

Most Integrated  
Blockchain based e-commerce Platform

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# Logistic Fundamental



Whitepaper ver. 1.1.1 (KOR)

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# 01 Abstract

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The global e-commerce, or e-Commerce market, has shown explosive growth over the past few years and is expected to boom in the future. Global e-retail sales reached \$2.3 trillion in 2017, and it is a very large market that is predicted to reach \$4.8 trillion in 2021 (Statista, 2018).

This remarkable increase is mainly driven by consumers using mobile platforms to purchase products and services, especially in light of the coronavirus disease 2019 (COVID-19), which began spreading in late 2019 and caused a global pandemic. It is a market with great potential for further development due to the spread of non-face-to-face, 'Untact' phenomenon. However, it has various problems as much as the size of the market. Traditional e-commerce conglomerates created an unfair market environment by using their monopolistic position to demand excessive commissions, price discounts, and additional advertising expenses from product sellers. Users have to rely on the supplier's unilateral information, and even suffer from manipulated promotional contents.

The global distribution project of the LF (Logistic Fundamental) project pays attention to the existing global distribution, among them the e-commerce market, and aims to open a new era in the decentralized e-commerce market and global distribution market using blockchain technology.

The LF Project aims to promote Korea's excellence to the world and become the center of the borderless global e-commerce market by serving as a link to promote Korea's excellent K-beauty/food/fashion products to global consumers.

Maintaining strategic partnerships with global big-buyers, sharing purchase lists and warehouse delivery systems, integrating excellent overseas brands and channels, and maintaining superiority due to the LF project's own logistics systems in Paris and Singapore. Years of cross-border e-commerce experience are combined to enable one-stop cross-border e-commerce, from product purchase, ordering, management, marketing channel management, and global logistics delivery.

In addition, through its own global shopping mall platform, which is scheduled to open, it will use blockchain technology to expand the market externally to the world, improve customer service internally, and reduce costs through commission reduction.

The LF project aims to bring about innovative changes in all aspects necessary for the omnidirectional e-commerce industry, breaking the existing framework of membership registration, product sales, advertising, public relations, and business expansion, and breaking the current framework dependent on the influence of intermediaries. By changing the form of the sharing economy, we will realize a true sharing economy that rationally distributes profits to both users and providers.

# 02 Business Background

## 1) Rapidly growing global e-commerce

The digital economy market, including online payments and remittances, is growing steadily. Along with the gradual development of related systems and management technologies, the cumulative transaction amount is increasing significantly around the world. The transaction volume of global financial network companies including Master Card and Visa is more than 5,000 trillion won in 2020, and the overseas online shopping transaction amount has exceeded 400 billion dollars, and the number of consumers has long exceeded 130 million. A distinctive feature of this market is that it grows at a tremendous rate of growth every year. In particular, the fear of going out as COVID-19 hit the world was enough to trigger a further acceleration of the online payment market.

Global trade continued to grow at an average rate of 2.6% between 2014 and 2018, expanding from \$22 trillion in 2014 to \$24 trillion in 2018.

unit : billion dollars, %

	2014	2015	2016	2017	2018	average annual growth rate
world trade volume	21,859	22,421	22,839	23,501	24,253	2.6
Global E-Commerce volume	1,471	1,548	1,915	2,352	2,860	18.1
cross-border e-commerce volume	233	304	400	530	676	30.5

### Global trade volume and e-commerce volume

Ministry of Trade, Industry and Energy Press Release

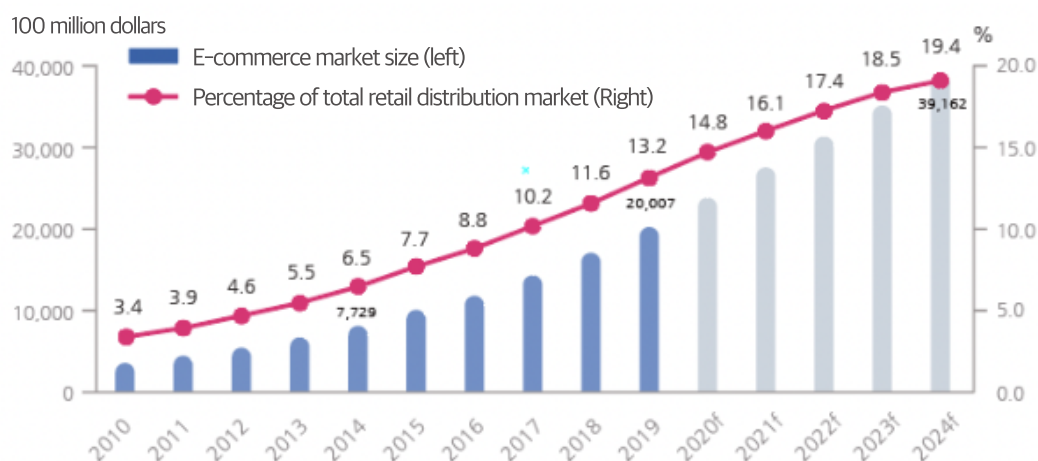
Among them, the e-commerce industry is a major distribution channel, accounting for 13.2% of the global distribution market in 2019.

