JOINTER

THE FUTURE OF COMMERCIAL REAL ESTATE SYNDICATION

- Tokenization and REIT Alternative
- Liquidity 24/7
- 90% Downside Protection

WORLD'S FIRST COMMERCIAL REAL ESTATE BACKED DeFi PROTOCOL

White paper

Version 10.1

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This project is in beta. Use at your own risk.

THIS IS NOT AN OFFER TO PURCHASE OR SELL SECURITIES:

This White Paper is for informational purposes and is not an offer to sell or a solicitation of an offer to buy any securities in Jointer (the "Company"), and may not be relied upon in connection with the purchase or sale of any security. For US Investors' interests in the Company, if offered, will only be available to parties who are "accredited investors", "qualified purchasers", (as defined in Rule 501 promulgated pursuant to the Securities Act of 1933, as amended) and who are interested in investing in the Company on their own behalf. Any offering or solicitation will be made only to qualified prospective investors pursuant to confidential subscription documents, including a private placement memorandum, all of which should be read in their entirety.

Forward-Looking Statements:

This White Paper contains "forward-looking statements." These forward-looking statements are based on the Company management's reasonable expectations and assumptions as of the date of this presentation regarding important risk factors. Jointer has based these forward-looking statements on our current expectations and projections about future events. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Jointer cannot guarantee and does not guarantee future results, levels of activity, performance or achievements.

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JOINTER

Background

Jointer is a decentralized financial (DeFi) and property technology (PropTech) based on a Decentralized Autonomous Organization (DAO) established in 2017 in Silicon Valley, CA and expanded to include Tel Aviv, Israel. Jointer has invested talent, resources, and funds to build an alternative to Commercial Real Estate syndication, scaling the needs of investors and owners in a complete and independent end-to-end blockchain syndication and investment solution.

Jointer is a multi-award winning company, including:

A $1,000,000 "Best Startup in the World" prize in 2018 during a worldwide competition between 4,000 startups and 196 countries

Winner of the Disruptive Startup Award at Stanford University in 2019 by a panel of Google, SoftBank, Bain Capital, Thomson Reuters, Stanford Angels, BMW, Andreessen, NEA, and other top VC Funds,

First place for the Disruptor Daily "Blockchain in Real Estate" Disruptor Award,

Most promising venture from the Carnegie Mellon University US-China Innovation and Entrepreneurship Association

In addition to Draper Venture Network inclusion, Jointer's prestigious advisory group includes Nobel Prize Winners, the previous Chairman of the SEC, the previous Vice Chairman of the NASDAQ, founder of Visa, the previous Chief Economist of the U.S. Department of State, founder of LA Blockchain Summit (CIS), the CFO of Yahoo, the co-creator of Bitcoin's prototype, and other luminaries.

Through years of work, Jointer has created a decentralized fund of funds syndication economy utilizing the blockchain while providing uncorrelated returns, diversification, and unlimited liquidity. The syndication economy is powered by a world's first patent-pending multilayer system that helps to increase the company's valuation daily while preventing a value decrease, regardless of market volatility or manipulation. This syndication economy system can be applied to a multitude of industries, including insurance, venture capital, and many more. Jointer's first use case will be commercial real estate.

Jointer's New Commercial Real Estate Approach

Where most solutions crowdfund or tokenize individual assets which present scalability issues, limited liquidity, and unnecessary risks for investors, Jointer democratizes Commercial Real Estate investments by making the process safe and simple for all. Jointer offers investors a single check for their desired equity, removing the need for any syndication. On the other hand, Jointer also allows the general public to syndicate funds while receiving uncorrelated returns with Commercial Real Estate backing and without sacrificing liquidity or needing a large amount of capital up front.

For over a century, traditional Commercial Real Estate private syndication has been limited to accredited and sophisticated investors while presenting many barriers and a lack of liquidity. Public syndication, such as REITs (Real Estate Investment Trusts), increases access to accredited investors but delivers lower returns due to leverage limitations. Modern solutions such as token-based private syndication do not solve liquidity issues and require a high level of knowledge, and come with unnecessary exposure to risks.

Jointer is a new blockchain based syndication model that removes Commercial Real Estate barriers and gives investors uncorrelated returns and instant diversification through a multiple asset class protocol that provides unlimited liquidity.

Jointer's Vision – A Safe and Profitable Alternative for All

Jointer strives to democratize and simplify the Commercial Real Estate industry so that every investor, even one with zero knowledge or experience, will have the opportunity to enjoy lucrative returns along with low risk cross-collateral investing and high liquidity. Jointer is an alternative to Commercial Real Estate syndication that provides increased access and higher returns.

> **"Jointer's new syndication approach presents a better solution that has the potential to disrupt the real estate industry"**

David Weild IV

The former Vice Chairman of the NASDAQ and Father of the US JOBS Act

Historic Commercial Real Estate Investment Vehicles

Most Commercial Real Estate investments begin with the formation of private syndication[1] through a General Partner (GP) / Limited Partners (LP) structure or through public syndication like REITs. The differences in returns, efforts, and risks between the two investment strategies highlights investors needs and where Jointer adds value.

REITs are diversified with a portfolio of many assets and provide liquidity on public exchanges such as the NASDAQ or NYSE, while private syndications are designed for property owners that take a loan from lenders and need capital for a down payment. Usually, owners (also known as the GP, Sponsor, or Principal) syndicate funds from multiple individual accredited investors, taking time, resources, and providing limited liquidity since the investor's principal is tied up in the property for a few years until liquidity events take place (sell or refinance).[2] These limitations create exposure and risk to investors.

[1] Joint Ventures can also include public crowdfunding and more recently, tokenization
[2] In theory, security token exchanges were created to increase this liquidity. Although in practice, the market has shown these exchanges do not provide liquidity or increased consumer options.

Moreover, private syndications are able to outperform REITs because they leverage properties with debt loans while REITs tend to avoid debt[3] focusing on increasing cash flow which determines their valuation.

Although private syndications can provide higher returns, they are unable to welcome non-accredited[4] investors and are not ideal for institutional investors.

Institutional investors which qualify for private syndications investments continue to choose REITs as an investment vehicle because they need to present low risk investments that still provide minimal returns while also diversifying their investment portfolio. Moreover, it is impractical for institutional investors to analyze and oversee a multitude of small to medium sized properties.[5] Furthermore, the same barriers for institutions lead to excluding the general public as high amounts of knowledge and due diligence become necessary to ensure a profitable exit.

Private Syndication vs Public Syndication

Private Syndication

Diversification

Private syndication pool investments are created through a partnership between passive investors (Limited Partners) and a General Manager (also referred to as sponsors or principles). To obtain a diversified portfolio, investors have to perform due diligence on each property and source multiple opportunities before identifying a lucrative deal which may take underwriting many properties.

Liquidity

A liquidity event takes place on average three to seven years after purchase.

[3] Demirci, I., Eichholtz, P., & Yönder, E. (2018). Corporate diversification and the cost of debt. The Journal of Real Estate Finance and Economics, 1-53.
[4] Reg D 506 B makes an exception for up to 35 sophisticated non-accredited investors. Under Reg S a company could potentially welcome non-accredited investors from outside the United States.
[5] https://www.entrepreneur.com/article/306846

Returns

Syndication pool returns can be high and average ~20% a year over a five year holding period.

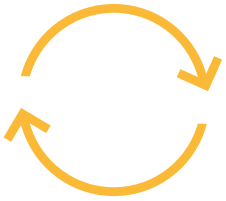
Public Syndication

Diversification

REITs source multiple properties to hedge risk. An investment in a REIT is investing in the asset portfolio of the issuer so the diversification is usually considered stronger than a private syndication.

Liquidity

REITs improve upon the limited or non-existent liquidity that direct investors receive by trading on exchanges such as the NASDAQ and NYSE, so their liquidity is considered high.



Returns

REITs have unused debt leverage[6] so the average returns are usually in the range of 8%-12% a year which is 50% lower than average private syndication investment returns. Evenso, institutional investors prefer REIT investments based on their goal to keep the low risk but outperform the S&P 500.

[6] Wong, W. C. (2017). Debt conservatism and debt-equity choices: evidence from REITs' unused debt capacity. The International Journal of Banking and Finance, 13(1), 1-28.

	Syndication (Private Fund)	REIT (Public Fund)
	Accredited Investors	**Institutional and Public**
Diversification	✗ Investment in one property	✓ Investment in a portfolio
Liquidity	✗ Liquidity events take place after a sale, avg. 3-7 yrs	✓ REITs trade on exchanges such as NASDAQ and NYSE
Instantly	✗ Investment takes 60+ days to close	✓ Investment available instantly
High ROI	✓ Use 60%-80% LTV to leverage high return (20%~a years)	✗ REITs do not use bank leverage 50% lower return (8%-12%)

Current market solutions

There is a public misconception that modern solutions such as tokenization can help syndicate funds to purchase new assets or unlock equity by selling a fraction of ownership or an income stream to the crowd. Jointer investigated these solutions to determine their viability and benefits but also to understand their shortcomings.

Risks for investors

Jointer believes that current tokenization solutions expose investors to potential fraud and a potential loss of funds. The below examples present weak spots that current tokenization models cannot overcome:

Vulnerable to scams

Owners may scam investors by offering equity for properties they do not own.

False claims

Owners of properties may make false claims about a property's financial status and/or value.

Over-leveraged

Owners may deceive investors by selling them tokens or digital shares for properties with no available equity.

Limited transparency

Owners could take advantage of unsophisticated investors[7] who are unaware of how to properly underwrite a property. For example, if an owner misrepresented a property by selling tokens representing a $10M value when the property is only worth $5M.

Must trust dividend distribution

Owners may not honor dividend distributions, a situation which leaves investors without recourse.

No Principal

Owners may sell 100% of their equity in the property and leave it without any principal in place.

Risk disclosure

Investors could be misled through non-disclosure of the risks of a distressed or completely vacant property, which is also a property not generating income.

Conflict of interest

Owners naturally have a conflict of interest with investors and may benefit from misleading them.

Limited liquidity

Investors may have an issue with liquidity because there is no guarantee that secondary marketplace exchanges will welcome every token or digital shares. For example, they may only support tokens or digital shares with high daily trading volumes.

[7] Cohen, J. (2016). A study on the history and functionality of real estate crowdfunding.

Limited volume potential

Properties require months to years to appreciate, meaning that most investors will hold property-backed tokens for a longer period, decreasing potential daily trading volume.

Restrictive selling

One of the biggest hindrances for owners who wish to tokenize their properties is the inability to sell a percentage to more than 100 investors (or shareholders) unless: 1) they are qualified purchasers; 2) the owners turn their property into a public company; or 3) the company is registered with the SEC under a Reg A+ exemption. All these costly and time-intensive burdens need to be solved by the issuing property owner.

In spite of all these shortcomings, private syndication, via tokenizing existing equity or income streams, still requires sourcing investment through syndication and falls solely on the owner. To syndicate a property using tokenization, the same costly practice of marketing and soliciting to many investors must occur, in addition to any fees due to the tokenization provider.[8]

Scalability issue

Regulation restricts future owners from offering equity in an asset they do not yet own.[9] The only way the future owner can do this is by also acting as a Broker-Dealer, offering other people security tokens. Meaning tokenization is required initially to purchase and gain ownership of the property, only then can the owner become the issuer and offer fundraising through tokenization.

Until these issues are addressed, the Commercial Real Estate industry cannot scale using tokenization solutions and investors risk exposure to fraud and scams.

Furthermore, Jointer believes there is no logic for existing property owners to use tokenization as a private syndication solution for purchasing new properties or as a re-cap investment based on the associated risks and costs mentioned above.

[8] Xiao, P. (2016). Real Estate Finance Models and Prospect of Its Development. DEStech Transactions on Social Science, Education and Human Science.
[9] Udell, G. F. (2015). Issues in SME access to finance. European Economy, (2), 61.

After taking into account all of the serious issues associated with current tokenization solutions, Jointer's approach provides a true alternative to Commercial Real Estate syndication, even for re-cap investment.[10] Jointer provides property owners one check to cover the necessary down payment.

	SECURRENCY	SWARM	HARBOR	SECURITIZE	POLYMATH	JOINTER
Set up costs	$115,000	10 ETH	$100,000	$60,000	20,000 POLY	**FREE** **Using a security token offering, Jointer unlocks your equity 100% free**
Other costs	**Annual Fee** $50,000	**Annual Fee** 1% of funds raised	**Success Fee** 2%-7% based on fundraising difficulty	**$120,000** + $5,000 monthly + Ongoing costs for smart contracts	**500 POLY** + Ongoing costs for smart contract interactions	**ZERO** **Jointer never charges to tokenize a property or execute smart contracts**
Marketing	**Extra costs** Internal or 3rd party marketing	**Extra costs** Internal or 3rd party marketing	**Extra costs** Internal or 3rd party marketing	**Extra costs** Internal or 3rd party marketing	**Extra costs** Internal or 3rd party marketing	**INCLUDED** **Jointer bears the costs associated with listing, exposure, and marketing to investors**
Legal liability	**High** All legal liability falls on the owner	**High** All legal liability falls on the owner	**High** All legal liability falls on the owner	**High** All legal liability falls on the owner	**High** All legal liability falls on the owner	**None** **Jointer takes on all liability**
Extra profits	**None** Once equity is sold, you no longer earn on that equity	**None** Once equity is sold, you no longer earn on that equity	**None** Once equity is sold, you no longer earn on that equity	**None** Once equity is sold, you no longer earn on that equity	**None** Once equity is sold, you no longer earn on that equity	**Up to 50%** **Jointer shares with the owner up to 50% returns from Jointer's profits**

Current tokenization solutions are unable to solve syndication issues like Jointer. Therefore, current tokenization providers do not constitute direct competition to Jointer. Jointer could end up partnering with tokenization providers to offer their property owner client fundraising solutions along with unlimited liquidity.

