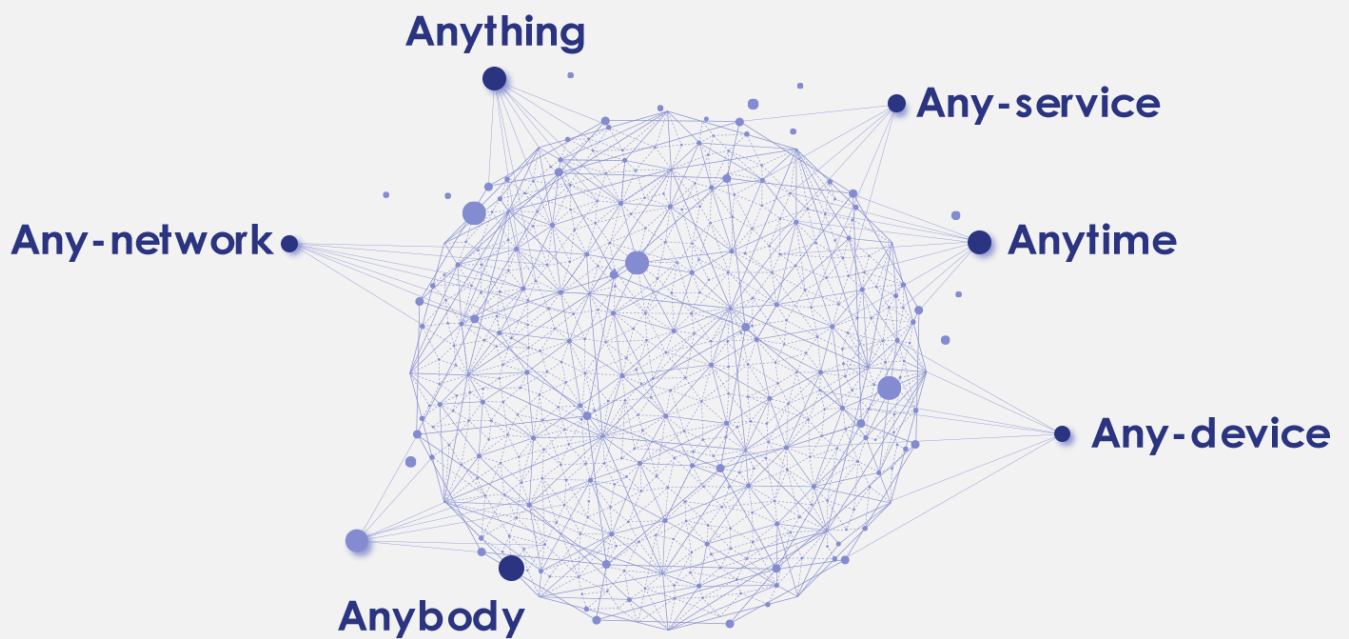


| Regulations for STARCRO Reward



I . The Standards of Rewards



Calculation of Starcro Rewards

- Starcro has 4 types of rewards - joining reward, event reward, monthly reward, and yearly interest
- Joining Reward : paid when a prover's participation rate reached 100%
- 1+1 Event Reward : paid to both referrer and referred when the participation rate of the referred reached 100%
- Monthly Reward : amount calculated based on the participation rate of my group of lower level provers, and actual reward paid depending on my participation rate
- Yearly Interest : paid 12 times per year, not one time per year
- Most Starcro Rewards are generally paid every month based on the participation rate(%) of the previous month
- Time of Reward Paid : 1st day of every month 11:00 KST (02:00 UTC) in consecutive order
- The yearly interest is not affected by the participation rate; The interest amount is ONLY affected by the balance of the VERY FIRST CREATED WALLET.
- Every reward calculation is ONLY based on the VERY FIRST CREATED WALLET and the reward is ONLY paid to the VERY FIRST CREATED WALLET .