The development of information and communication technology, the spread of smartphones, and the development of safe and convenient payment systems have driven the growth of the e-commerce market.

The size of the e-commerce market in 2019 is about \$2 trillion, and it is growing with a high average annual growth rate of 21.0% over the past five years. This far exceeds the average annual growth rate (4.9%) of the retail distribution market during the same period, and shows that e-commerce's share of the retail distribution market, which was only 6.5% in 2014, is rapidly expanding.

In particular, with the spread of the Internet, communication technology, and smartphones, the growth rate is further increasing. In 2009, there were 1.772 billion Internet users worldwide, accounting for only 25.8% of the total population, but in 2019, it soared to 4.131 billion (53.6% of the total population). (UN, 2019)

According to market research firm eMarketer ([www.emarketer.com](http://www.emarketer.com)), the number of online shoppers in 2019 is estimated to reach about 1.92 billion. This is due to the rapid delivery and accurate tracking of products due to the expansion of road networks and the development of logistics infrastructure, resulting in a rapid increase in online orders.



[Figure 1] Trends in the global e-commerce market

Euromonitor, 2020

In addition, logistics costs have been reduced by automating warehouses and introducing artificial intelligence technology, and logistics systems have rapidly evolved, such as cold chains that distribute fresh food at low temperatures and high-speed delivery services by hour, to improve convenience and diversity of items. Recently, the e-commerce market is growing mainly through platforms of e-commerce companies equipped with fourth industrial technology.

In line with these changes in the distribution system, the logistics industry is focusing on fast, accurate, and inexpensive logistics in the last-mile delivery, and the entire logistics system is also undergoing changes. In general, consumers are increasing their demands to receive products immediately and safely at the time they want at a low price, and distribution companies and logistics companies have no choice but to actively respond to their demands for survival.

	2018	2019	% Change
1. China	\$1,520.10	\$1,934.78	27.3
2. US	\$514.84	\$586.92	14.0
3. UK	\$127.98	\$141.93	10.9
4. Japan	\$110.96	\$115.40	4.0
5. South Korea	\$87.60	\$103.48	18.1
6. Germany	\$75.93	\$81.85	7.8
7. France	\$62.27	\$69.43	11.5
8. Canada	\$41.12	\$49.80	21.1
9. India	\$34.91	\$46.05	31.9
10. Russia	\$22.68	\$26.92	18.7

#### Top 10 e-commerce sales by country

www.emarketer.com, 2019

In particular, China's e-commerce is expected to maintain its leading position in the global e-commerce market by an overwhelming margin, with not only sales of \$1,526.7 billion as of 2018, but also a growth rate of 30.3%. In China, online transaction sales in the total retail market grew to 8 trillion yuan in 2018, and it continues to grow at 21.0% of the total retail market as of 2018.

Since the early 2010s, simple mobile payment services such as Alipay and WeChat Pay have developed, leading to the growth of e-commerce. They are fiercely competing for the huge domestic market. China's entry into a new distribution era centered on Alibaba is closely related to the mobile payment ecosystem. In particular, as Baringhou (born in the 1980s) and Jiulinghou (born in the 1990s), who are accustomed to acquiring information and purchasing through mobile, have established themselves as major consumers in China, the influence of Wanghong is growing. According to Analysys, an independent research institute in China, as of 2017, the size of Wanghong Industrial is estimated to be about 81.1 billion yuan.

The United States is evaluated as the next powerhouse after China, with e-commerce sales of approximately \$525.7 billion. Korea shows an 11.1% growth rate, similar to that of the G7 countries, but its sales volume is only 5.1% compared to China. In the overall retail market, e-commerce transaction sales continued to grow, growing to \$512.6 billion in 2018, accounting for 9.6% of the total retail market. In particular, the distribution market is undergoing rapid changes in line with the changing consumption trends of the millennial generation in the United States. According to Statista (2019), 22% of the US population is the millennial generation, and their consumption patterns are leading changes in the US retail market.

Millennials tend to prefer accumulating experiences rather than simply purchasing products, and consumption using multi-channels that cross online and offline, rather than just one distribution channel, continues. there is.

## 2) Post-COVID E-Commerce Market

After declaring COVID-19 a Public Health Emergency of International Concern (PHEIC) on January 30, 2020, the World Health Organization (WHO) finally declared a 'pandemic' on March 11. The problem is The point is that the end of COVID-19, such as the development of a cure, is still unknown, so uncertainty surrounding our lives will continue for the time being. If it started in Wuhan, China, and ended with problems in some Asian regions such as Korea and Japan, at least the world The negative impact on the economy would have been limited to problems in the value-chain of supply from China, but now it is worrisome that the global consumer economy, including the US and EU, could deteriorate further.

The structural changes that COVID-19 brought to our society can be summarized with the phrase "acceleration of the digital economy," which has been progressing in the United States since the late 1990s. In a narrow sense, the digital economy refers to 'online platforms and activities based on them', and in a broad sense, it refers to 'all activities using digitized data'. Whatever the scope, what is important at this time is the fact that 'digital economy' activities based on IT technology, such as online platforms, are rapidly increasing in scope and speed in the aftermath of COVID-19.

