.network/>".
9. **Starting date of offer to the public or admission to trading:** December 15, 2025
10. **Publication date:** December 15, 2025
11. **Any other services provided by the issuer:** The issuer does not provide crypto-asset services as defined under Regulation (EU) 2023/1114 (MiCA).
12. **Identifier of operator of the trading platform:** Not applicable at publication. To be completed if admission to trading is later sought.
13. **Language or languages of the white paper:** English (primary).
14. **Digital Token Identifier Code:** Application to the Global DTI Foundation will be submitted prior to launch; code to be inserted when issued.
15. **Functionally Fungible Group Digital Token Identifier:** To be requested alongside the primary DTI.
16. **Voluntary data flag:** Yes
17. **Personal data flag:** No
18. **LEI eligibility:** Issuer LEI used; token not eligible as LEI instrument.
19. **Home Member State:** France.
20. **Host Member States:** Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden.

## Part G - Information on the rights and obligations attached to the crypto-assets

1. **A description of the rights and obligations, if any, of the purchaser, and the procedure and conditions for the exercise of those rights:** Holders may use AI tokens to pay for verifiable compute, inference, and evaluation tasks on the Gensyn network, stake tokens to perform verification and arbitration functions, and participate in on-chain governance. These are purely functional rights and do not include ownership, profit participation, or redemption entitlements.
2. **A description of the conditions under which the rights and obligations may be modified:** Any material change to token functionality or governance structure will be performed through a formal governance mechanism once the governance system is fully activated. Prior to the full activation of the governance system, the Gensyn Foundation may adjust certain on-chain parameters transparently through multi-signature transactions with time delays. Any modifications performed must maintain the functionality outlined in this white paper.
3. **Where applicable, information on the future offers to the public of crypto-assets by the issuer and the number of crypto-assets retained by the issuer itself:** No further public offers currently planned beyond the December 2025 sale. The Gensyn Foundation administers the ecosystem treasury on behalf of tokenholders. The treasury is to be used for incentive programs, grants, liquidity, and continued development of the protocol, as determined by community vote.
4. **Where the offer to the public of crypto-assets or their admission to trading concerns utility tokens, information about the quality and quantity of goods or services to which the utility tokens give access:** The AI token grants access to verifiable machine-learning services within the Gensyn Protocol, including compute execution, inference verification, and model evaluation markets. The amount of compute or evaluation services obtainable depends on network market rates and available capacity at the time of use.
5. **Where the offers to the public of crypto-assets or their admission to trading concerns utility tokens, information on how utility tokens can be redeemed for goods or services to which they relate:** Redeemed permissionlessly via smart contracts for compute and evaluation services. No redemption into fiat or other assets by the issuer.
6. **Where an admission to trading is not sought, information on how and where the crypto-assets can be purchased or sold after the offer to the public:** Following distribution, AI tokens may be freely transferred and traded on

Ethereum-compatible decentralised exchanges. Future centralised-exchange listings may be pursued once available, subject to local regulatory requirements.

7. **Restrictions on the transferability of the crypto-assets that are being offered or admitted to trading:** Transfers to or from persons in sanctioned jurisdictions are prohibited. Tokens allocated to team members and early backers are subject to contractual lock-ups of 36 months from the public-listing date (12-month cliff and linear vesting). U.S. accredited investors are subject to a mandatory 12-month lock-up and all other public-sale participants can opt in to an identical voluntary lock-up. All participants must complete KYC/AML verification and comply with per-wallet allocation limits prior to receiving tokens.
8. **Where the crypto-assets have protocols for the increase or decrease of their supply in response to changes in demand, a description of the functioning of such protocols:** There is no automatic adjustment mechanism for supply adjustments. Governance may, by community vote, authorise fee burns or future emission adjustments within pre-defined protocol limits.
9. **Where applicable, a description of protection schemes protecting the value of the crypto-assets and of compensation schemes:** There are no schemes guaranteeing the value of the AI token or compensating holders for losses. The AI token is not covered by any investor-compensation or deposit-guarantee system under EU law.
10. **The law applicable to the crypto-assets, as well as the competent court:** For the purposes of the offer conducted within the European Union under Regulation (EU) 2023/1114, French law governs the AI token and related rights. The competent court for disputes arising from the EU offer is the Commercial Court of Paris, France.

## Part H - Information on the underlying technology

1. **Information on the technology used, including distributed ledger technology, protocols and technical standards used:** The Gensyn protocol operates on a custom Ethereum Rollup (EVM Layer-2 chain) built using the OP Stack (Bedrock) framework. The rollup provides settlement, verification, and accounting for distributed machine-learning activity within the network.
2. **The consensus mechanism, where applicable:** AI is issued on an EVM-compatible rollup built with the OP Stack (Bedrock). The rollup posts data to Ethereum mainnet and inherits Ethereum security guarantees.
3. **Incentive mechanisms to secure transactions and any fees applicable:** Participants stake AI tokens as collateral to perform compute and verification roles. Verified computations are rewarded in AI, while incorrect or unverifiable results result in

partial or full slashing of staked collateral. Network fees are dynamically adjusted to reflect compute demand and block-space usage.