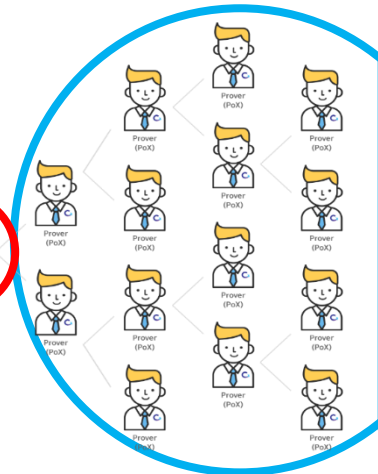
I . The Standards of Rewards



Calculation of Participation Rate

Prover A

- Actual reward amount will be calculated upon the Prover A's participation rate



My Prover Group(G)

- Tier decided depending on the number of provers in 'My Prover Group'
- Reward amount decided upon the average participation rate of 'My Prover Group'

- The participation rate(%) becomes 100% when the participation time of Android wallet app or Windows PC wallet reaches 300 hours from the first day to the last day of every month.
- The participation rates for Prover A and Group G do not exceed 100%.
- The participation rate is not accumulated for months nor carried over to the next month.

II. Monthly Reward of Tier



Monthly Reward and Tier System

- The initial amount of monthly reward is decided by a prover's tier.
- A prover's tier is decided upon the number of connected provers, NOT upon the participation rate of himself/herself(Prover A) and his/her group(Group G: Prover A's lower level prover group)
- The initial amount of Prover A's reward varies upon his/her group's average participation rate, and the Prover A's participation rate should be applied to calculate the final amount of monthly reward.
- Thus, Prover A's group G decides the estimate amount of monthly rewards, and Prover A's participation rate decides the final rewards amount.
- For example) a formula for a prover in Tier 'Star'

$$1 \text{ xsc} * \frac{\text{Sum of top 10 participation time(sec)}}{1,080,000\text{sec} * 10(\text{number of provers})} * \frac{\text{My participation time(sec)}}{1,080,000 \text{ 초}}$$

Reward for Tier

Average Participation Time of Group G

Prover A's Participation Rate

II. Monthly Reward of Tier



Monthly Reward and Tier System

- The participation rates of Group G and Prover A do not exceed 100%
- If the number of lower-level provers exceeds the required number for a tier, but does not reach the higher tier, the average participation rate of required number of provers will be applied.
- For example, when the number of provers in Prover A's group is 20 provers. Then Prover A's tier is 'Star' since the number of provers does not reach 50, which is required number of provers for tier 'Planet'. The required number of provers for the tier 'Star' is 10 provers, so only top 10 participation rates will be used for calculation.
- The participation rate is calculated up to 8 decimal places.

Prover	Participation Rate(%)	Inclusion	Prover	Participation Rate(%)	Inclusion
P01	100	O	P11	1	X
P02	10	O	P12	2	X
P03	20	O	P13	5	O
P04	100	O	P14	1	X
P05	30	O	P15	3	O
P06	40	O	P16	5	O
P07	10	O	P17	0	X
P08	0	X	P18	0	X
P09	1	X	P19	0	X
P10	0	X	P20	0	X
Average Participation Rate= Sum of top 10 participation rate(P01~P07, P13, P15, P16)/10(Number of provers needed for the Star Tier) = 32.3%					

III. Joining and Event Rewards

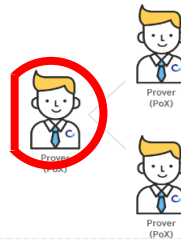


Joining Reward

- Reward for joining is paid on the first day of a month when the participation rate is 100% in the previous month.
- The participation rate of a Prover A is renewed every month, and is not accumulated for months nor carried over to next months.
- Although the participation rate does not reach 100% in a month, the joining and event rewards do not expire. Provers can get joining and event rewards in any months once his participation rate reaches 100%.

Prover A

- Prover A's participation rate matters for joining rewards

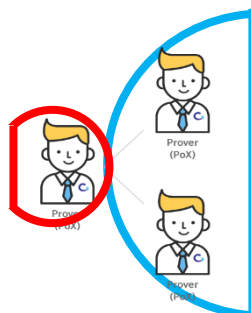


1+1 Event Reward

- 1+1 event reward is paid on the first day of a month once a referred prover(Prover B) reaches the 100% participation rate in the previous month.
- The Prover B's participation rate is renewed on the first day every month, and is not accumulated for months nor carried over to next months.
- Once Prover A has created his wallet address, the event reward is paid. Thus, Prover A gets his reward for referring Prover B once Prover B's participation reaches 100% even though Prover A's participation rate is 0%.