The changes that can be felt when the digital economy is incorporated into our lives are online for consumers, smart work for companies, and expansion of unmanned and automated production plants. From the consumer's point of view, shopping, education, and even health services are rapidly becoming online, and from the point of view of companies, smart work, which is free from the spatial constraints of the company and the temporal constraints of the time, is accelerating.

Due to COVID-19, a new trend is emerging in the e-commerce market.

1. Diversification of items - As COVID-19 infection prevention has become a top priority, demand for personal hygiene products such as masks and sanitizers has exploded. Due to social distancing and restrictions on movement, economic activities at home, called "home + economy," have become more active. Consumption of IT products or office supplies related to telecommuting and online lectures increased, and consumption of related products increased as people began to take care of their skin, cook, and fitness at home instead of using service facilities. It is also a new trend that daily necessities such as groceries and daily necessities, which were mainly consumed offline in the past, have moved to the e-commerce market. Many consumers are choosing to shop online instead of refraining from visiting stores, and companies are also actively responding to customer demand through cold chain logistics and high-speed delivery services.

2. Increase in shopping by the elderly – Elderly consumers, who are at high risk of COVID-19, are shopping online, and as a result, “silver surfers” who are proficient in using IT devices and the Internet have emerged as an important e-commerce customer base. In the wake of COVID-19, an increasing number of elderly consumers are accessing new services such as grocery delivery and online video services (OTT). As COVID-19 has a high fatality rate, stricter refraining from going out than any other generation is required, and as offline shopping was preferred in the past, it is also the generation where the shift to online purchases due to COVID-19 is the most prominent. In developed countries where the population is aging, it is highly likely that the online shopping trend of the elderly will continue even after COVID-19.
3. Online-offline convergence – Retail distribution companies with limited store operations are accelerating online conversion. Companies have introduced various distribution methods, such as 'BOPIS (Buy Online, Pick-Up in Store)', which picks up products purchased online at the store, and 'Drive-through', where products are received while riding in a car. Responding to demand and customer needs. In China, livestreaming commerce, which combines real-time broadcasting and shopping, has become more popular since COVID-19. As the boundary between online and offline disappears in the wake of COVID-19, building an omni-channel that organically integrates all sales channels has emerged as a key task for distribution companies. In the future, providing a smooth consumer experience so that consumers can freely use product ordering, pickup, and after-sales service without channel restrictions will have a significant impact on securing competitiveness.
4. Introduction of innovative information technology (IT) – As the traditional shopping method of visiting a store to see and purchase products in person is disappearing, major technologies of the 4th industrial revolution such as artificial intelligence, Internet of Things, and augmented reality are introduced into e-commerce to compensate for this. In the case of artificial intelligence (AI), it is widely used in chatbots that efficiently respond to repeated customer inquiries or smart speakers that allow consumers to order products by voice. In addition, based on Internet of Things (IoT) technology, sensors that enable real-time history tracking throughout the entire logistics process and services that automatically place orders when electronic consumables run out are being implemented. In items where it is important to see or test products directly, such as cosmetics, clothing, and furniture, augmented reality (AR) technology is introduced, making it easier for consumers to consume untact.
5. The spread of COVID-19 shocked the retail distribution market by fundamentally blocking the traditional face-to-face consumption method, and made online conversion an indispensable choice for both customers and businesses. Changes in the e-commerce market, such as new items and customer groups, and the convergence of online and offline sales channels, are expected to continue even after COVID-19 is over. It can be an opportunity to discover new customers and businesses for companies that actively respond to new trends, but companies that do not respond to fierce competition among distribution giants and information technology development are highly likely to be turned away. Efforts are essential to quickly



create new value by reflecting the ever-evolving cutting-edge technology and consumption trends, and to provide the optimal consumer experience that is smooth and convenient from the customer's point of view.

### 3) Why Blockchain?

#### 1. Implementation of a transparent and reliable trading ecosystem through Smart Contract

- Transparent transactions are essential in the innovative digital economy ecosystem. Transactions through Smart Contract, the core of blockchain technology, leave all records transparently, so they are essential for implementing such a system. All transactions logged within the LF platform are created, managed, and recorded by Smart Contract.

#### 2. Meeting the level of data protection and security requirements of financial institutions

- The LF platform was designed based on the establishment of a security system that meets the same level as financial companies or meets the necessary standards according to the enhanced DID financial security standard. Among digital payment systems, many of the existing payment system affiliate providers are financial companies such as credit card companies, banks, and insurance companies, and they pour huge amounts of money into security every year. Therefore, in order to accept them as players of the LF platform, it is necessary to meet data security standards that exceed their required level. It is essential. For this reason, the system design of the LF platform was carried out based on blockchain technology.

In addition, LF has experience in receiving certification of AML issues in many countries, including Hong Kong and Thailand, while conducting contracts and system development with a number of overseas payment companies. Based on this experience, we have a foundation that can be approved for AML and CFT in various countries. As mentioned earlier, LF will build a global distribution system built within the ecosystem using blockchain and LF Coin (LF), a virtual currency. To do so, it is necessary to understand the current status of blockchain technology and virtual currency and conduct market research.