[10] A re-cap is a situation in which the owner creates a new entity to buy the property from himself based on the current fair market value

Major challenges

While Commercial Real Estate investing is proven to be a lucrative method of creating wealth[11] the opportunity for investors to become successful in this industry presents three challenges.

Minimize risk

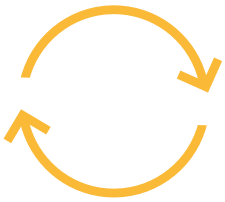
Investors face the challenge of minimizing risk[12] which typically requires investors to be sophisticated and experienced in real estate investing or rely on others and hedge their risk through diversifying their portfolio.

High ROI

Investors need to weigh returns against their principal capital investment to see if they can produce a high ROI.[13]

Liquidity

Ensure there is an exit strategy to provide investment liquidity. Without liquidity, investors are left vulnerable to high capital costs and low secondary market prices due to the high costs of due diligence.[14]



Solving the Syndication Problem with a New Approach

Jointer acts as a fund of funds providing property owners one check as a Master LP to cover the needed down payment for a new property. On the other side, Jointer allows investors diversification through the purchase of three digital assets (JNTR, JNTR/ETN, JNTR/STOCK) backed by cross-collateral and provides uncorrelated returns with access to infinite liquidity.

[11] Model, B. (2016). The World's Oldest Profession-Now and Then: Disruption of the Commercial. Crowdfunding for Sustainable Entrepreneurship and Innovation, 78.
[12] Sagi, J. S. (2017). Asset-level risk and return in real estate investments.
[13] Vasudevan, S., Balasudaram, D. N., Ramanigopal, C., & Nandhakumar, B. (2017). Risk Minimising Strategies To Have Successful Investment In Real Estate Business. International Journal of Civil Engineering and Technology, 8(10).
[14] Ametefe, F., Devaney, S., & Marcato, G. (2016). Liquidity: a review of dimensions, causes, measures, and empirical applications in real estate markets. Journal of Real Estate Literature, 24(1), 1-29.

Jointer's Solution for Commercial Real Estate Owners

Overview

Typical Commercial Real Estate purchases take an average of 30-90 days to close. During that time, buyers, also known as sponsors/principals, will borrow debt from lenders in a range of 50%-90% LTV (loan to value). This leaves potential owners with responsibility to syndicate the down payment in time to close properties.

Within the time limit, buyers must secure the funds from each accredited investor which requires a time commitment and adds risk as investors may back out at the last minute or their funds may not be available at the time of purchase. For their time and effort, sponsors receive on average a 25% promote/carry from the profits (after preferred returns to the LP have been paid), encouraging the ongoing success of the property.

Current Issues

Syndication Barrier

Commercial Real Estate sponsors need funds for down payments to purchase new properties or to re-cap their existing properties.

Lucrative Deals Lost

Commercial Real Estate deals move quickly and most are closed off market, so when buyers have to spend extra time to syndicate funds, deals can be lost.

Investor Limits

Assuming the property title will be held by an LLC, the number of shareholders will be limited to no more than 100, per Reg D, making the out-of-pocket per investor cost significant and limiting the pool of potential investors.

Compliance

Maintaining compliance requires legal preparations such as preparing a PPM (Private Placement Memorandum), risk disclosure, and SEC registration. Furthermore, solicitation is limited to investors who have a pre-existing relationship with the issuer.

Provider Fees

Tokenization providers charge upfront and success fees for using their security token or digital share solution.

Marketing Cost

Having security tokens created for the property does not alleviate the need for marketing and soliciting investment opportunities.

Jointer's Solution for Owners

With the Jointer Syndication Economy, owners fundraise from just one source - Jointer - and receive one check, entirely eliminating the traditional method of syndication or the need for current tokenization market solutions. The instant fundraising through one check can be used to purchase a new property and unlock existing equity through a recapitalization for free with zero regulatory exposure. Jointer offers owners a 50% promote/carry which is more than double the industry standard of 25%, all while only having to contribute 5% on the total down payment (which can be as low as 1% of the property value) versus the 10%+ industry standard.

Benefits for Owners

Free Fundraising

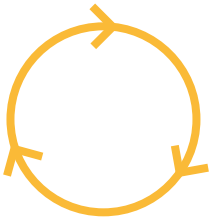
By removing the need for syndication, Jointer is able to offer no-cost funding to experienced owners with qualifying properties.

Instant Funding

Once Jointer's due diligence is complete and the property is cleared for investment, Jointer can issue the owner a check for their equity within 24 hours.

End-to-End Solution

First, by removing the need for syndication, all other complex issues and high costs associated with the process are removed. Further, Jointer's funding process does not change the owner's traditional closing process and will take place using regular title companies and fiat currency such as the US Dollar.



Skin in the Game

The industry standard for sponsor contribution is 10% of the down payment (considered "skin in the game"). Jointer positively alters the industry standard so in cases of purchasing a new property or re-capping an existing property, Jointer will purchase and require the sponsor to pay only 5% of the down payment.

Sponsors' Promote (also know as a carry)

The industry standard for a sponsor's carry is to receive on average 25% of the properties profits, usually after investors (LP) receive preferred returns (5%-12%). Jointer offers sponsors better terms with a 50% carry after the preferred returns. On average, using Jointer over traditional syndication will net sponsors 400% increased ROI.

TODAY

OWNERS

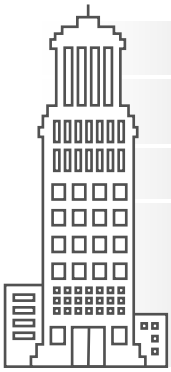
Struggle to syndicate for equity
Receive ~25% promote/carry

WITH JOINTER

OWNERS

Jointer invests with one check
Receive 50% promote/carry

Today's - Owner's Profits



Capital Stack

- Owner's Equity
- Preferred Equity
- Mezzanine Debt
- Senior Debt

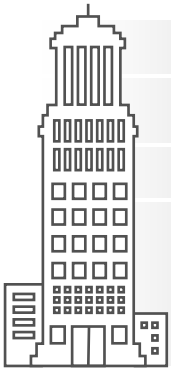
Control

100% by Owner

Profit Split

- Investors receive a preferred return of 5%-12%
- Owners receive an average promote of 25%

With Jointer - Sponsor Profit's



Capital Stack

- Owner's Equity
- Preferred Equity
- Mezzanine Debt
- Senior Debt

Control

50% by Owner

50% by Jointer

Profit Split

- Jointer receives preferred return
- All other profits 50%/50% between Jointer and Owner

OWNER TOTAL RETURN WITH JOINTER IS
400%

		Crowdfunding	REIT	JOINTER
INVESTORS	Unlimited investors / Small investment	✗	✓	✓
	Diversified / No knowledge needed	✗	✓	✓
	Liquidity even for low-volume	✗	✓	✓
	Investor tax advantage	✗	✓	✓
	High ROI for investor	✓	✗	✓
OWNERS	Fundraising Available	✓	✗	✓
	High ROI for owners	✗	✗	✓

How does Jointer support giving owner's 50% ownership when they only contribute a 1%[15] down payment of the property's value?

Jointer stays a passive investor in the property to avoid ongoing management. Therefore, Jointer splits the ongoing cash flow with the owner while the property appreciation follows the amount invested in the property. The act of Jointer earning less per property will attract top properties and owners looking for re-cap opportunities to utilize Jointer similar to how Amazon took less profits to encourage a larger scale.

[15] ~5% of the down payment

Due Diligence Process

Jointer's Due Diligence Process

Identifying and Sourcing Opportunities

Jointer has passive and active sourcing development methods to identify opportunities. The passive method is to let new buyers and existing owners that want to benefit from Jointer's instant funding apply directly. The active method includes partnering with loan brokers and real estate agents that can refer Jointer to new buyers and existing owners.

Deep Underwriting

Jointer underwrites opportunities by checking the owner's track record as well as the property and local market. Every property goes through six levels of underwriting, including the sharing economy model with analysts, AI analysis, and obtaining an independent appraisal report.

Title Check

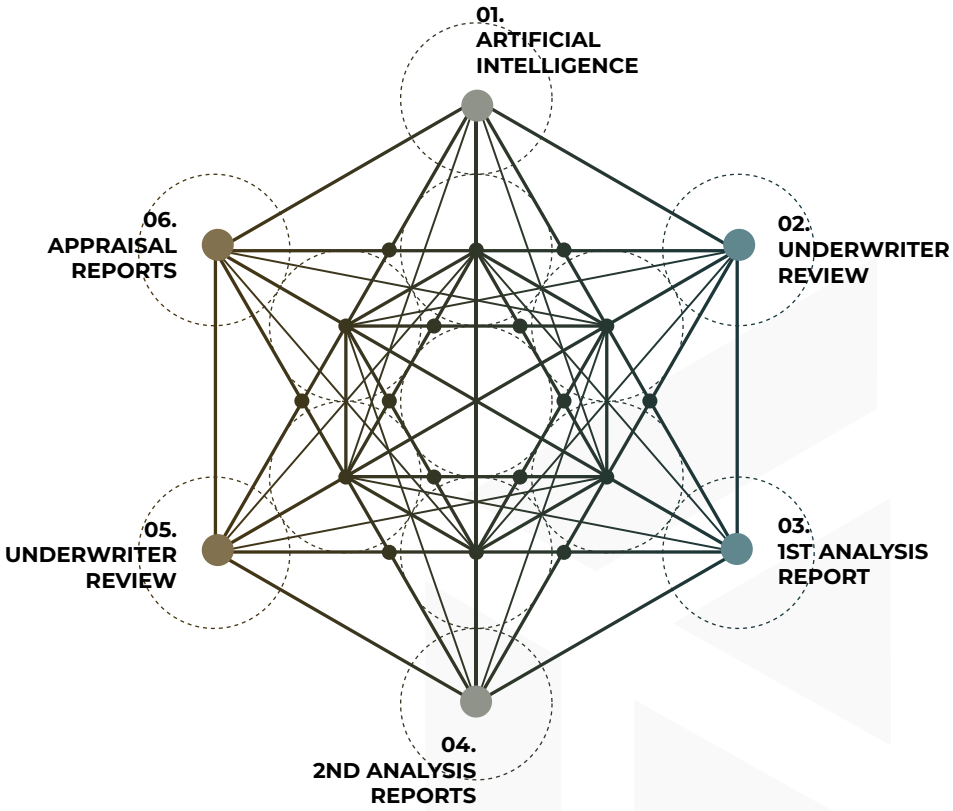
A third-party title company will be used to verify all property details, from ownership to existing mortgages, liens, or other interests/claims.

Using Artificial Intelligence(AI) to Instantly Identify Lucrative Opportunities

Jointer's goal is to identify the best real estate opportunities with both low risk and high ROI. To do this, Jointer will analyze an enormous number of properties using AI, something individual investors do on every property they invest in.

Jointer has spent the last three years developing a highly effective advanced machine learning system. This system can complete a comprehensive analysis of properties in less than five seconds. This technology allows Jointer to select and quickly analyze the best opportunities and investments just like professional real estate investors do manually.

Quick initial analysis allows Jointer to rapidly and cost effectively qualify properties for further due diligence. In order to analyze and predict a property's future valuation that includes risk and potential ROI performance, the algorithm requires nothing more than the property's street address.



Jointer's Solution for Commercial Real Estate Investors

The Jointer Syndication approach levels the playing field in the Commercial Real Estate industry by offering investors, from all walks of life, the opportunity to participate in the commercial market without the barriers or risks associated with the current tokenization models and traditional solutions, mentioned above.

Jointer presents investors unlimited diversification while improving their returns and minimizing their risk through a Syndication Economy which is powered by three (3) different and distinct asset classes, JNTR, JNTR/ETN, and JNTR/STOCK.

Jointer's diversification removes the exposure and risk associated with investing in a single property. Investment distributions and returns are managed by a smart contract, which ensures full transparency and a trustless process. Income and investment streams serve as cross-collateral and the performance is based on fully-disclosed public information.

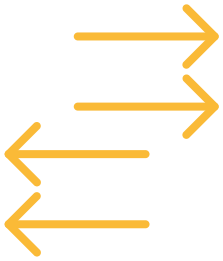
Benefits for Investors

Transparency in returns

Returns are based on publicly available data which is verifiable on the blockchain, so investors can trust the returns are accurate, as they are easily verifiable. Returns are distributed automatically by a smart contract, further ensuring accurate distribution.

Cross-Collateral on Investment

Investments are secured through a robust Syndication Economy. Cross-collateral is achieved through company shares, properties' equity, income streams, Jointer's holdings, and Jointer's Reserve.



Liquidity

Jointer provides 24/7 liquidity through the Jointer Reserves and secondary market exchanges.

No Lock

Jointer digital assets are freely tradable with Jointer's Liquidity Reserves and on the secondary market, subject to the investor's country's regulations.

TODAY

INVESTORS

High return comes with high risk
Due dilligence on each purchase

WITH JOINTER

INVESTORS

2X leverage on the Global REITs index instant investment

Jointer Syndication Economy

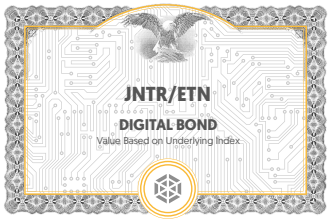
Overview

The Jointer Syndication Economy is powered by 3 different and unique asset classes, JNTR, JNTR/ETN, and JNTR/STOCK. The goal of the three asset classes is to meet all investor needs for continuous liquidity, improved risk distribution, and high returns.

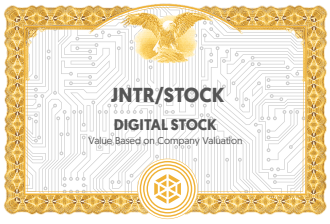
Jointer's digital assets are managed on a distributed ledger, Binance Smart Chain (BSC), with full transparency and 24/7 access.