Prover A

- Get event reward
Prover A created Starcro wallet



Group G

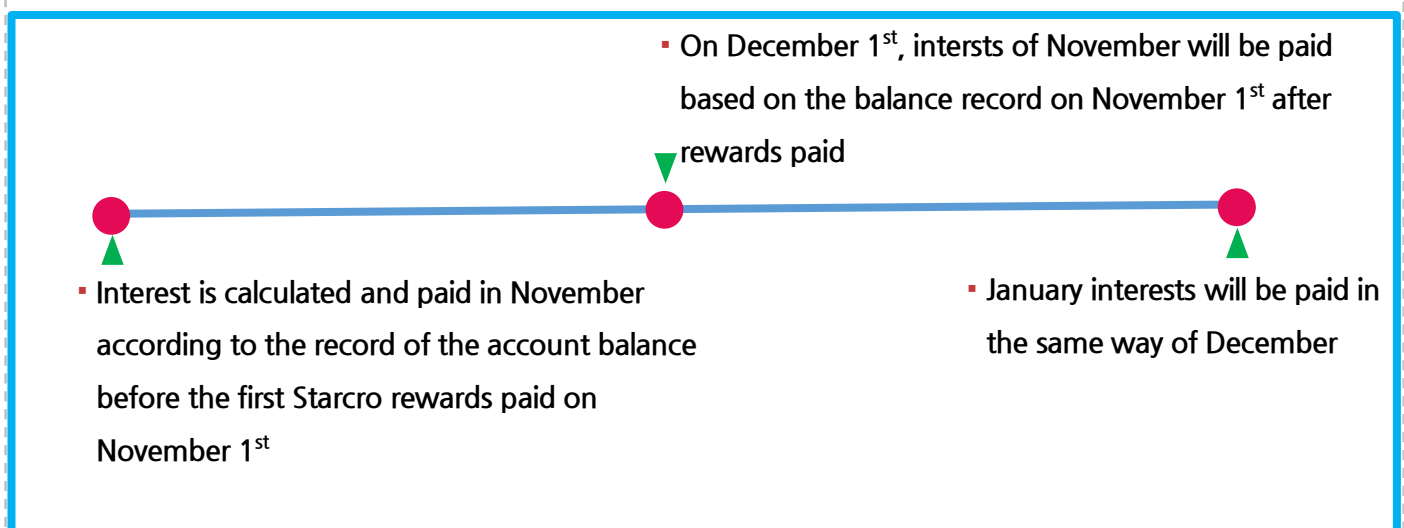
- Prover B in Group G reaches 100% participation rate, the reward is paid to both Prover A and Prover B

IV. Yearly Interest



Payment of Interests

- Yearly interests will not be paid yearly, but will be paid monthly (12 times per year) until 2018.
- Monthly interests will be calculated and paid based on the BALANCE OF THE VERY FIRST CREATED wallet address of the 1st day of the previous month
- The time of recording the account balance is the first day of every month AM11:00 KST(02:00 UTC). The transactions before AM 5:00 KST and after PM 5:00 KST will not affect the interest amount; however, the transactions between AM05:00-PM5:00 of the first day of each month may affect the interests amount. (Starcro recommend NOT TO MAKE any transactions between 5AM-5PM for the first day of each month)
- For the provers who owns XSC through ICO or P2P transactions, the balance of the account of November 1st will be recorded and the interests based on the recorded balance will be paid at the same time.
- If the balance is 0xsc when recording the balance on the first day of each month, the interest will not be paid in the following month.
- Interests will ONLY be paid based on the balance of the VERY FIRST CREATED WALLET ADDRESS, and will be fully paid even if a prover's participation rate is 0%



IV. Yearly Interest



Payment of Interests

- For example, the payment of interests of two provers- Prover A who owns 10xsc on November 1st 11:00KST (02:00 UTC), and Prover B who owns 0 xsc at the same time - is shown in the following table.
- The Conditions for both provers are the same. i) The tier of both provers is 'STAR' ii) Both provers' participation rates are 100% iii) No joining reward and event reward for both provers

	November 1st		December 1st	
	Prover A	Prover B	Prover A	Prover B
Balance	10xsc	0	11.04166666xsc	1xsc
Interest	0.04166666xsc	0	0.04600694xsc	0.00416666xsc
Monthly Reward	1xsc	1xsc	1xsc	1xsc
Total	11.04166666xsc	1xsc	12.08767360xsc	2.00416666xsc



| THANK YOU!!!



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