# 03 Current Status of Technology

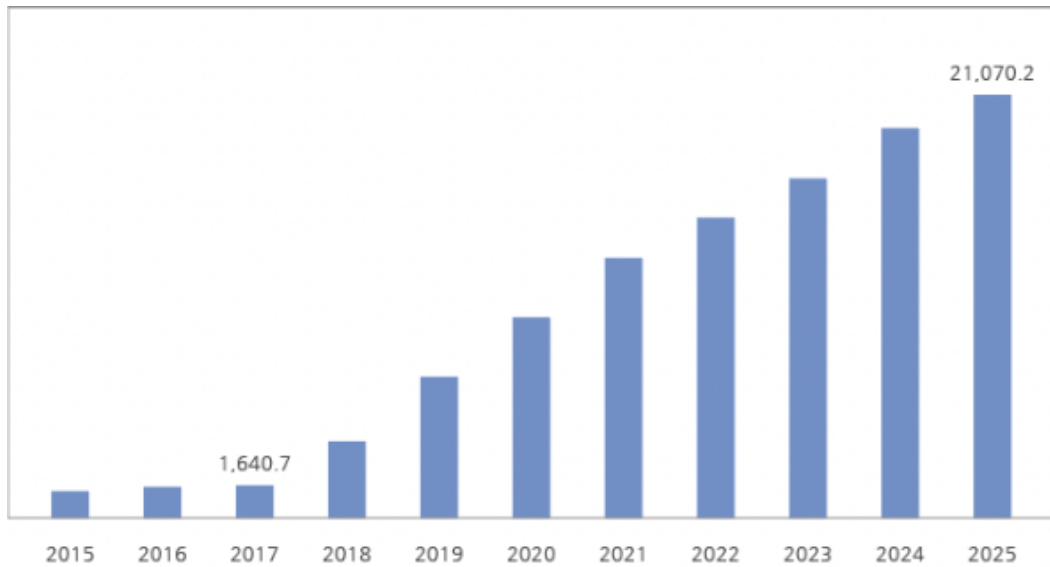
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## 1) Blockchain technology so far

Blockchain is a technology that ensures the reliability of transaction records without an authorized third party by jointly verifying, recording, and storing transaction information among all participants in the network. If the existing 'Blockchain 1.0' was the main function of distribution and trading of digital currency, in 'Blockchain 2.0', the applicability through the platform has been strengthened and can be expanded to various fields. In the financial field, the introduction of blockchain enables financial transactions such as remittance and securities without going through an exchange, which is expected to reduce fees and settlement time. In addition, in the non-financial field, it is expected to be applied to services such as medical information sharing, license certification, and history tracking. In recent years, several industries, from mobile payments, global delivery, fintech, healthcare, energy and real estate, are increasing pilot projects and real-world adoption. Numerous companies in various industries have already conducted pilot programs and real projects or are preparing to launch services. In particular, as online transactions and technologies using PCs and smartphones have become common due to information and communication technology innovation, they are beginning to affect social aspects beyond the technical and economic aspects, so they have tremendous potential and are expected to be steadily introduced in the future.

## 2) Blockchain market size

The size of the blockchain technology market is expected to grow by nearly 40% every year from \$1.64 billion in 2017 to reach \$21 billion in 2025. Companies around the world are spurring this growth by steadily increasing their investment in blockchain R&D. In particular, even amid the deepening economic downturn caused by the COVID-19 crisis, some companies promoting blockchain projects are rather seeking investment opportunities. Adding market momentum.



[Figure 2] Global blockchain technology market size 2015-2025(US \$Million)