Jointer's Syndication Economy focuses on short and long term value for investors. The decision to create an inclusive Syndication Economy fits within Jointer's mission to make Commercial Real Estate available to everyone. In accomplishing this, Jointer presents three asset classes that aim to fit the needs of every investor:

JNTR is a liquidity bridge that serves as a transfer of value between traditional commercial real estate securities (JNTR/ETN and JNTR/STOCK) and digital currencies.



JNTR/ETN is akin to an Exchange-traded Note (ETN) that is pegged with 2X leverage on the Dow Jones Global Select REIT Index, aiming to provide ~20% returns per year.



JNTR/STOCK is preferred shares in Jointer, gaining value as the company grows and the Net Asset Value (NAV) increases.

JNTR

JNTR is a liquidity bridge that serves as a transfer of value between traditional commercial real estate equity and blockchain based digital currencies.

JNTR is a financially engineered decentralized protocol layer on top of the Binance Smart Chain developed as the exclusive payment method to facilitate trades of Jointer's stocks (JNTR/STOCK) and bonds (JNTR/ETN) as well as provide liquidity for the JNTR/b and JNTR/e bridges. JNTR's face value changes based on the liquidity reserve's calculation every time investors directly purchase JNTR through the daily Auction or through SmartSwap. The face value carries an exponential return potential along with a low risk profile, providing an uncorrelated hedge against volatility in the real estate and crypto markets.

Although holders of JNTR are not entitled to the securities or properties, the JNTR asset is the only method of payment to buy and sell JNTR/ETN or JNTR/STOCK, placing JNTR at the center of the Jointer Syndication Economy. While JNTR is not directly linked to properties it is the only payment method for the asset-backed securities providing indirect face value protection.

Types of JNTR Bridges

The first JNTR bridge is through Binance Smart Chain, BNB. The JNTR<>BNB bridge allows investors to convert BNB[16] to JNTR and then to JNTR/ETN or JNTR/STOCK. JNTR is a consistent 1:1 bridge between decentralized bridge tokens like JNTR/b (BEP20) and JNTR/e (ERC20) which allow investors to access liquidity through different decentralized pools on multiple blockchains. Future developments will include support for other blockchains such as JNTR<>BTC, JNTR<>ETH, JNTR<>EOS, and JNTR<>TRON.

JNTR/e

JNTR/e is a wholly decentralized bridge token created to provide liquidity and increased access to the Jointer syndication ecosystem and the primary JNTR token. Due to JNTR/e being decentralized, it has the ability to list on decentralized exchanges and participate in decentralized finance pools and swaps like UniSwap.

[16] or BNB stablecoins and select other BNB cryptocurrencies

Jointer minted a total of 1,000,000 JNTR/e on the Ethereum blockchain, with 0% accessible to the team, founders, and investors.

Jointer will burn 100% of the relay token (the LP share that controls the pool) which limits Jointer from accessing that pool or changing it.

Ongoing Minting and Burning

JNTR/e burns each time it swaps for JNTR or other JNTR bridges like JNTR/b

JNTR/e is minted when JNTR or other JNTR bridges like JNTR/b swaps to JNTR/e

BOGO Airdrop Built in

Jointer will distribute JNTR/e to engaged communities to help grow awareness and mass adoption.

Because JNTR/e is able to be instantly swapped through SmartSwap with JNTR, the face value is thus correlated with JNTR.

The airdrop is activated by users receiving a set number of tokens. In order to unlock these tokens, the wallet must purchase an equal amount.

Example

- 125 JNTR/e airdropped
- To unlock the JNTR/b, the wallet must purchase another 125 JNTR/e

JNTR/b

JNTR/b is a wholly decentralized bridge token created to provide liquidity and increased access to the Jointer syndication ecosystem. Due to JNTR/b being decentralized, it has the ability to list on decentralized exchanges and participate in decentralized finance pools and swaps like BurgerSwap, PancakeSwap,and BakerySwap.

JNTR/b started with 1,000,000 minted

Rewards by block

In order to provide incentive to hold JNTR/b, Jointer implemented a DeFi staking contract directly into the token providing flexible staking rewards without having to farm, just by holding the JNTR/b. Now for holding JNTR/b, investors will receive more JNTR/b minted and sent to their wallets on every Binance Smart Chain block which is around 3–5 seconds.

JNTR/b holders will be able to hold their JNTR/b in any decentralized wallet or through approved Centralized Exchange Partner wallets to earn more JNTR/b every few seconds. The starting APY is 10% and will be a votable percentage in the Jointer DAO.

BOGO Airdrop Built in

Jointer will distribute JNTR/b to engaged communities to help grow awareness and mass adoption.

Because JNTR/b is able to be instantly swapped through SmartSwap with JNTR, the face value is thus correlated with JNTR.

The airdrop is activated by users receiving a set number of tokens. In order to unlock these tokens, the wallet must purchase an equal amount.

Example

- 125 JNTR/b airdropped
- To unlock the JNTR/b, the wallet must purchase another 125 JNTR/b

Ongoing Minting and Burning

JNTR/b burns each time it swaps for JNTR or other JNTR bridges like JNTR/e

JNTR/b is minted when JNTR or other JNTR bridges like JNTR/e swaps to JNTR/b

What makes JNTR/e and JNTR/b different from other pool pairings?

The creation of JNTR/e and JNTR/b combined with JNTR is a new world decentralized finance.

- Limited Initial Supply
- All team and early investors are restricted from accessing the pools
- Arbitrage Opportunity
- Cross Blockchain Shared Pooling
- Burn relay tokens

Limited Initial Supply

Jointer will start by JNTR/e and JNTR/b being minted in a limited quantity and airdropped to communities to grow mass adoption. The airdrop will not go to any member of the Jointer team or any early investors.

Ongoing, JNTR/e can only be minted when JNTR or JNTR/b is swapped with JNTR/e through SmartSwap. The JNTR is locked by the SmartSwap and the JNTR/e mints directly to the investor.

Once JNTR/e is swapped back for JNTR or JNTR/b through SmartSwap, it is burned.

All team and early investors are restricted from accessing the pools

Team members and early investors did not receive any of the JNTR/e minted tokens.

And while initial investors will have JNTR, 50% of all pre-minted JNTR is minted for 10 years. Further, the JNTR is released to investors and will remain behind the JNTR gateway forever. This means investors will be unable to access pools or sell tokens for below the face value.

Pre-Minted JNTR Gateway

In an effort to meet the needs of early investors as well as long term JNTR holders, Jointer will restrict 100% of all pre-minted JNTR. The pre-minted JNTR are restricted from direct engagement with secondary markets or liquidity pools. Sell orders are placed through a gateway smart contract that utilizes an API to engage with secondary markets. Using algorithms, the gateway only places orders that correspond with market demand and the face value of JNTR in the Liquidity Reserve. During the first 90 days of the Auction, the gateway is restricted from placing any sell orders to encourage strong market demand.

Arbitrage Opportunity

SmartSwap will always respect JNTR's face value across JNTR/b and JNTR/e. The JNTR value derives from Jointer's multi-layer reserve. This means that regardless of the volatility and prices of JNTR/e and JNTR/b, SmartSwap will respect the financially engineered and protected JNTR price. Because SmartSwap respects the JNTR price from Jointer's Reserve, this means investors may have an arbitrage opportunity between JNTR/b, JNTR/e, and JNTR.

Further, arbitrage opportunities could arise from the daily discount of 50%+ offered on JNTR through the Auction compared to the price JNTR/b is trading for in liquidity pools. Investors could purchase JNTR at a 50% discount and then swap for JNTR/e at the JNTR face value to sell on liquidity pools, creating another arbitrage opportunity.

Example

- JNTR/e's price is $0.10 on UniSwap, User A has 100 JNTR/e
- JNTR is $0.30 in Jointer's Reserve
- Users can swap 100 JNTR/e to 100 JNTR and redeem through Jointer's Reserve for $0.30

Cross Pooling Across Different Blockchains

Currently, liquidity is isolated to specific blockchains, mainly ERC20 standard and specifically on UniSwap. In order to move between blockchains, investors are turning to wrapped tokens, making the process centralized and inefficient.

Seeing these issues and the opportunity to increase liquidity for the Binance Smart Chain as well as Tron and others, Jointer created cross-pool liquidity utilizing a suite of tokens that independently operate on their intended blockchain yet are interoperable together. This means at any time, you are able to swap at a 1:1 ratio cross chain utilizing JNTR/e on Ethereum and JNTR/b on Binance Smart Chain. Jointer's SmartSwap will handle the conversion and where one token is minted, one token is burned on the opposite blockchain.

Example

- JNTR/e's price is $0.10 on UniSwap, User A has 100 JNTR/e
- JNTR/b's price is $0.30 on PancakeSwap

Users visit SmartSwap and trade 1:1 100 JNTR/e to 100 JNTR/b and trade through PancakeSwap for $0.30 creating a cross pooling relationship that allows the market, no matter the blockchain to provide liquidity.

100 JNTR/e are burned and 100 JNTR/b are minted.

Jointer introduces cross pool liquidity from Binance Smart Chain to Ethereum

Burn relay tokens

Rather than profit from relay tokens, Jointer will burn all relay tokens in the decentralized pools. This protects users from the company becoming a whale after trading.

Proof of JNTR/e UniSwap burn here

Proof of JNTR/b PancakeSwap burn here

JNTR's Utility Functionality rather than BNB, ETH or BTC

REITs own approximately $3 trillion in gross real estate assets, with more than $2 trillion from publically listed and non-listed REITs and the remainder from privately held REITs.[17] By offering traditional REIT investors 2X leverage on the proven Global Select All REITs Index, the JNTR/ETN asset possesses intrinsic demand amongst these investors.

If Jointer allowed trading for JNTR/ETN or JNTR/STOCK directly against BNB, ETH or BTC, the entire ecosystem would not have the ability to provide continuous liquidity for investors or would reduce the amount of funds Jointer could invest in Commercial Real Estate.

Overall Ecosystem Support

Using JNTR as a bridge increases the interoperability of the Jointer Liquidity Economy. With the ongoing Jointer Auction bringing in funds for a reserve, JNTR can support liquidity through Binance Smart Chain to BNB for all JNTR/ETN and JNTR/STOCK holders.

[17] https://www.reit.com/data-research/data/reits-numbers

JNTR compared to Cryptocurrency and Asset Backed Tokens

JNTR is a financially engineered decentralized protocol layer on top of Binance Smart Chain designed as the exclusive payment method to buy or sell Jointer's stocks (JNTR/STOCK) and bonds (JNTR/ETN). It functions as a liquidity bridge and serves as a transfer of value between traditional commercial real estate equity and other blockchain based digital currencies. JNTR's face value changes based on the Main Reserve's calculation every time investors directly purchase JNTR through the daily Auction or through other methods such as SmartSwap. This process creates an investment hedge against volatility in the real estate and crypto markets.

	Cryptocurrency	Asset Backed Tokens	JNTR
Asset-backing	**No**	**Yes**	Yes
Low risk profile	**No**	**Yes**	Yes
Hedge to crypto market volatility	**No**	**Yes**	Yes
Hedge to real estate market volatility	**Yes**	**No**	Yes
Open to non-accredited investors	**Yes**	**No**	Yes
Unlimited Investor Participation	**Yes**	**No**	Yes
No locking period	**Yes**	**No**	Yes
Unhindered 24/7 liquidation	**Yes**	**No**	Yes
Network Staking	**Yes**	**No**	Yes
Consistent, Uncorrelated Returns	**No**	**No**	Yes

Demand for JNTR

Even though JNTR does not have exposure to Commercial Real Estate, equity, cash flow, or any kind of returns, it still benefits from the strength of the Commercial Real Estate market.

Access to Jointer's Securities

When sentiment for the market is high, market forces will increase demand for JNTR as the bridge asset without Jointer's involvement. JNTR acts as a bridge between assets, which in JNTR's case is a $14 trillion addressable market.[18] The Commercial Real Estate and REIT investment markets are far greater than cryptocurrency asset values.[19]

Must hold JNTR to participate in the Auction

Since investment power is limited to the amount of JNTR held in the investor's wallet, there is demand from auction participants wanting to hold more JNTR in order to invest in the Auction.

Use of Funds

The use of funds received during the Auction are set up to power a robust and thriving ecosystem to benefit Jointer investors. As a DAO (Decentralized Autonomous Organization), Jointer invests 100% of the funds raised into Commercial Real Estate and Jointer's liquidity reserve.

[18] https://www.nar.realtor/sites/default/files/reports/2017/2017-commercial-lending-trends-survey-05-18-2017.pdf
[19] Cryptocurrency global market cap is ~$238B as of January 20, 2020

90% Commercial Real Estate Property Investments[20]

Jointer invests in lucrative and thoroughly underwritten deals that meet a stringent standard

10% Liquidity Reserve

Jointer distributes funds directly to Jointer's Reserves to support the liquidity of JNTR assets

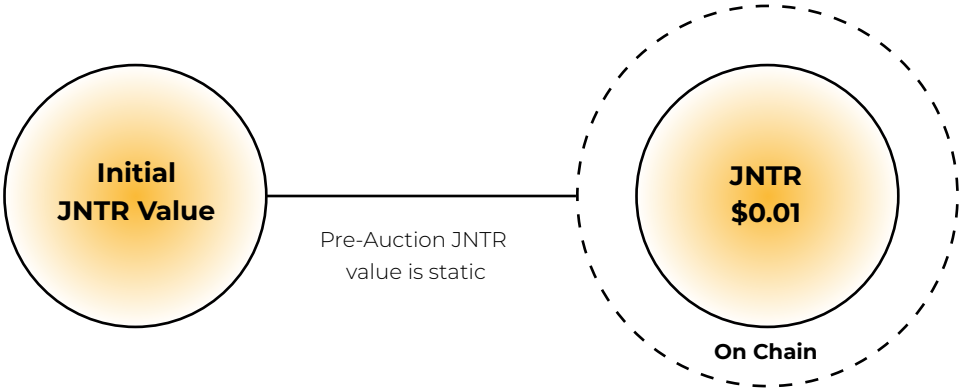
JNTR Face Value

JNTR's face value is dynamic and based on the market. Before the launch, Jointer will set the value. Ongoing value is not determined by Jointer, rather the face value of JNTR follows the market-driven Jointer Main Reserve.