4. **Where the crypto-assets are issued, transferred and stored using distributed ledger technology that is operated by the issuer, the offeror or a third-party acting on their behalf, a detailed description of the functioning of such distributed ledger technology:** The AI token is issued on Gensyn's Ethereum rollup, purpose-built for machine-learning workloads.
  - a. **Compute layer:** Nodes execute ML tasks deterministically using RepOps, Gensyn's reproducibility framework, ensuring bitwise-identical outputs across heterogeneous hardware.
  - b. **Verification and arbitration:** Independent verifiers confirm results via re-execution; disputes are resolved by the Verde arbitration protocol, which enforces slashing and reward distribution on-chain.
  - c. **Settlement layer:** Transaction batches and rollup state roots are periodically committed to Ethereum mainnet, inheriting its Proof-of-Stake security guarantees. Users interact through standard Ethereum-compatible wallets connected to the Gensyn rollup.
5. **Information on the audit outcome of the technology used, if such an audit was conducted:** Independent audits of smart contracts and the rollup bridge are being conducted by Trail of Bits. The public sale contracts are being audited by Spearbit. Final reports will be published once they are available. Ongoing monitoring and bug bounties will follow launch.

## **Article 6.1 (j) - Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts**

The Gensyn protocol operates on an Ethereum-based rollup (OP Stack) using a Proof of Stake (PoS) consensus model, designed to minimize environmental and climate-related externalities compared to traditional Proof of Work networks.

The Gensyn protocol provides a mechanism for market-based distribution of AI compute workload globally, providing an alternative to centralised datacentres with enormous power requirements in specific locations. This approach allows smaller providers, using green energy sources, to provide compute in competition with the larger providers through a neutral market mechanism.

The estimated environmental indicators related to the operation of the Gensyn network are summarized in the following tables, in accordance with Article 6(1)(j) of Regulation (EU) 2023/1114 (MiCA):

- **Table 1: Mandatory Information on the Environmental Impacts of the Consensus Mechanism.**
- **Table 2: Optional Supplementary Information.**

We, the undersigned members of the management body of Gensyn Network Ltd, in our respective capacities, hereby declare that, to the best of our knowledge and belief, having made all reasonable enquiries, the following statements are true:

**This crypto-asset white paper complies with the applicable provisions of Title II of Regulation (EU) 2023/1114 on Markets in Crypto-Assets (MiCA);**

**The information contained in this white paper is, to the best of our knowledge, fair, clear and not misleading;**

**This white paper is, to the best of our knowledge, free from omissions likely to affect its comprehensiveness and reliability.**

**Annex 1** - Mandatory Information on the Environmental Impacts of the Consensus Mechanism

The figures below represent estimates based on publicly available data for Ethereum PoS and internal measurements for the Gensyn sequencer node, following GHG Protocol standards. The below is based on available data from Ethereum and therefore represents an estimate (up to the full usage of Ethereum itself). The Gensyn Foundation will provide updated figures using live data post-mainnet to provide accurate assessment.

<b>Indicator:</b>	<b>Estimated Value:</b>	<b>Methodology / Source:</b>
<b>Total annual energy consumption of the consensus mechanism (kWh/year)</b>	≈ 1 600 000 000 kWh / year (Ethereum PoS network); Gensyn sequencer adds < 10 000 kWh / year negligible share	Ethereum Foundation sustainability data (2025) and internal Gensyn infrastructure estimates
<b>Average energy consumption per transaction (kWh/transaction)</b>	≈ 0.00005 kWh per transaction (on Ethereum rollups)	Average from OP Stack rollup benchmarks + Ethereum L2 Energy Report (2025)

<b>Greenhouse gas emissions - Scope 1 (tCO<sub>2</sub>eq)</b>	0 tCO <sub>2</sub> e	No direct on-site fuel use by issuer or sequencer operators
<b>Greenhouse gas emissions - Scope 2 (tCO<sub>2</sub>eq)</b>	≈ 400 tCO <sub>2</sub> e / year (including all Ethereum PoS validators and Gensyn sequencers combined)	Calculated using global average grid intensity (0.25 kg CO <sub>2</sub> e/kWh) × energy consumption
<b>Number of validator nodes participating in the consensus mechanism</b>	~ 1 000 000 Ethereum validators (securing PoS network); initially 1 Gensyn sequencer node posting to Ethereum	Ethereum Beacon Chain data (beaconcha.in) + Gensyn rollup design documentation
<b>Geographical location of the validator nodes</b>	Global distribution — Europe (~45 %), North America (~35 %), Asia Pacific (~20 %)	Ethereum validator geolocation studies (Ethernodes, Bitnodes, beaconcha.in)
<b>Type of equipment used (servers, cloud infrastructure, etc.)</b>	Commodity datacenter hardware and cloud instances used by Ethereum validators; Gensyn sequencer runs on enterprise-grade cloud VMs (AWS, GCP, Hetzner)	Ethereum node operator disclosures + internal infrastructure records
<b>Methodology used to calculate energy consumption and emissions</b>	GHG Protocol / ISO 14064	Standard carbon-accounting methodology applied to aggregate PoS validator energy use

**Table 2: Optional Supplementary Information**

Supplementary Indicator:	Estimated:
Energy mix breakdown (renewable, fossil, nuclear, etc.)	
Environmental certifications or audits (e.g., ISO 14001, carbon footprint audit)	
Average carbon intensity of energy consumption (gCO <sub>2</sub> /kWh)	
Emissions calculation methodology (e.g., GHG Protocol, ISO standards)	
Environmental mitigation measures implemented by the network	
Participation in carbon offsetting schemes or similar environmental programs	