www.fortunebusinessinsights.com 2020.05

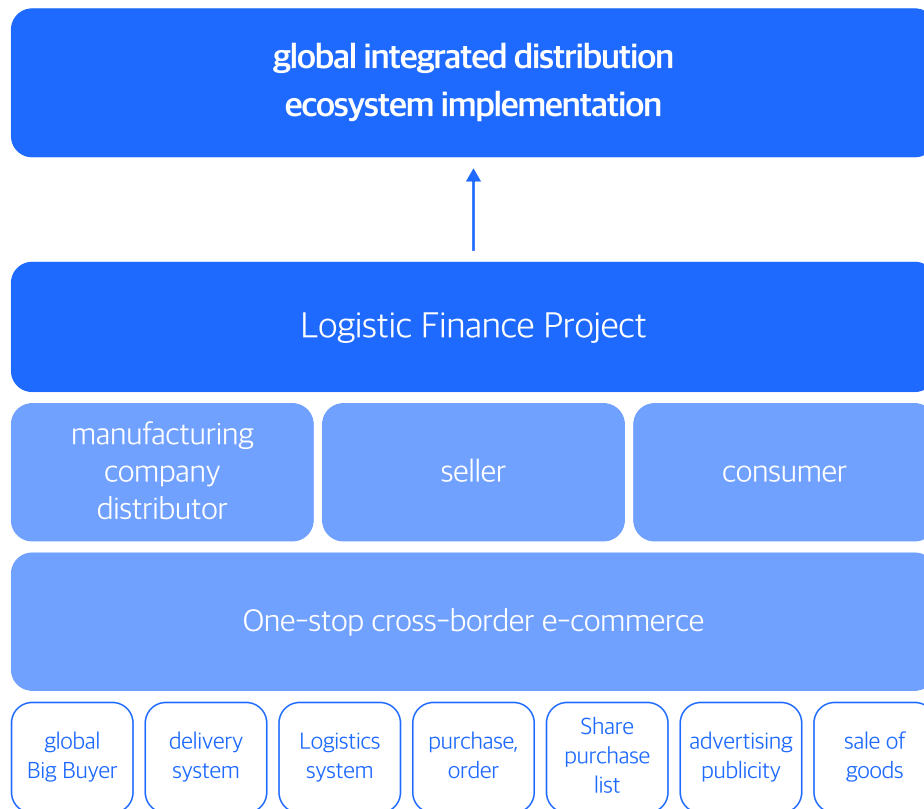
As large companies adopt a strategy to preoccupy the market with bold investments, small startups may be weeded out, but the entire industry can enter a mature stage. As a result, company size and experience are expected to become more critical factors for company survival. The expansion of technology R&D due to increased investment is expected to lead to improvements in public sector and government agencies' perceptions and systems, which will spur industrial development.

BFSI (Banking, Financial Services, Insurance), such as banking, financial services, and insurance, are the industries that most actively apply block-chain technology, and block-chain technology is actively used in manufacturing, medical care, wholesale and retail distribution, energy, and public sectors. predicted to be

In particular, blockchain technology is highly likely to be converged and combined with core technologies that lead the 4th industrial revolution, such as artificial intelligence (AI) and the Internet of Things (IoT). In the era of the Fourth Industrial Revolution, where the collection and operation of large amounts of data becomes important, blockchain is expected to lead the spread of the big data market by strengthening personal control over individual data as well as data security.

# 04 LF Platform Solution

- Service Architecture



[Figure 3] Service composition of LF

LF creates a global integrated distribution ecosystem. All users can conveniently utilize not only shopping, but also payment, remittance, and life services through LF's own application.

The main areas where existing payment services/platforms have suffered trial and error are 1) different payment environments by region/culture/platform, 2) re-learning issues of affiliates not familiar with technology-intensive environments, 3) low understanding of blockchain technology and Insufficient Smart Contract technology, 4) Business model design that is not policy-friendly and close to illegal. The payment infrastructure that LF will create will resolve or weaken these trials and errors experienced by leading companies. LF can 1) be used in any environment, 2) does not require much learning to use, 3) is made with high security and technology, 4) meets the government's VASP (Virtual Asset Provider) requirements and overseas payment business such as AML Securing certification is the goal of the service at hand, and we will give innovation to the digital economy around the world, including Korea.

LF wants to find a solution to the problems existing in the existing e-commerce market through blockchain technology. LF uses blockchain technology to form an ecosystem where suppliers, distributors, and buyers around the world meet, freely trade products, and share profits transparently.

The values LF pursues are as follows.

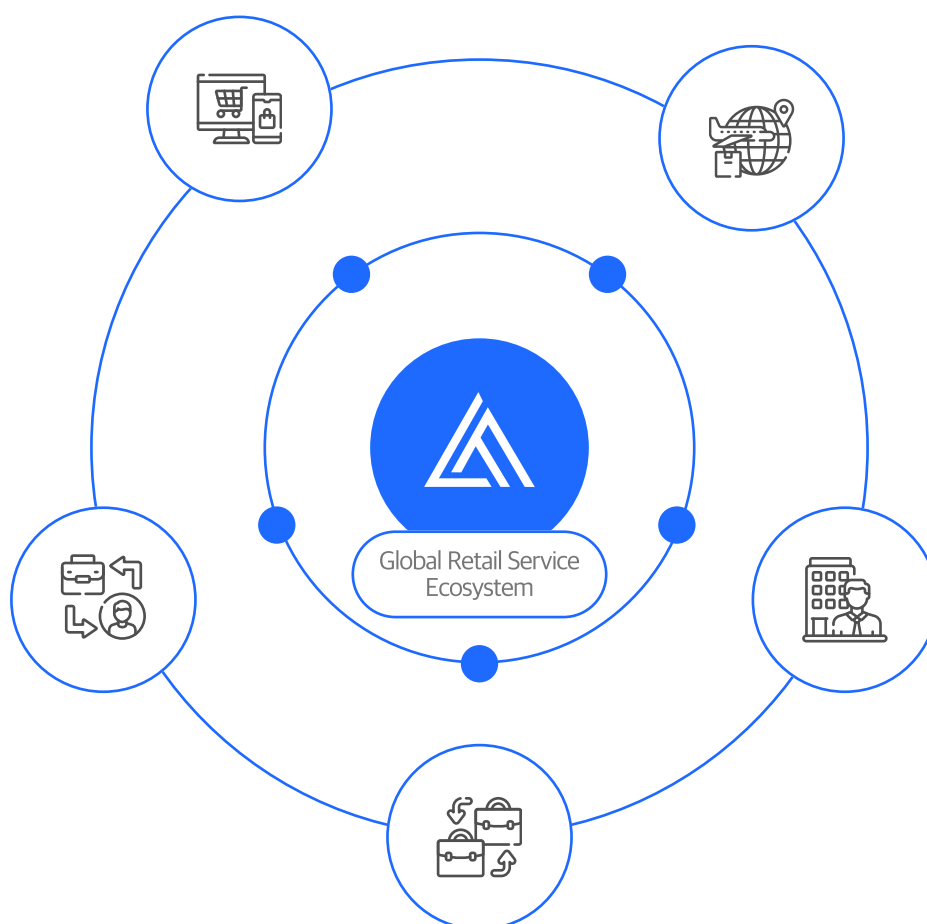
1. Participation as a free LF ecosystem member
2. Connecting global suppliers (brands) with distributors and consumers
3. Establishment of a trustworthy commerce ecosystem by ecosystem participants using its own shopping mall
4. Supports a transparent supplier (brand) and consumer matching system and structured consultation system
5. Providing consumers with reliable products at reasonable prices
6. Maximizing the profits of participants and contributors in the ecosystem
7. Ensuring ease of transaction and data transparency using LF blockchain technology