[20] Jointer reserves the right to use this investment to support liquidity until the organic market will be strong enough to support ongoing liquidity

Initial Value

JNTR's initial auction face value is static at $0.01 USD. This is the only time JNTR's face value is static and determined by Jointer.



Ongoing Value

An active Jointer Auction directly affects JNTR's ongoing value since the face value is derived from the Main Reserve within Jointer's Liquidity Reserves. This happens because during the ongoing daily Auction, JNTR's smart contract contributes 10% of all funds raised to purchase JNTR from the reserve, allowing investors to swap their holdings for other currencies. This act will increase the Liquidity Reserves and will also keep the JNTR value strong against redemption.

JNTR Minting

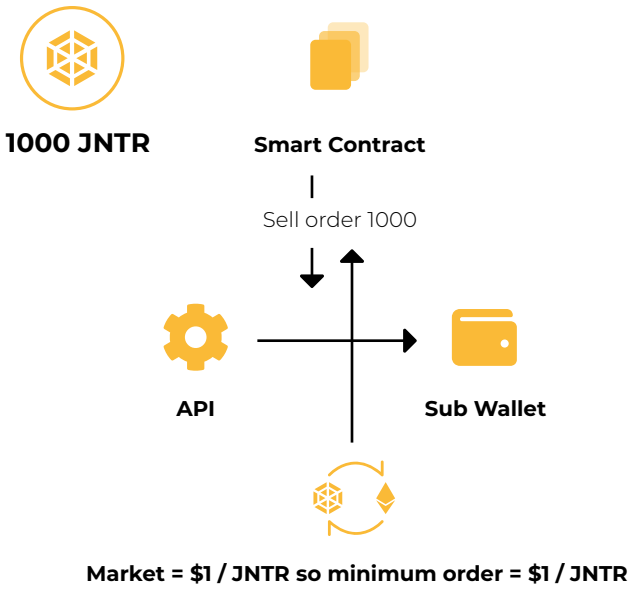
Jointer's minting is dynamic and automatic, powered by financially engineered smart contracts with no centralized minting control.

Pre Minting

Jointer will pre-mint 10,700,000,000 JNTR that will be distributed between Jointer's early investors, Jointer's providers, Advisors, and Jointer's team. Ongoing minting is based on daily Auction supply.

Limitations on Pre-Minted JNTR

In an effort to meet the needs of early investors as well as long term JNTR holders, Jointer will restrict 100% of all pre-minted JNTR . The pre-minted JNTR are restricted from direct engagement with secondary markets or liquidity pools. Sell orders are placed through a gateway smart contract that utilizes an API to engage with secondary markets. Using algorithms, the gateway only places orders that correspond with market demand and the face value of JNTR in the Liquidity Reserve. During the first 90 days of the Auction, the gateway is restricted from placing any sell orders to encourage strong market demand.



Daily mint based on Auction supply

The Jointer Auction mints JNTR based on the ongoing daily auction results. On Day 1 of the Auction, the starting mint will be 50,000 JNTR. The final amount minted is determined by the success of the Auction.

The previous day's fundraising amount and the end of the day JNTR face value will determine the following day's starting mint. This is calculated by taking the previous day's total contributions[21] and dividing that amount by JNTR's face value at the end of the day.

Additional JNTR is potentially minted in accordance with group discounts and individual bonuses which is meant to reward investors for investing more than the daily auction's goal.

[21] Or by using the Higher Ground Minting Rule mentioned in the Auction section of this document

Calculation

Total Investment Amount on Previous Day / **Previous End Day/Current Day Start Face Value of JNTR**

+

Potential Group Discount and Individual Bonuses

For example

- If the previous day's Auction investment was $1,000 and by the end of the current day's Auction, the JNTR face value was $0.02, the minting supply for the following day will be 50,000 JNTR ($1,000/$0.02).

Example

Auction Day	Auction Contribution	End of Day JNTR Face Value	Daily Mint
1	$1,000	0.02	100,000
2	$1,500	0.03	50,000
3	$2,000	0.04	66,666
4			50,000

Future Split

Since JNTR has the ability to grow in value, there may come a time where the face value exceeds the psychological assessment of an opportunity to invest. In this case, Jointer may decide to split JNTR, giving users the equal face value of their JNTR with a comparable amount of JNTR at the face value of $0.01. This would not change the total value of the investors holdings, but the number of JNTR in their wallet proportionally increased to reflect the split.

Example

- An investor holds 100 JNTR with a face value determined by Jointer's Liquidity Reserve of $1,000. The investors total holdings equals $100,000 (100 x $1,000).
- Jointer announces a split
- JNTR splits and distributes JNTR proportional to the new price to JNTR holders
- The investor now holds 1,000,000 JNTR with a face value determined by Jointer's Liquidity Reserve of $0.01, with the same total holdings of $100,000 (1,000,000 x $.01).

Purchasing JNTR

Investors have the ability to purchase JNTR assets in three ways:

1. **Through the Auction at a potential 50% discount;**
2. **Through a Secondary Market Exchange or through;**
3. **Or SmartSwap.**

Auction

Jointer's auction allows investors to purchase JNTR assets on a daily basis. The daily supply is determined by the previous days' investment. Auction investors receive a daily percentage of the asset allocation (supply), which will be split pro-rate amongst investors.

(See the Jointer Auction Section for more information on participating in the Jointer auction).

Investments made in the Jointer Auction, for JNTR, receive 90% downside protection which can be cancelled by investors at any time within 365 days. (See the Downside Protection for more information).

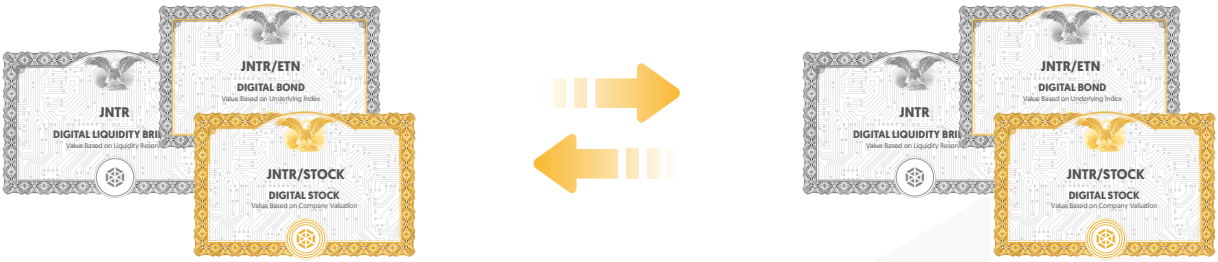
Secondary Market **Exchange**

Investors can purchase JNTR assets through cryptocurrency exchanges (LIMITED to non-US investors fulfilling Reg S requirements).

Regulated exchanges such as Alternative Trading Systems (ATS) and National Stock Exchanges such as Merj may offer a JNTR derivative.

Investors that buy JNTR assets are required to go through KYC (know your client) and AML (anti-money laundering) based on Reg S. Additionally, investors from the US and other regulated countries will need to conduct full accreditation checks based on Reg D 506(c).

SmartSwap



Jointer will allow users to swap JNTR through SmartSwap, which is powered by ElementZero (Jointer's subsidiary company). SmartSwap provides investors a decentralized exchange bridge (DEX-Bridge) option with a Peer-to-Peer (P2P) and Peer-to-Community (P2C) trading technology built on Binance Smart Chain. The trustless SmartSwap provides a way to swap assets and currencies without using a hot wallet, without signup, all while guaranteeing an exact face value match. SmartSwap's asset-to-asset swaps are precise, low risk, and 100% fee-free.[22]

JNTR enjoys permanent permission to transfer to the SmartSwap contract. So, an investor can always swap JNTR through SmartSwap.

[22] Gas and transaction fees are reimbursed with Element Zero's native token

In addition, investors are able to trade JNTR using other P2P and P2C exchanges, such as Atomic Swaps. Such trades are limited between whitelisted wallet holders that have been cleared by Jointer for KYC and AML regulatory requirements and are subject to other regulations on a country-by-country basis. The transaction will fail if the receiving wallet is not whitelisted.

P2P Swap

SmartSwap P2P allows users to generate a transaction ID that can be sent directly to a specific person they want to swap with. Once the transaction ID is created and the users send their digital assets to that transaction ID, the swap will be available only to the party that knows the transaction ID address. Once the swap takes place, the SmartSwap will swap for the same face value, if there is any delta it will be returned to the appropriate party.

Example

- Bob wants to swap $1,000 JNTR with $1,000 BNB
- Bob sends his order to the SmartSwap and generates the transaction ID for the P2P swap
- Bob shares that transaction ID with Lisa
- Since Lisa only sent $500 BNB against Bob's JNTR, the SmartSwap will execute the order of $500 JNTR against $500 BNB
- The SmartSwap will detect the value discrepancy between the JNTR and BNB, returning the $500 JNTR delta to Bob's wallet

P2C Swap

SmartSwap P2C allows users to swap JNTR with other digital currencies without knowing the identity of the counterparty. If SmartSwap cannot find one counterparty to fulfill a transaction it will search for as many counterparties[23] as needed to cover the face value and complete the transaction.[24] A partial swap is completed first while the rest of the funds remain pending until additional swaps are executed. Users with pending swaps are allowed to cancel the outstanding portion of the swap and receive a refund covering the outstanding amount to the wallet of origin.

[23] Multiple counterparties will increase gas costs so the minimum amount per of counterparties can be limited by users
[24] When there is no buyer in the market, Jointer will step in with JNTR available to trade

Example

- Bob wants to swap $1,000 JNTR with $1,000 BNB
- Bob sends his order to SmartSwap and SmartSwap immediately identifies one counterparty that wants to swap $500 BNB against JNTR
- In this case, Bob will get the first $500 BNB and the rest of the $500 JNTR will stay pending until the SmartSwap identifies more counterparties that want to swap BNB with JNTR

Selling JNTR

Jointer provides investors with multiple options for selling their JNTR assets. Investors can redeem JNTR through the Jointer Liquidity Reserves or choose to avoid slippage and utilize the free swap above. Also, investors have an option to pay trading fees and place sell orders above or below the face value through Jointer's secondary exchange partners.

Secondary Market Exchange

JNTR will be carried on exchanges to facilitate multiple options to sell JNTR. Investors have access to sell JNTR through Jointer's exchange partners to purchase JNTR assets from other investors at the market rate.

Jointer Reserve Redemption

Jointer will establish the Liquidity Reserves on Day 1. As part of the multi-tier reserve process, Jointer will allocate 10% of the daily contributions to increase liquidity by purchasing JNTR from the reserve.

JNTR assets will be redeemable through Jointer's Liquidity Reserves which adds multiple tiers of smart contracts above Uniswap's slippage protocol for fair redemptions and unlimited liquidity. Users will be able to redeem JNTR for BNB and other major cryptocurrencies plus stablecoins that are available.

Additional Protocol Above Uniswap's Technology

Jointer developed multiple smart contracts which interact with the protocol to provide strong, healthy, and sustainable liquidity. Through these additional smart contracts, JNTR investors enjoy reduced slippage impact on swaps and a stable face value against volatility.

To understand how the Uniswap Protocol works visit:
https://uniswap.org/docs/v2/protocol-overview/how-uniswap-works/

Read more about relay tokens, and slippage calculations in the "Establishing Jointer's Liquidity Reserves" section of this paper.

Daily Reserve Limit

Jointer will limit all user's wallet redemptions to one time per auction day. This implementation is utilized to discourage whales[25] from taking advantage of Jointer's reserve through manipulative draining of the side reserve which is meant to limit slippage for all investors.

Jointer Reserve Circuit Breakers

Circuit breakers are useful tools employed by stock markets, banks, and other investment entities to protect asset value against black swan events causing a potential run on the bank scenario. Jointer utilizes a multi-tiered circuit breaker on Jointer's Liquidity Reserves which protects JNTR's face value.

Reserve Contribution Cap

Jointer developed an automatic reserve contribution cap that will prevent price manipulation or market volatility. The cap deposits to and withdrawals from the reserve in an automated, safe way. Even if the price succumbs to manipulation, the Jointer Reserve corrects itself instantly to maintain the JNTR face value before manipulation occured.

[25] A whale is an investor that holds a large amount of a certain digital asset

No Reserve Contribution Trigger

Jointer tested thousands of outcomes through game-theory action simulations in order to prepare for as much as possible. In order to maintain liquidity during a bear market, Jointer set up a no reserve contribution trigger. The trigger provides liquidity even when there is a day without any investment going to the reserves from the daily auction.

The automated process is detailed under Jointer's Liquidity Reserves.

Target Investors

JNTR is attractive to investors due to its utility function within the Jointer syndication ecosystem and the volatility that exists with the asset class, allowing for high returns with lowered risk. These investors focus on a face value price driven by strong demand and a strong reserve to ensure liquidity.

Regulation

JNTR, from the US regulatory perspective, is a debt note. Investors that buy JNTR are required to go through KYC and AML based on Reg S. Investors from the US and other regulated countries will also need to conduct full accreditation checks based on Reg D 506 (c).[26]

In countries outside of the US, JNTR may not be viewed as a security, including Singapore, United Kingdom, and Hong Kong per opinion letters from law firms obtained by Jointer.

Management Fee

Jointer charges a management fee by minting 2%[27] on top of the total daily minted supply. This fee goes to operational costs of the Jointer company and ongoing business operations.

[26] Jointer has received legal guidance that JNTR is not a security in Singapore, Hong Kong, and the UK
[27] The 2% is fixed and cannot be altered by Jointer

Example

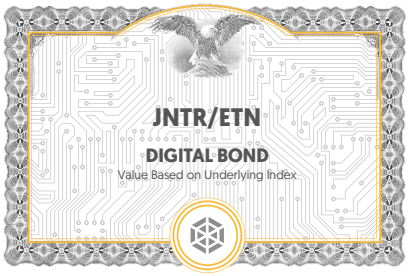
- The minted supply for both the daily auction and staking reward equals 100,000 JNTR
- The smart contract mints the 2% management fee which equals 2,040.81 JNTR (100,000/0.98*2%) and sends it to Jointer's company wallet
- Therefore, the total minted supply for that Auction will be 102,040.81 JNTR

JNTR Quick Facts

- **JNTR is a liquidity bridge that serves as a transfer of value between traditional commercial real estate securities (JNTR/ETN and JNTR/STOCK) and digital currencies**
- **JNTR's face value is determined by the Liquidity Reserve and market demand**
- **JNTR can be purchased or redeemed every day using Jointer's Auction, Liquidity Reserves, secondary market exchanges, and SmartSwap**
- **JNTR can be swapped to JNTR/ETN or JNTR/STOCK at any time**

JNTR/ETN

JNTR/ETN is a digital asset that acts akin to a bond. JNTR/ETNs are pegged at 2X leverage on the proven Global Select All REIT Index without exposure to the crypto market volatility.



Historical Data

The Dow Jones Global Select REIT Index is designed to measure the performance of publicly traded REITs and REIT-like securities and is a subindex of the Dow Jones Global Select Real Estate Securities Index (RESI), which seeks to measure equity real estate investment trusts (REITs) traded globally. The index is designed to serve as a proxy for direct real estate investments in part by excluding companies whose performance may be driven by factors other than the value of real estate.

Link to index data (TICKER: DWGRT):
(Check Global Select All REIT Index performance here)

JNTR/ETN Face Value

The JNTR/ETN initial face value starts at $1 USD and the face value will change at a rate of 2X leverage on the Global Select All REIT Index on a daily basis. Jointer created a smart contract that automatically updates the JNTR/ETN face value which is determined by the daily reporting data provided by the NASDAQ or Dow Jones. The new value JNTR/ETN provides investors coincides with the percentage change of the Index multiplied by the 2X leverage.

Example

- Bob invests $100 on January 1, to purchase 100 JNTR/ETN, each day the JNTR/ETN increases or decreases based on the index performance. After one year of holding the JNTR/ETN, the index generates an average return of 10%. Since JNTR/ETN offers 2X leverage the JNTR/ETN face value is calculated as follows: $100 + (10% * 2) = $120

*N.B. Jointer deducts a 10% carry from Bob's index profits, therefore going by the above example Bob's net profit is $118 [read more about Jointer's Carry].

JNTR/ETN Minting

JNTR/ETN will not be pre-minted, rather it is created based on real time demand when investors swap to JNTR/ETN using JNTR or JNTR/STOCK.

Example

- Bob wants $100 of JNTR/ETN
- So Bob swaps $100 face value of JNTR through the SmartSwap for JNTR/ETN
- A smart contract mints JNTR/ETN at the equal face value of $100 and sends it to Bob

Example 2

- Bob wants $100 of JNTR/ETN
- So Bob swaps $100 face value of JNTR/STOCK through the SmartSwap for JNTR/ETN
- A smart contract mints JNTR/ETN at the equal face value of $100 and sends it to Bob

JNTR/ETN Burning

Similar to how JNTR/ETN is minted, JNTR/ETN is burned each time an investor swaps from JNTR/ETN to JNTR or JNTR/ETN to JNTR/STOCK.[28]

Example

- Bob holds 100 JNTR/ETN worth a face value of $100
- Bob swaps the 100 JNTR/ETN for JNTR
- Bob receives 100 JNTR
- Jointer's smart contracts automatically burn the 100 JNTR/ETN

[28] Jointer is currently developing a multi-level matching system that will expand instant access to more digital currencies

Purchasing JNTR/ETN

Investors have the ability to purchase JNTR/ETN assets in two ways:

1. **Through Secondary Market Exchanges**
2. **Directly from Jointer using SmartSwap**

Secondary Market Exchange

Investors can purchase JNTR/ETN on the open market through secondary market exchanges licensed as Alternative Trading Systems (ATS), National Stock Exchanges such as Merj, or regulated Over-the-Counter (OTC) exchanges.

Investors that buy JNTR/ETN assets are required to go through KYC / AML as well as receive full accreditation checks based on the regulations in the user's governing nation.

Disclosure: Jointer respects JNTR/ETN based on a fixed face value of $1 USD plus the changes due to the 2X leverage above the index. Therefore, even if investors buy JNTR/ETN from each other through a secondary market above or below the face value, Jointer still respects JNTR/ETN's value at $1 USD plus the percentage changes due to the 2X leverage index through SmartSwap.

Arbitration opportunity

Jointer values all JNTR/ETN equally, regardless of where it was purchased or its purchase price. Investors may utilize secondary market exchanges to purchase their JNTR/ETN below its respective index calculated face value, creating an opportunity for arbitrage buying and selling between exchanges and Jointer's SmartSwap.

SmartSwap

The SmartSwap is a decentralized exchange bridge (DEX-Bridge), providing users with two methods to swap, P2P and P2C . Both methods provide trustless swap for digital assets without using a hot wallet while guaranteeing an exact face value match. SmartSwap is precise, low risk, and 100% fee-free.[29]

[29] Gas and transaction fees are reimbursed with Element Zero's native token

Further, investors are able to swap JNTR/ETN assets using other P²P atomic swaps as long as the swap takes place between whitelisted wallets only. Whitelisted individuals will be cleared by Jointer for KYC and AML regulatory requirements and may be subject to other regulations on a country-by-country basis. Any transaction will fail if the receiving wallet is not whitelisted.

P2P Swap

SmartSwap P2P allows users to generate a transaction ID that can be sent directly to a specific person they want to swap with. Once the transaction ID is created and the users send their digital assets to that transaction ID, the swap will be available only to the counterparty that knows the transaction ID address. Once the swap takes place, the SmartSwap will swap the same face value, if there is any delta it will be returned to the appropriate party.

Example

- Bob wants to swap $1,000 JNTR/ETN with $1,000 BNB
- Bob sends his order to the SmartSwap and generates the transaction ID for the P2P swap
- Bob shares that transaction ID with his friend Lisa
- Since Lisa only sent $500 BNB against Bob's JNTR/ETN, the SmartSwap will execute the order of $500 JNTR/ETN against $500 BNB
- The SmartSwap will detect the value discrepancy of the $500 JNTR/ETN delta between JNTR/ETN and BNB and the delta will be returned back to Bob's wallet through SmartSwap

P2C Swap

SmartSwap P2C allows users to swap JNTR/ETN with digital currencies without knowing the identity of the counterparty or counterparties. If SmartSwap cannot find a single counterparty to fulfill a transaction it will search for multiple counterparties[30] to cover the face value and complete the transaction.[31] A partial swap is completed first while the rest of the funds remain pending until additional swaps are executed. Users with pending swaps are allowed to cancel the outstanding portion of the swap and receive a refund covering the outstanding amount to the wallet of origin.

[30] Multiple counterparties will increase gas costs so the minimum amount of counterparties can be limited by users
[31] When there is no buyer in the market, Jointer will step in with JNTR/ETN available to swap

Example

- Bob wants to swap $1,000 JNTR/ETN with $1,000 BNB
- Bob sends his order to SmartSwap and SmartSwap immediately identifies one counterparty that wants to swap $500 BNB against JNTR/ETN
- In this case, Bob will get the first $500 BNB and the rest of the $500 JNTR/ETN will stay pending until the SmartSwap identifies more counterparties that want to swap BNB with JNTR/ETN

Selling JNTR/ETN

Ensuring investors have liquidity is at the forefront of Jointer's focus. Keeping with that focus, Jointer will allow investors to sell their JNTR/ETN via SmartSwap or secondary exchange market partners.

Conversions

Investors are able to sell their JNTR/ETN at any time by swapping the JNTR/ETN to JNTR/STOCK or any other digital assets available (such as JNTR, BNB, ETH, BTC, STABLECOIN, or more). The swap price is calculated based on the current JNTR/ETN face value. The value starts at $1 and is multiplied by the percentage change of the Global Select All REITs Index with 2X leverage.

Example

- Bob invests $100 on January 1 to purchase 100 JNTR/ETN at face value of $1 each, over time JNTR/ETN increases or decreases based on the index performance
- After one year of holding the assets, the index generates an average return of 10%
- The JNTR/ETN receives 2X leverage on the 10% index returns
- The new JNTR/ETN face value is calculated as follows: $100 X 110% X 2 = $120 - (Jointer's Carry) = $180
- Bob use SmartSwap to swap the $180 of JNTR/BNB for $180 of BNB

Secondary Market Exchange

Investors can sell JNTR/ETN via ATS, National Stock Exchanges such as Merj, OTC exchanges, or regulated means to sell securities.

Investors that buy JNTR/ETN assets are required to go through KYC/AML as well as conduct full accreditation checks based on their country's regulation.

Certain jurisdictions regulate securities such as JNTR/ETN making them subject to potential holding periods, locking access to investors' liquidity. For example, the Securities and Exchange Commission (SEC) in the US places a 90 day resale holding period on securities such as JNTR/ETN, which begins after the first JNTR/ETN is sold. The resale holding period for sales to accredited investors, among other conditions, requires that the asset class be in existence for 90 days and will not allow sell orders within this period. Once the 90 day resale holding period ends, investors can go through Jointer's exchange partners to purchase JNTR/ETN from other investors at market rate. Other limitations may also apply depending on the investor's country's regulation.

JNTR/ETN <> JNTR/STOCK Conversions

JNTR/ETN holders, at any time without limitation, can swap their JNTR/ETN using the SmartSwap at the same face value in return for JNTR/STOCK.

1. If Jointer's Liquidity Reserves hold enough JNTR at the time of the swap, JNTR/ETN holders have the option to swap JNTR/ETN for JNTR at the same face value.

2. If Jointer's Liquidity Reserves do not hold enough JNTR at the time of the swap, the order will remain pending until the order can be executed.

Swap Without Volatility Exposure

Using SmartSwap, Jointer offers investors a swap between JNTR/ETN and JNTR/STOCK or other digital assets such as BNB and fiat backed stablecoins. Investors that send their order to the SmartSwap will not have exposure to market volatility since the SmartSwap swaps assets with the same face value and without fees or spreads.

Redemption program

Since JNTR/ETN assets are swappable with JNTR which can be redeemed through Jointer's Liquidity Reserves. Having a swappable asset with JNTR means JNTR/ETN investors indirectly have access to Jointer's Liquidity Reserves.

Yearly Buyback

As long as Jointer is a private company (complying under Regulation D), shareholder limitations and caps will apply. Therefore, the company may implement a yearly buyback program to clear the CAP table for JNTR/ETN shareholders, if necessary for compliance. Every year before December 31, a buyback event may initiate to comply with Jointer's investors limit (limit set at 2,000 investors per U.S. Regulations).

At the end of the year, Jointer will initiate a swap of all JNTR/ETN assets in exchange for JNTR. At this time, investors have the right to redeem the JNTR assets for other types of value through the reserve (such as digital currencies or stablecoin) that can be sold on a secondary exchange. During the beginning of January, after a short holding period (around 72 hours), Jointer may hold another event where users can swap JNTR back into JNTR/ETN based on the current JNTR market value at that time.

Jointer keeps the right to initiate the swap on a select number of JNTR/ETN holders. In such a case, Jointer will allow the 2,000 largest JNTR/ETN holders to maintain their position if they so choose.

Target Investors

JNTR/ETN assets are designed for conservative investors because they benefit from cross-collateral and receive returns calculated by providing 2X leverage on the proven Global Select All REIT Index. Those seeking safe exposure to the Commercial Real Estate market, as well as conservative Hedge Funds, Institutional Investors, etc. may see JNTR/ETN as the Jointer asset that best aligns with their needs and the needs of their clients.

Regulation

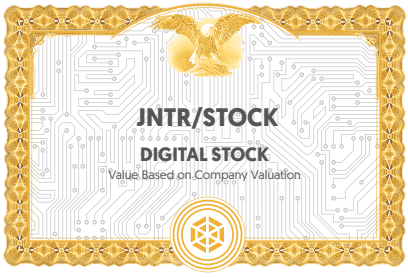
From a regulatory perspective, JNTR/ETN is akin to a bond, as such KYC and AML and potentially an accreditation check will be performed on all asset holders. Approved investors wallets will be placed on the whitelist, which will be periodically checked through partner API's to ensure regulations are being met. Once asset holders are whitelisted, they can buy and sell JNTR/ETN.

JNTR/ETN Quick Facts

- JNTR/ETN is pegged to the Dow Jones Global REIT index with a 2X leverage multiplier
- There is no pre-mint of JNTR/ETN
- JNTR/ETN's face value changes daily
- JNTR/ETN is purchased only from Jointer through a swap with JNTR
- JNTR/ETN has swap relationships with JNTR/STOCK and other digital currencies
- Jointer can buy back the JNTR/ETN at any given time at the asset's face value

JNTR/STOCK

JNTR/STOCK assets represent preferred stock in Jointer. JNTR/STOCK changes value based on Jointer's valuation as a company. Jointer has multiple profit sources which are publicly visible and verifiable on the blockchain.



JNTR/STOCK Value

JNTR/STOCK has a base face value starting at $10. The growth of the asset's value will be dependent by two valuations: inside price and outside price. The inside price will be based on Jointer's NAV (Net Asset Value) and the outside will be dependent on the public's confidence in Jointer's performance.

Inside price vs outside price

Jointer will respect the JNTR/STOCK outside price as long as it is equal to or more than the inside price, which then acts as a floor. Rather than being calculated on NAV like the inside price, the outside price derives from the price investors are buying / selling JNTR/STOCK on Secondary Exchanges.