# 05 LF Ecosystem

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LF is confident in the advancement and bright future of the blockchain and virtual asset technologies discussed above. The concept of a “trustless” trading system guaranteed by mathematical algorithms is the greatest conceptual economic revolution imaginable by mankind. However, as seen above, there are definitely elements to overcome. Our focus is on improving 'efficiency' and 'usability' within the global distribution system.

We consider it our task to combine the various distribution transaction needs that actual consumers demand in reality and the unique characteristics of blockchain in an easy-to-use way. LF's global distribution service ecosystem consists of the following.



[Figure 4] Ecosystem composition of LF global distribution service

## 1. B2B service

LF connects brands directly with retailers worldwide. Through analysis based on accumulated know-how, retailers are selectively provided with product information optimized for each individual, such as desired performance and functions, so that they can purchase. We have already completed distribution contracts with global companies, and aim to match brands and retailers in all countries by expanding partnerships with major global brands.

## 2. B2C service

Since 2015, LF has experience in operating online BMs in China, such as Taobao and Tmall, and has operational experience and manpower in various online shopping malls, and is expanding its services not only to the Chinese market, but also to Southeast Asia and other overseas countries. In addition, it plans to launch purchasing agency services in the US, Japan, Russia, and Brazil through sales and marketing partnerships with Korean online shopping malls that wish to purchase reverse direct purchases through additional services in the future.

## 3. Company shopping mall (scheduled to open)

LF provides not only K-beauty products but also food, clothing, and household goods at the best prices through its shopping mall, and sourcing and curating from an issue-centered focus on existing categories. In addition, it secures competitiveness in sourcing based on a differentiated sourcing network, and provides a high-purity user experience by utilizing users' tastes and interests.

## 4. Global Logistics Service

LF reduces logistics costs through a joint logistics system and supports global cross-border e-commerce with its own logistics. It supports complex procedures and difficult customs procedures for overseas delivery, reduces logistics costs for overseas delivery, which is 4 to 5 times higher than domestic delivery, through economy of scale, and provides overseas delivery, which normally took more than 10 days, with a solid infrastructure and lead time through partners. shorten the

## 5. Global distribution consulting

LF's comprehensive global distribution consulting service provides more accurate and reliable information through a network of overseas local experts to provide customer-oriented, customized distribution business. It supports consulting services for overall global distribution, from product or service business feasibility review to item selection, sourcing, customer discovery, funding, logistics, customs clearance, and cross-border payment systems. It helps distribution business startups to enter the global market by providing entrepreneurship training, support for overseas expansion of shopping malls, linkage with open markets, and marketing services.

# 06 Token Economy

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- **Logistic Fundamental Coin (LF Coin)**

1. Publication information

- coin name : Logistic Fundamental Coin (LF Coin)
- symbol : LF
- KLAYTN Chain
- Coin type: ERC-20
- total issuance: 30,000,000 LF
- Sale : 4,500,000 LF