Example

- Bob want to swap JNTR/STOCK for JNTR
- The JNTR/STOCK secondary market price is $85, therefore JNTR/STOCK's outside price is $85
- The inside price is calculated at $100 through the verifiable company NAV
- The SmartSwap swaps JNTR/STOCK at the inside price, meaning Bob receives $100 JNTR and not $85

Assets included in Jointer's NAV calculation:

Tangible assets

Commercial Real Estate properties[32]

Intangible assets

JNTR

BNB

BTC

Stablecoins

Other Cryptocurrency

Liabilities included in Jointer's NAV calculation:

Intangible assets

JNTR/ETN

Jointer's Income Sources

Jointer, as a company, has a number of income sources that allow it to increase in value: a management fee, carry on the JNTR/ETN, commercial property investment appreciation, and JNTR asset purchasing. Jointer's ongoing income helps to boost the company's NAV.

Management fee

Jointer utilizes 100% of the daily contributions through Commercial Real Estate investments (90%) and the Liquidity Reserves (10%) and mints a management fee to cover daily operational costs of the company. Jointer receives the 2% minted on top of the daily Auction and Network Staking supply in JNTR as the management fee. Since the management fee is issued on top of the daily minted supply, the fee does not reduce the supply value distributed to auction investors. The management fee is fixed at 2% and cannot be changed.

[32] While Jointer will tokenize as many buildings as possible, all properties may not be tokenized right away and will remain off-chain.

Example

- If Auction day X mints 10,000,000 JNTR for auction and staking investors, Jointer's 2% management fee would make the cumulative daily supply 10,204,081 JNTR.
- Auction investors and stalking investors will split 10,000,000 JNTR
- Jointer will receive 204,081 JNTR, increasing the company's NAV

Carry

Jointer earns a carry by subtracting 10% from Investor's JNTR/ETN index returns.

Example

- If the index JNTR/ETN performs at 10% a year
- Investors total return after the 2x leverage Jointer provides equals 20%
- Jointer's carry is 10% and subtracted from the 20%
- Therefore, the net profit for investors is 18% and Jointer receives 2%

JNTR Purchasing

Jointer uses 10% of the Auction contributions to purchase JNTR assets from the Liquidity Reserve.

JNTR Selling

Jointer receives income from selling JNTR using other channels besides the auction.

JNTR/STOCK Minting

JNTR/STOCK has a dynamic and decentralized minting model to ensure investors receive fair valuations that add value to their holdings.

Pre-Issuance

Jointer's JNTR/STOCK pre-mint will equal Jointer's verified valuation.

Ongoing Minting

Ongoing minting occurs when investors purchase JNTR/STOCK using JNTR or JNTR/ETN.

Example

- Bob uses SmartSwap to send an order of $100 JNTR to purchase $100 of JNTR/STOCK
- Jointer mints JNTR/STOCK at the face value of $100 and the SmartSwap sends the JNTR/STOCK to Bob

Example 2

- Bob uses SmartSwap to send an order of $100 JNTR/ETN to purchase $100 of JNTR/STOCK
- Jointer mints JNTR/STOCK at the face value of $100 and burns the $100 of JNTR/ETN

JNTR/STOCK Burning

JNTR/STOCK is burned when Jointer buys JNTR/STOCK directly from investors.

Example

- Bob uses SmartSwap to send an order of $100 JNTR/STOCK to purchase $100 worth of JNTR
- Jointer burns JNTR/STOCK at the face value of $100 and the SmartSwap sends the JNTR to Bob

Purchasing JNTR/STOCK

Investors have the ability to purchase JNTR/STOCK assets in two ways:

1. **Through Secondary Market Exchanges or**
2. **Directly from Jointer using SmartSwap.**

Secondary Market Exchange

Jointer is in the process of finding suitable regulated exchanges to host JNTR/STOCK. Jointer will be completely transparent and provide all relevant information on Jointer's NAV and performance to help the public set a fair outside JNTR/STOCK market value on exchanges.

Investors that buy JNTR/STOCK are required to go through KYC / AML as well as full accreditation checks based on the regulation in the user's governing nation.

Arbitration opportunity

If investors use a secondary market exchange to purchase JNTR/STOCK below the recognized inside price, Jointer will still value the JNTR/STOCK at the inside price's fixed floor value. Therefore, investors will have the opportunity for arbitrage between secondary market exchanges and the inside price that Jointer respects as face value.

SmartSwap

Jointer will allow users to swap their JNTR/STOCK through SmartSwap which is powered by Element Zero. Element Zero SmartSwap provides investors a decentralized trading option with a P2P and P2C trading technology built on Binance Smart Chain. The trustless SmartSwap provides a way to swap digital assets without using a hot wallet while guaranteeing an exact face value match. SmartSwap's asset-to-asset swaps are precise, low risk, and 100% fee-free.[33]

[33] Gas and transaction fees are reimbursed with Element Zero's native token

JNTR/STOCK enjoys permanent permission to transfer to the SmartSwap contract. So, an investor can always swap JNTR/STOCK through SmartSwap.

In addition, investors are able to trade JNTR/STOCK using other P2P and P2C exchanges, such as Atomic Swaps. Such trades are limited between whitelisted wallet holders that have been cleared by Jointer for KYC and AML regulatory requirements and are subject to other regulations on a country-by-country basis. The transaction will fail if the receiving wallet is not whitelisted.

P2P Swap

SmartSwap P2P allows users to generate a transaction ID that can be sent directly to a specific person to swap with. Once the transaction ID is created and the users send their digital assets to that transaction ID, the swap will be available only to the counterparty that knows the transaction ID address. After the swap takes place, the SmartSwap will swap for the same face value and if there is any delta, it will be returned to the appropriate party.

Example

- Bob wants to swap $1,000 JNTR/STOCK with $1,000 BNB
- Bob sends his order to the SmartSwap and generates the transaction ID for the P2P swap
- Bob shares that transaction ID with his friend Lisa
- Since Lisa only sent $500 BNB against Bob's JNTR/STOCK, the SmartSwap will execute the order of $500 JNTR/STOCK against $500 BNB
- The SmartSwap will detect the $500 JNTR/STOCK value discrepancy between the JNTR/STOCK and BNB and the delta will be returned back to Bob's wallet

P2C Swap

SmartSwap P2C allows users to swap digital assets without knowing the identity of the counterparty. If SmartSwap cannot find one counterparty to fulfill a transaction it will search for as many counterparties[34] as needed to cover the face value and complete the transaction.[35] A partial swap is completed first while the rest of the funds remain pending until additional swaps are executed. Users with pending swaps are allowed to cancel the outstanding portion of the swap and receive a refund covering the outstanding amount to the wallet of origin.

[34] Multiple counterparties will increase gas costs so the minimum amount per of counterparties can be limited by users
[35] When there is no buyer in the market, Jointer will step in with JNTR available to trade

Example

- Bob wants to swap $1,000 JNTR/STOCK with $1,000 BNB
- Bob sends his order to SmartSwap and SmartSwap immediately identifies a counterparty that wants to swap $500 BNB against JNTR/STOCK
- In this case, Bob will get the first $500 BNB and the rest of the $500 JNTR/STOCK will remain pending until the SmartSwap identifies more counterparties that want to swap BNB with JNTR/STOCK

Selling JNTR/STOCK

Secondary Market Exchange

Jointer is in the process of finding suitable regulated exchanges and National Stock Markets to host JNTR/STOCK. Jointer will be wholly transparent and provide all relevant information on Jointer assets and performance to help the public set a fair JNTR/STOCK market value on exchanges.

Regulation

From a regulatory perspective, JNTR/STOCK is Preferred Stock, as such KYC and AML and potential accreditation checks will be performed on all asset holders. Approved investors wallets will be placed on the whitelist, which will be periodically checked through partner API's to ensure regulations are being met. Once asset holders are whitelisted, they can buy and sell JNTR/STOCK.

Yearly Buyback

As long as Jointer is a private company (complying with Regulation D), shareholder limitations and caps will apply. Therefore, the company may implement a yearly buyback program to clear the CAP table for JNTR/STOCK shareholders, if necessary for compliance. Every year before December 31, a buyback may be initiated to comply with Jointer investors (limit set at 2,000 investors per U.S. Regulations).

At the end of the year, Jointer will initiate a swap event of all JNTR/STOCK assets in exchange for JNTR. At this time, investors have the right to redeem the JNTR assets for other types of value through the reserve (such as digital currencies or stablecoin) that can be sold on a secondary exchange. During the beginning of January, after a short holding period (around 72 hours), Jointer may hold another event where users can swap JNTR back into JNTR/STOCK based on the current JNTR market value at that time.

Jointer keeps the right to initiate the swap on a select number of JNTR/STOCK holders. In such a case, Jointer will allow the 2,000 largest JNTR/STOCK holders to maintain their position if they so choose.

Target Investors

Jointer designed JNTR/STOCK for sophisticated investors seeking an upside in Jointer as a company.

JNTR/STOCK Quick Facts

- **JNTR/STOCK are assets that represent preferred stock in Jointer**
- **Gains value based on the secondary market or the value of Jointer's assets, whichever is higher**

Jointer’s Liquid Economy

Recognizing the importance of liquidity for investors led Jointer to develop Jointer's Liquid Economy. The goal of the Liquid Economy is to provide trust and liquidity options to all of Jointer’s investors. To accomplish the goal, Jointer’s Liquid Economy is composed of the Liquidity Reserves’ Protocol and leverages the Law of Scarcity.

Jointer's Liquidity Reserves' Protocol

Jointer's Liquidity Reserves are powered by multiple smart contracts creating multiple reserves and tiers of decentralized rules on top of Uniswap's protocol. The Reserves are funded with 10% of all investment received to support everlasting liquidity for investors and JNTR's sustainability. In accomplishing these goals, Jointer utilizes a Main Reserve, a Side Reserve, a Turnover Reserve, and an Overflow Reserve.

All Liquidity Reserves are fully decentralized, without any interference from Jointer or any other centralized party.

The Main Reserve

The Main reserve has two responsibilities, one is to provide ongoing liquidity for JNTR holders when they redeem their JNTR and secondly to calculate JNTR's face value.

To establish Jointer's Main Reserve, Jointer uses Uniswap's protocol to store funds and JNTR into two pools that act as a fractional reserve for redemption. One pool holds JNTR and the other pool holds BNB. Every time BNB or JNTR is added or removed from their respective pools, the JNTR face value will change. Therefore, when BNB is added to the pool, JNTR is removed from the other pool. As a result, JNTR's face value increases. Conversely, if JNTR is added to the pool, BNB is removed from the other pool and as a result, JNTR's face value decreases.

Main Reserve Funding

The Main Reserve consistently receives up to 3% of the total Jointer Auction investment as well as splitting surplus funds from the Side Reserve.

Main Reserve Redemption Recovery

Every time users deposit JNTR through the Main Reserve, the Side Reserve recovers the Main Reserve to keep JNTR's face value the same even after the redemption. The automated process uses digital currency in the Side Reserve to swap with the Main Reserve for the redeemed JNTR.

Financially Engineered Calculation of JNTR's Face Value

JNTR's face value changes with every currency deposited to pool A or when JNTR is purchased from pool B. Therefore, the ratio between pool A and pool B determines JNTR's face value.

Example of JNTR Redeemed

- Pool A has a $100 value of digital currency and pool B has 100 JNTR.
- The value of JNTR is $1 based on pool A/pool B (100/100).
- If 2 JNTR are redeemed (meaning deposited into pool B in exchange for funds from pool A), the first JNTR will be redeemed at $1.
- Subsequently, the pools recalculate the ratio, which is now $99 in pool A and 101 JNTR in pool B.
- Therefore, JNTR's new face value is $0.98 (99/101).
- The second JNTR will be redeemed at $0.98.
- After this redemption, the pool ratio changes to $98.01 in pool A and 102 JNTR in pool B.
- So after the 2 JNTR are redeemed, the new JNTR face value is $0.96.

Example of Digital Currency Deposit

- When Jointer Liquidity Reserve Protocol sells JNTR, it uses the digital currency allocated to the Main Reserve to purchase JNTR from pool B and deposit funds to pool A. This automated action increases JNTR's face value relative to the new ratio between pool A and pool B.

Face Value Restoration

Since JNTR's face value is derived from the Main Reserve and investors redeem from this reserve, it is important the Main Reserve maintains liquidity. Therefore, the Main Reserve is replenished by the Side Reserve. If two orders are placed simultaneously, the side reserve is responsible for refilling the main reserve between each order to the exact same face value it was before the first redemption

Example

- 100 JNTR are deposited to the Main Reserve(as part of the redemption process)
- The Side Reserve has available funds so it withdraws 100 JNTR from the Main Reserve, restoring the Main Reserve's exact previous face value.

Protection against manipulation and volatility

Since the face value of JNTR relies on pool A which holds Binance's native currency, BNB in the Main Reserve, there must be protections against market manipulation or volatility. If protections were not in place, JNTR would be altered in an unreasonable manner every time BNB changes value or each time someone sends funds directly to pool A to the blockchain address. Therefore, Jointer implemented an automated process to ensure neither potential reality could harm JNTR's integrity.

BNB increases in valuet

- Every time BNB increases value, the smart contract triggers relative pool liquidation (using the Relay ownership tokens) from both pool A and pool B to keep the ratio the same.
- The pool liquidation amount is equal to the volatility percentage change.
- After liquidation, the smart contract redeposits JNTR back to pool B and sends the BNB to the Turnover Reserve.
- This process balances the JNTR face value to the original position before the BNB value increased.

BNB decreases in value

- verytime BNB decreases value, the smart contract triggers relative pool liquidation (using the Relay ownership tokens) from both pool A and pool B to keep the ratio the same.
- Each pool's liquidation amount is equal to the volatility percentage change.
- After liquidation, the smart contract redeposits BNB into pool A and sends JNTR to the Overflow Reserve.
- This process balances the JNTR face value to the original position before the BNB decreases.

Direct deposit to pool A

- Every time there is a direct deposit to pool A, the smart contract triggers relative pool liquidation from both pool A and pool B to keep the ratio the same.
- After liquidation, the smart contract redeposits JNTR back to pool B and sends the BNB to the Turnover Reserve.
- This process balances the JNTR face value to the original position before the direct deposit to pool A.

Direct deposit to pool B

- Pool B is protected by a smart contract that prevents any JNTR deposits outside the Jointer system.

The Side Reserve

The Side Reserve has two responsibilities, to recover the Main Reserve which protects JNTR's face value, and to provide excess funds to the Main Reserve to increase liquidity depth. Funds are not directly withdrawn from the Side Reserve by investors, rather the Side Reserve communicates directly with the Main Reserve and refills the Main Reserve after redemptions.

The Side Reserve protects JNTR's face value from decreasing in the Main Reserve by providing digital currency for the redeemed JNTR in the Main Reserve. The Side Reserve increases liquidity depth by pushing surplus Side Reserve digital currency to the Main Reserve in exchange for JNTR.

Side Reserve Funding

The Side Reserve consistently receives at least 7% of the total Jointer Auction investment.

Side Reserve Refill

Since the Side Reserve is used to recover redemptions from the Main Reserve, there may come a time when the reserve falls short. If the Side Reserve is unable to recover the Main Reserve completely, the Turnover Reserve will refill the Side Reserve to allow it to complete this process.

The Turnover Reserve

The Turnover Reserve acts to automatically and responsibly refill the Side Reserve.

Turnover Reserve Funding

The Turnover Reserve receives 10% each time investors purchase JNTR through channels other than the auction, such as purchasing JNTR from the protocol for JNTR/ETN or JNTR/STOCK.

Turnover Reserve Triggers

The Turnover Reserve has two triggers that spring it into action. One, to refill the Side Reserve when it is empty and two, to initiate the Relay ownership token to liquidate the main reserve pool.

The Overflow Reserve

The Overflow Reserve Protocol purchases JNTR throughout different processes included in the multiple reserves. The Overflow Reserve holds all of these JNTR and uses them to create liquidity and to regulate the Main Reserve.

Overflow Reserve Funding

The Overflow Reserve receives funds from two sources, the main reserve and from investors swapping JNTR through SmartSwap.

When the Overflow Reserve runs out of JNTR, it will trigger the relay ownership token to liquidate the Main reserve and refill the Overflow reserve with JNTR. This process is only initiated when the Main Reserve runs out of JNTR, not SmartSwap.

Overflow Reserve Triggers

When the Overflow Reserve runs out of JNTR, it will trigger the relay ownership token to liquidate the Main reserve and refill the Overflow reserve with JNTR. This process is only initiated when the Main Reserve runs out of JNTR, not SmartSwap.

Relay Ownership Tokens

The Relay Ownership tokens represent ownership of the two pools in the Main Reserve. The holder of the relay has the ability to redeem up to 100% of the currency from the Main Reserve pools. The Liquidity Reserve protocol utilizes the Relay token to partially liquidate, from both Main Reserve pools, creating a decentralized circuit breaker that does not affect the JNTR face value.

Relay Ownership token responsibilities include:

1. Recovering the Turnover reserve and the Overflow reserve.
2. Stabilizing JNTR face value against market volatility and price manipulation.
    a. **Increase in currency market price -** When the digital currency (Binance's BNB) market value in pool A increases, the value of the entire pool increases. So if the currency increases by 10% the value of pool A would increase from $100 to $110. Without the Relay Ownership token, the value of JNTR, which is determined by pool A, would increase. Because of the Relay Ownership token the crypto market price volatility never affects JNTR's face value.

Jointer accomplishes this by automatically redeeming 10% from both pool A and pool B, then depositing back into pool B enough JNTR to return it's face value to its starting value before the 10% currency market price increase.

b. **Decrease in currency market price -** When the digital currency (Binance's BNB) market value in pool A decreases, the value of the entire pool decreases. So if the currency decreases by 10%, the value of pool A would decrease from $100 to $90. Without the Relay Ownership token, the value of JNTR which is determined by pool A, would decrease. Because of the Relay Ownership token, the crypto market price volatility never affects JNTR's face value.

   Jointer accomplishes this through automatically redeeming 10% from BOTH pool A and pool B, then depositing back into pool A enough currency until the face value of JNTR reaches it's starting face value before the 10% currency market price depreciation.

c. **User manipulation** - If Jointer's system were to receive funds directly into pool A from an attacker looking to manipulate the JNTR face value, the system process compensates by redeeming an equal % of the manipulated JNTR from the relay in an equal amount from both pool A and pool B. Then the Liquidity Reserve process deposits enough JNTR into pool B until the face value of the JNTR returns to its initial face value before the attack.

Liquidity Reserve Redemptions

Investors are able to access the on-chain Liquidity Reserves through the Jointer web portal. The portal allows users to interact with the Reserves without needing a counterparty for a trade.

Infinite liquidity with slippage

Slippage is traditionally used to provide price discovery without a counterparty but the price discovered may not be the exact price at which the trade is executed because of slippage. The slippage on a trade is the variance between the expected price which is discovered before the transaction is executed and the final, exact price at which the trade executes.

Depending on the size of the trade and the available liquidity, each transaction will have different slippage. The larger a given withdrawal is compared to the liquidity in the pools, the higher the price slippage on the transaction will be.

From a mathematical perspective, this makes the liquidity unlimited and provides the ability to restore JNTR's face value after any event. The entire process is automated and processed on public blockchains which means JNTR's face value can increase value but can never decrease.

Price slippage recovery

Jointer financially engineered the Reserves to provide a perfect price slippage recovery for investors which goes beyond the simple slippage model. Utilizing the Side Reserve to consistently recover the Main Reserve after a redemption of JNTR provides price slippage recovery for the next investor wanting to redeem JNTR.

Example

- The Main Reserve executes a redemption request reducing the digital currency in pool A while adding JNTR to pool B, which traditionally increases the slippage for the next investor
- After the trade is executed, the Side Reserve withdrawals the same amount of JNTR from pool B to the Side Reserve
- The Side Reserve withdrawal brings the face value to the original position before the redemption and decreases the slippage back to the initial value before the redemption
- Therefore, the next investor is not damaged by the investor redeeming JNTR first as they both receive the same slippage calculation

N.B. JNTR's face value recovery takes place between displays to avoid quick trading investors or API players who may abuse the temporary face value change. This means, the volatility due to redemption is recovered by the Side reserve in a way that is transparent to the public.

Continuous liquidity during zero investment

Even in a scenario where no reserve allocation is received because there is zero auction investment, the contribution trigger will initiate an automatic process to provide funds to the Main Reserve.

If the Side Reserve has enough funds it will contribute to the Main Reserve up to 1:1 value of yesterday's Main Reserve Contribution amount.

If the side reserve does not have enough funds to contribute to the Main Reserve, the Turnover will recover the Side reserve. Similarly, if the Turnover does not have enough funds to recover the Side reserve, the Turnover Reserve will automatically trigger the Relay ownership token to liquidate 10% of the Main pools.[36] The process takes 10% of the proceeds from liquidation to push capital to the Turnover Reserve, which in turn refills the Side Reserve, allowing it to follow normal processes and directly contribute up to 1:1 value of yesterday's Main Reserve Contribution amount.

The contribution trigger allows continuous liquidity and growth even without Auction investment.

Matching Contributions

Every time the Side Reserve has extra funds it uses the funds to match original contributions to the Main Reserve at a 1:1 ratio. This method, also referred to as tag along contributions, is designed to increase the liquidity in the Main Reserve cautiously and responsibly, following the organic demand and making sure not to disproportionately boost the face value of JNTR.

Mirror the Federal Reserve's Economic Psychology

As mentioned above, JNTR was financially engineered to set a face value floor and constantly increase. Therefore, much like the Federal Reserve Gold system used to back currency, economic psychology plays a role in secondary trading.

The psychology assumes that the secondary markets will follow closely to JNTR's face value in the Liquidity Reserve. This is similar to the old Federal Reserve Gold system to back currency because although the gold is not physically traded, the paper currency receives a denomination as if it were and it is traded on secondary markets following this mindset. This same concept applies to Jointer's Liquidity Reserves and Syndication Economy. JNTR's face value can be trusted since there is an option to redeem for digital currency from the Liquidity Reserve process, just like the Federal Reserve.

For example, if the system offers JNTR redemptions for $1 and after a few days the ratio in the reserve increases, pushing JNTR's face value to $2, it is unlikely that JNTR will trade on secondary markets for a value that deviates far from $2. When the number deviates enough, an arbitrage opportunity arises creating incentive to close the difference between the two values.

[36] Liquidating relay tokens reduces the numerator and denominator of total available tokens in the pool and Jointer assets equally by 10% without changing the token value or token ratio. Learn more about the Uniswap protocol: https://uniswap.org/docs/v2/

So in other words, Jointer's Liquidity Reserves allow the public the ability to enjoy from JNTR's growth with decentralized mechanisms that once a floor is established, the face value cannot drop below it, while being supported with unlimited liquidity.

Arbitrage Pricing Theory

As well as benefiting from the Liquidity Reserves, JNTR's secondary market value will also utilize the Arbitrage Pricing Theory. The theory holds that an asset's expected return allows sophisticated investors to recognize discounts which allows them to increase their rate of return on an investment.

Therefore, since JNTR is a way of payment to purchase JNTR/STOCK and JNTR/ETN investors calculate that they receive a higher rate of return by purchasing discounted JNTR in the secondary market. Purchasing JNTR at a discounted rate and using it to purchase JNTR/ETN or JNTR/STOCK, investors receive real estate backed assets for a fraction of the face value.

Law of Scarcity

Jointer's main goal is to build a liquid economic structure that naturally creates high demand and low supply in the secondary market. Jointer achieves this goal through fully transparent and automated protocols to create scarcity on the secondary market:

1. Restrain JNTR daily appreciation
2. Daily Contribution Cap
3. 90% JNTR downside protection
4. Network staking
5. Investment power
6. Premium buy-orders
7. Gateway to secondary market

Restrain JNTR Daily Appreciation

Jointer's longevity and liquidity in the market relies on the Auction to thrive. If JNTR's price appreciates too quickly, investor's would be more apt to sell the JNTR they won at a discount on the secondary market. A deep discount on the secondary market would risk reducing the appeal to investors of participating in the Auction.

Therefore, Jointer created a smart contract that regulates JNTR's daily appreciation in a decentralized manner. The smart contract is not controlled by Jointer and limits JNTR's appreciation to 120% greater than yesterday. When JNTR's appreciation naturally rises above 120%, the Main Reserve transfers the remaining funds to the Side Reserve.

Daily Contribution Cap

Since JNTR's supply is driven by demand, the total amount of contributions must scale with liquidity in the market. Therefore, not only is the starting JNTR supply low but investments are capped at 150% of the previous day.[37]

Example

- On day 2, if the Auction receives $1,000 in investments, the contribution cap on the following auction day cannot exceed $1,500.
  (Read more at Maximum Auction Investment)

90% JNTR Downside Protection

Jointer presents investors reduced risk investing (Downside Protection) by locking 90%[38] of their total investment into a smart contract. Only the investor has access to the contract and can cancel at any time, presenting investors peace of mind when investing in Jointer's Syndication Economy.

[37] Exception is the higher ground rule mentioned below
[38] Both personal and individual bonuses are locked in Downside Protection

1. **An initial investment for JNTR is received**
2. **90% of the investment, along with the JNTR and any group or individual bonuses, will be locked on an escrow smart contract**
3. **After one year, 90% of the investment will automatically release to Jointer and the assets will release to the investor**
4. **At any time before the year ends the investor has the option to waive the protection and get the locked JNTR or to cancel the investment and receive 90% of their investment back**

Example

- Assume today's baseline supply is 100 JNTR and the maximum investment is $100
- Investor invests 100% of total allotted investment and therefore receives 100% of the daily total supply
- The group bonus will increase the supply so the investor receives 200 JNTR
- This investor would be eligible for an additional 50% personal bonus of 100 JNTR, bringing their total to 300 JNTR
- Because of downside protection, the investor will receive 10 JNTR immediately and the remaining 290 will be locked in Downside Protection along with $90 (90%) of the investment

All investor assets inside Downside Protection are subject to the same 365 day clock. After the clock ends, all investments will be executed and a new Downside Protection clock will start.

Example

- The first JNTR Auction starts September 7 and JNTR tokens are locked for the first time in Downside Protection.
- Investors on September 7 have a full 365 days to cancel their investment
- Investors on September 6, have 364 days to cancel their investment
- This continues until the clock reaches 0 days
- After the full 365 day clock concludes, investors receive JNTR and Jointer's protocol receives the investment meaning the Downside Protection has concluded for the entirety of those in the Downside Protection pool, regardless of when you invested within that time frame

Network Staking

Jointer created a staking incentive network that focuses on building ongoing, mutually beneficial relationships with investors. The other benefit of the network is that it helps achieve Jointer's goal to reduce supply in the secondary market while encouraging investors to unlock their downside protection. Allowing Jointer to invest in Real Estate and add funds to the Liquidity Reserves.

Staking is triggered when investors unlock their downside protection and send their JNTR to a staking contract to receive a daily JNTR award. Investors can choose to unstake their JNTR at any time without restrictions.

By staking their JNTR, investors receive a portion of the total daily minted JNTR. The 1% portion is split into pro-rata portions with other investors choosing to stake. When investors withdraw their JNTR from the staking contract it will include the original JNTR amount plus the accumulated staking award.

Staking guidelines

- Staking is only available for the locked JNTR in downside protection. Once an investor unlocks their JNTR they can never enroll in the staking program
- Staking rewards are generated on a daily basis and distributed pro-rata between all staking users. Rewards are added to a ledger associated with the user and recalculated daily. The longer users choose to stake, the greater their cumulative pro-rata position
- Daily staking reward amount is paid in JNTR
- Staking simulations produced between 15-50% total potential ROI per year

Investment Power

Investors must hold JNTR to participate in the daily Auction, effectively placing a hold on selling a relative amount of JNTR as well as increasing buying demand on the secondary market. Investment power is equal to the amount of unlocked/unstaked JNTR held in an investor's wallet. Investors can invest in Jointer's Auction up to 100% (1:1 face value) of their unlocked/unstaked JNTR holdings at the time of the investment.