2. LF Coin Distribution

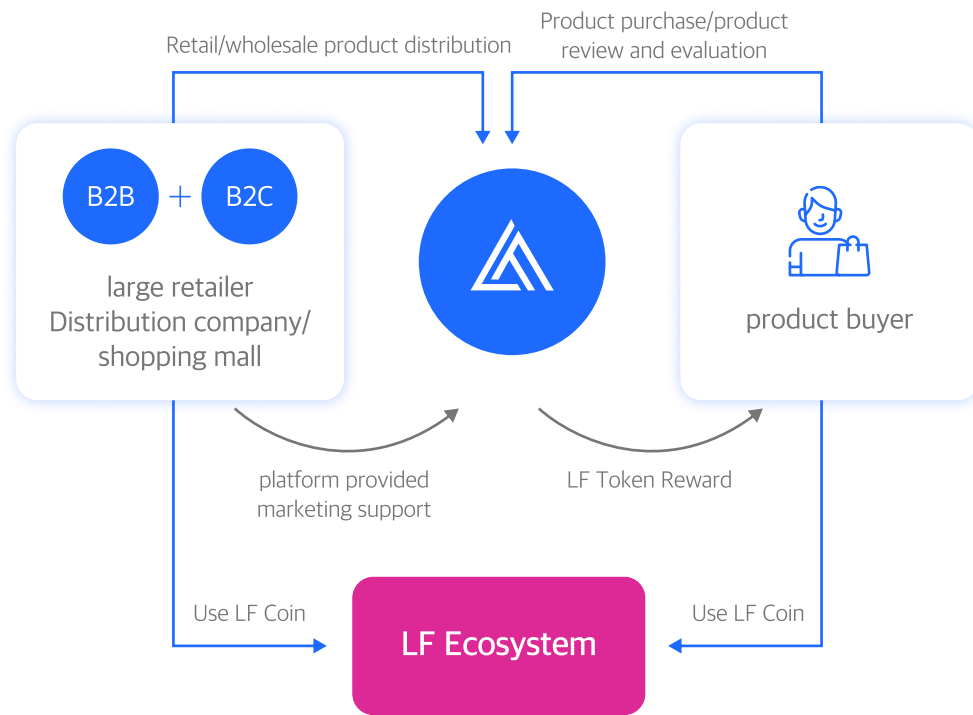
(Company 55%, Team 5%, Service 15%, Marketing 10%, Sales 15%)

- LF Project Service : 4,500,000 LF
- Marketing : 3,000,000 LF
- Team Member / Advisor : 1,500,000 LF (Lock-up 3years)
- Reserve Amount (Foundation) : 16,500,000 LF (Lock-up 3years)

3. LF Coin Utilization and Scope of Use

LF Coin (LF), which serves as the key currency of the LF platform, supports the compensation system using LF Coin to providers and users who use global distribution services. A separate smart contract is applied to each unit, and it has a structure in which all information is summed up and finally linked to a reward.





[Figure 5] LF Coin Utilization and Scope of Use

LF Coin can be used to pay for wholesale goods of corporate partners of LF global distribution, and 2% of the total payment amount is received as an LF Coin bonus or immediate discount. In addition, users of self-distributed shopping malls can purchase products using LF Coin when purchasing products, and receive LF Coin as compensation through community activities such as product reviews and evaluations.

LF Coins that have been rewarded in this way can be cashed out at external exchanges, and conversely, all participants or contributors can purchase LF Coins at external exchanges for the purpose of purchasing goods and services within the LF Coin platform ecosystem.

Additional plans to induce the use of LF Coin as a global distribution business within LF are as follows.

- Depending on the amount of LF Coin held by large retailers and distribution companies, you can receive discounts when trading products. Through this, it is possible to gradually accept the external purchase method and the customer's token payment method in order to hold a certain amount of tokens.
- Even when purchasing products, you can get a discount on the amount corresponding to card fees, etc. when purchasing with tokens. Therefore, even for the same product, you can receive additional discounts when purchasing with LF Coin.
- Limited special deals that can only be purchased with LF Coin can be operated for promotion and customer experience at their own shopping malls and offline stores. Through this, customers will be able to build a purchasing experience through LF Coin, and will increase the frequency of holding and purchasing LF Coin in order to receive more and longer benefits

# 07 ROADMAP

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**2023. 05 ~**

LF Crypto Wallet Release

**2023. 06 ~**

LF Crypto Wallet / Development of service linkage system

**2023. 08 ~**

LF Global Division French subsidiary. Establishment of US subsidiary

**2023. 09 ~**

LF Coin + Service Linked Beta Start (A)

**2023. 10 ~**

LF Establishment of project team global branches  
(Vietnam, Thailand, Cambodia, Russia)

**2023. 12 ~**

LF Opening of the project's own shopping mall

**2024. 02 ~**

LF Expansion of global offices (India, Taiwan, Brazil)

**2024. 04 ~**

LF Overseas payment open (Thailand/Hong Kong\_17 countries)

**2024. 04 ~**

B2C Expand your business and enter the live commerce market

# 08 Legal Disclaimer

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Please read this section and the sections that follow carefully. The sections are respectively “Disclaimer of Liability”, “No Representations and Warranties”, “Your Representations and Warranties”, “Caution Relating to Forward-Looking Statements”, “Market and Industry Information and No Other Consent”, “Advice and Complaints”, “No Further Information or Updates”, “Restrictions on Distribution and Disputes”, “Non-performance of Securities or Registrations” and “Risks and Uncertainties”.

If in doubt about the action you should take, you should consult your legal, financial, tax or other professional advisor.

LF Coin is not intended to constitute securities in any jurisdiction. This white paper is not a prospectus or proposal document of any kind, and is not intended to constitute a solicitation of securities or investment in securities in any jurisdiction.

This white paper does not constitute an opinion based on the proposal or request of a company to purchase or sell LF Coin. Also, the LF Coin described in this white paper is not related to any contract or investment decision.

Based on this white paper, no binding legal commitments can be made regarding the sale and purchase of LF Coin, and no digital assets or other forms of payment can be accepted.

In relation to the sale and purchase of LF Coin, all agreements with you as a buyer (as mentioned in this white paper) are governed only by a separate document specifying the terms and conditions of the agreement.

In the event of any inconsistency between LF and this White Paper, the former shall take precedence. No regulatory authority has investigated or approved the information set out in this white paper. No such action has been and will not be taken under the laws, regulatory requirements and laws of jurisdiction. The publication, distribution or dissemination of this white paper does not imply that applicable laws, regulatory requirements or rules have been complied with.

There are risks and uncertainties associated with LF and its businesses and operating entities, LF Coin, LF initial token sale, and LF and electronic wallets (as each is mentioned in this white paper). No part of this White Paper is subject to this Article and “Disclaimer of Liability”, “Prohibition of Representations and Warranties”, “Your Representations and Warranties”, “Notes on Forward Looking Statements”, “Market and Industry Information and Other Consents” Reproduced except

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LF makes no representations, warranties or promises in any form to any entity or individual, including any representations, warranties or undertakings with respect to the truth, accuracy and completeness of the information contained in this white paper.

## Your Representations and Warranties

By accessing or accepting ownership of the information in this White Paper or any part thereof (as the case may be), you represent and warrant that LF:

- You agree and acknowledge that LF Coin does not constitute securities in any form in any jurisdiction.
- You agree that this white paper does not constitute a prospectus or proposal of any kind, and is not intended to constitute a tender offer for investment in any jurisdiction or securities, and you are not obliged to enter into any contract or legally binding digital asset or other payment methods are unacceptable based on this white paper.
- You agree that no regulatory authority has investigated or approved the information specified in this white paper, and no such action has been taken, and will not be taken in the future, under the laws and regulations related to requirements and jurisdictions, and the publication and distribution of this white paper You agree and acknowledge that dissemination or dissemination does not imply that any applicable laws, regulatory requirements or rules have been complied with.
- You agree to this white paper, i.e., the initiation and/or completion of the LF initial token sale, or future transactions of LF Coin for digital asset exchange (each as referred to in this white paper) LF, LF Coin, LF initial You agree and acknowledge that the Token Sale and LF and LF Wallets are not to be construed or regarded as demonstrating any advantage.
- The distribution or dissemination of this white paper, parts or copies of the white paper, or the same content accepted by you is not prohibited or restricted by applicable laws, regulations or rules in your jurisdiction, and if you possess and In the event any relevant limitations apply, you will be liable for all such limitations at your own expense, without liability to LF.
- If you wish to purchase LF Coin, you acknowledge and agree that LF Coin cannot be interpreted,

understood, classified or treated as follows.

- Any kind of currency other than digital assets.
- bonds, stocks or shares issued by any person or entity (LF);
- rights, options or derivatives in respect of such bonds, stocks or shares;
- rights under other contracts for the purpose (or pretending to be) of securing a profit or avoiding a loss;
- Unit of collective investment plan
- Unit of business trust
- Derivatives of business units in business trusts
- Other securities or securities

- You fully understand and understand that you are not eligible to purchase LF Coins if you are a citizen, resident (tax or other) or permanent resident of the United States, or a citizen or resident of Singapore.

- You have a basic understanding of the operation, functionality, use, storage, transfer mechanism and other important characteristics of digital assets, blockchain-based software systems, digital asset wallets or other related token storage mechanisms, blockchain technology and smart contract technology; there is.

- If you wish to purchase LF Coin, you are fully aware of the risks associated with LF, its business and operating entity, LF Coin, LF initial token sale, and LF electronic wallet (each as mentioned in this white paper).

- You agree that LF will not be liable for any indirect, special, incidental, consequential losses, torts or contracts (including damages to sales, income, profits) arising out of your acceptance of or reliance on this white paper or any part thereof. You agree and acknowledge that you are not liable for any damages (including, but not limited to, damages to your use or data).

- From the time you own or accept to own this white paper or (as the case may be) any part of it, all of the above statements and warranties are true, complete, accurate and non-misleading.

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- Changes in the political, social, economic and stock or digital asset market conditions and regulatory environment of the countries where LF conducts its business and operations
- The risk of LF being unable or unwilling to implement its respective business strategies and future plans - Fluctuations in interest rates and exchange rates of fiat currencies and digital assets
- Changes in LF's expected growth strategy and internal growth expectations
- Changes in fees and availability that LF must pay in connection with each business and operation
- Changes in staff availability and salaries required by LF for their respective businesses and operations
- Changes in LF's customer preferences
- Changes in the conditions of competition under which the LF operates and changes in the ability of the LF to compete under those conditions;
- Changes in the LF's future capital needs and the availability of financing and capital for those needs;
- acts of international or domestic war or terrorism;
- Catastrophes, natural disasters and acts of God that affect LF's business and/or operations
- Other factors beyond LF's control
- Risks or uncertainties related to LF's business and operation, LF Coin, LF initial token sale, LF and e-wallet (refer to each white paper)

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