If an investor does not have enough investment power to participate in the auction, they will either need to unlock/unstake their JNTR or purchase more from the secondary market or SmartSwap.

Example

- Investor holds in the wallet $100 worth of JNTR
- Investor may invest up to $100 in the auction
- Investor will need to unlock, unstake, or purchase more JNTR from other users via the secondary market to invest more in the Auction

N.B. Investment power will start after day 5 to allow the first investors to become the secondary market's first sellers.

Potential Premium Buy-orders

Once a daily Auction achieves the group bonus, which guarantees a 50% discount on JNTR, investors may calculate that they still benefit from paying more for JNTR on the secondary market. Since it is required to have JNTR for investment power, investors will welcome the opportunity to pay a premium to in turn receive an overall net gain.

Example

- JNTR in the secondary market is $1
- The Group Bonus is achieved in the daily Auction
- If the investor paid a 20% premium on JNTR in the secondary market to invest in the Auction, the net profits are as high as 60%
  Calculation - $0.50 Auction profit - $0.20 secondary market premium

Secondary Market Gateway

In order to protect the integrity of JNTR's price and protect against a flood of secondary market supply, Jointer placed restrictions on pre-minted digital assets and the ongoing company supply, in addition to 50% of all pre-minted tokens remaining locked for 10 years.

All pre-minted JNTR, JNTR/ETN, and JNTR/STOCK and ongoing JNTR minted as the management fee are restricted from direct access to the secondary market, Liquidity Reserves, SmartSwap, and Atomic Swaps.

All Jointer's digital assets under this classification are automatically placed into a digital escrow contract. This contract only allows Jointer's digital assets to be sent to a single address[39], the Gateway.

The Gateway engages with the secondary market through an API and makes trades based on the calculations of an algorithm which determines market demand. As a result, early investors, founders, providers, and others will receive liquidity without harming Jointer's digital assets face value.

Once a sell order is completed, the proceeds will be sent back to the escrow and distributed through a hybrid pro-rata calculation based on the amount you are selling vs the amount that you own.

[39] Tokens may be transferred to friends and family but will remain behind this same gateway.

Jointer Auction

Jointer is a decentralized open-ended fund syndicating investment through daily auctions which in turn is invested wholly in Commercial Real Estate and the Liquidity Reserves. The Auction provides investors JNTR with dynamic rewards to encourage investors to invest the maximum daily amount.

Each auction day, investors have the opportunity to invest as much or as little as they desire to receive their pro-rata JNTR supply while still benefiting from the purchasing power of the whole group.

Every auction runs daily, opening at 12:00 PM GMT and ending at 11:00 AM GMT. The one hour pause is for potential system maintenance and distribution.

Establishing and Setting Goals

The goal of each Auction day is based on the total amount of funds raised the day before. The daily amount raised becomes the following day's goal. This process repeats itself daily, always setting the goal based on the previous day's fundraising amount at the conclusion of the auction.

Establish the First Goal

DAY
1

Setting Daily Goals

DAY
Infinity

The goal on Auction Day One is set by Jointer because it cannot be set by yesterday's contributions. After day one, daily goals are set by the market, not Jointer. At the end of each auction the total supply is distributed to the investors that participated, regardless of the results. Therefore, even if the total starting supply is worth $10,000 and the investor or group of investors invest only $0.01, they still will receive the entire supply.

On day one of the Auction, Jointer is setting the starting mint at 50,000 JNTR.

Example

Auction Day	Goal	Total Investment Amount
1	$500	$500
2	$500.01	$750
3	$750.01	$693
4	$693.01	$1039.51

NB. Each Auction day's starting mint is calculated based on yesterday's results. This amount increases when the contributions exceed yesterday's investment results.

Maximum Auction Investment

Daily, during Auction hours, investors have the opportunity to invest as much or as little as they desire as long as the total investment, from all investors combined, does not exceed the maximum investment allowed, which is 150% of the previous day's investment amount.

Higher Ground Minting Rule

Since the daily maximum contributions are directly tied to auction performance, Jointer needs to set an exception rule for unexpected investment behavior. Therefore, when yesterday's total investments are lower than the total investment of the day prior to yesterday, Jointer takes the average of the previous 10 days of investments when deciding the new maximum amount.

Formula

If yesterday's investment is higher than the day before yesterday than:

Yesterday's total investment * 150%

If yesterday's investment is lower than the day before yesterday than:

The average calculation of 10 Days = (Total investment in the last n days) / n days * 150%

N.B. The smart contract uses whichever calculation is higher.

<u>Example</u>

Yesterday's total Investment = $10,000

Total investment of the day before yesterday = $25,000

(10 day average = $23,586) * 150% = Today's max investment $35,379

Minting

The Auction's daily supply is determined by daily contributions to ensure the supply meets demand. While determining the daily mint, Jointer will take yesterday's total contributions and divide that by JNTR's face value price at the end of the day.

Example

Auction Day	Total investment amount	JNTR	Goal Achieved?	Next day mint
1	$500	$0.01003002	YES	50,000
2	$750	$0.01012036	YES	74,108.04
3	$693	$0.01025663	NO	67,566.05
4	$1039.51	$0.01046273	YES	99,353.61

see full simulation

Game-theoretic Auction: A Mathematical Game

The auction is designed around Game-theoretic models[40] where the investor's total benefit depends on both their individual performance and a common group investment goal. The individual and group benefit creates unique symmetric equilibrium amongst investors.

The game begins each Auction day when there is zero investment and opportunistic investors that may invest the smallest amount possible to win the entire offering at a discounted rate, while hoping that the total investments after their investment will not increase significantly. If this happens, participants win a disproportionate discount.

For example if the total JNTR daily Auction supply is worth $10,000 and investors invest a total of $1, the discount to participating investors will be equal to 99.99999%.

It is likely at this stage that investors recognize the opportunity and immediately invest as well to take advantage of the large discount. When the $1s accumulate and become $1,000, the total group discount starts to go down to 90% and then furthermore as the total investment keeps increasing.

[40] Tong Li, Isabelle Perrigne and Quang Vuong, The RAND Journal of Economics Vol. 33, No. 2 (Summer, 2002), pp. 171-193

This strategy creates a positive dilemma,

"Should I invest the smallest amount possible in hopes that all other investors do the same? Will the discount remain high enough for all, even if I receive a smaller portion relative to all other investors?"

- OR -

"Should I invest a large amount proportionate to others, in hopes of increasing my personal share proportionate to all other investors, and hope that they will not do the same?"

This dilemma can lead to a global competition between investors acting to serve their own personal interest by increasing their proportional investment to gain a bigger share from the total supply. More to that point, Jointer creates an added incentive as an individual bonus. This bonus provides the top five (5) daily investors an extra bonus up to 50% on all JNTR they received.

The combination of temptation and human disordered desire for "more than", along with self-interest as a motivating human action, creates a high possibility that the total investment each day will increase towards the daily goal, resulting in a reduced discount to all. In fact, once the exact total investment amount from yesterday has been met, the daily goal reached and the discount to all will be 0%.

The Next Dilemma

As the total discount decreases with every additional investment, at some point the group and the individual interest may become more aligned with avoiding additional investment to keep the discount from dissolving. At this point, the game-theoretic auction creates a new dilemma to participants by offering a new option to keep investing until the 0% discount is reached. This will open the opportunity to invest only $0.01 more to exceed yesterday's total investment, triggering the Group discount and regaining a 50% discount to all.

Once the group discount triggers and there is a guaranteed 50% discount for all, new types of investors may be encouraged to participate (skeptical that wait on the bench to see first the final discount outcome) and as a result may lead to the final phase of behavioral economics to avoid loss aversion. which means the group of investors that was the force behind the group discount's trigger, may feel that new investment is coming at their expense and shrinking their proportion supply, that thought may lead them to preserve their pro-rata position by investing more.

Also we believe that once the 50% discount to all is guaranteed, investors may buy JNTR on the second market at a premium price. (read more about it in Premium buy-orders)

Daily Auction Incentives

Jointer provides investors incentives to benefit the group as a whole while still optimizing their own personal benefit. The group is encouraged to outperform the previous day while individuals are incentivized to lead the daily investments and invest the maximum allotted by the Auction on that day. The dual bonus structure provides both large and small investors an opportunity to benefit from the daily success as a group and as an individual.

The Group Discount

Allows everyone to benefit from a greater JNTR discount of 50% once the auction exceeds yesterday's total investment.

The Individual Bonus

Benefits the top five (5) largest contributors to the round by offering a multiplier that incentivizes daily lead investors.

Both bonuses are uncapped but cannot exceed the daily investment cap.

Group Discount

The Group Discount is earned through the minting of additional JNTR for distribution. The smart contract increases the number of JNTR minted based on successfully surpassing yesterday's total investment. This allows all investors to benefit from the daily success of a 50% discount and encourages group participation and engagement.

How the group bonus minted

The daily auction minted supply doubles at a 2:1 rate after the total investment outperforms the previous day's total investment. Minting continues to increase proportionally with more investment, up to the daily investment cap.

Calculation

If today's total investment > yesterday's total investment then (((today's total investment / yesterday's total investment)*2) * baseline supply)

Example

- If yesterday's total investment was $10,000 and today's total investment stands at $15,000 with a baseline supply of 10,000 JNTR, the extra supply for the group discount will be 20,000 JNTR ($15,000/$10,000/*2*10,000=30,000).

Individual Bonus

Investors are incentivized to lead the daily investment round. The bonus is based on their place amongst all investors in the group. The highest discount is based on the highest individual's investment compared to the group. The more individually invested, the greater the individual bonus.

Rank	1st	2nd	3rd	4th	5th
Multiplier Bonus	50%	40%	30%	20%	10%

Example

- Let's say the final amount of funds invested for a single day is $100,000;
- Investor A invested $50,000, Investor B invested $30,000, Investor C $10,000, Investor D $5,000, Investor E $3,000, Investor F $1,500, and Investor G $500.
- Based on the individual bonus ranking Investor A receives a 50%[41] bonus, Investor B receives a 40% bonus, Investor C receives a 30% bonus, Investor D receives a 20% bonus, Investor E receives a 10% bonus, and Investors F and G receive no individual bonus.

Tie Breaking

In the event two investors invest the same amount, during the same auction day, receiving the same Individual Rank, the rank will go to the investor whose investment was processed first.

Example

- Let's say the final amount invested for a single day is $100,000;
- Investor A invests $40,000 which is the first investment processed in the day's auction, Investor B invests $20,000 at the beginning of the Auction and another $20,000 later in the day for a total of $40,000, Investor C $10,000, Investor D $5,000, Investor E $3,000, Investor F $1,500, and Investor G $500.
- In this scenario, Investor A and Investor B have tied for first place but Investor A processed their investment first. Therefore, Investor A earns Individual Rank one (1) and receives a 50%[42] bonus and Investor B earns Individual Rank two (2) and receives a 40% bonus. Further, Investor C receives a 30% bonus, Investor D receives a 20% bonus, Investor E receives a 10% bonus, and Investors F and G do not receive an individual bonus because they have placed outside the Individual Rank.

[41] N.B. The 2X includes pro-rata JNTR distribution, the combined Group Discount, and Individual Bonus but does not include the large contribution bonus.
[42] N.B. The 2X includes pro-rata JNTR distribution, the combined Group Discount, and Individual Bonus but does not include the large contribution bonus.

Use of Funds

The proceeds from investments received from selling JNTR during the Jointer Auction or from other channels set up a robust ecosystem benefiting Jointer investors. Jointer puts 100% of the proceeds to work through Commercial Real Estate investments and the Liquidity Reserves.

90% for Commercial Real Estate Property Investments

Jointer invests in thoroughly underwritten deals that meet a stringent standard.

10% for Liquidity Reserves

Jointer distributes funds directly to the Jointer Liquidity Reserves which is powered by a Main Reserve, Side Reserve, and Turnover reserve.

Evergreen fund

Unlike traditional companies that execute distributions and dividends to founders and shareholders, Jointer reinvests 100% of all the profits from real estate investments into new real estate projects to support Jointer's success.

Hold JNTR to Participate "Investment Power"

Investment power is limited to the amount of JNTR held in the investor's wallet. In order to participate in the auction, investors will need to hold JNTR in their wallet which can be obtained through secondary trading. Investors can invest in Jointer's Auction up to 100% (1:1 face value) of their unlocked JNTR holdings at the time of the investment.

Example

- Investor holds $100 worth of JNTR
- Investor may invest up to $100 in the auction
- Investor will need to purchase more JNTR to invest more into the Auction

N.B. On Jointer Auction days one through five (1-5), this requirement is waived.

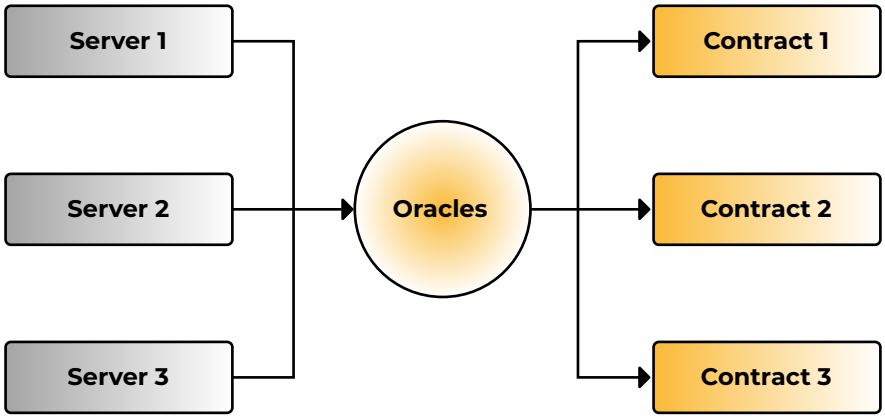
Price Oracles

Since Jointer's Auction is Binance Smart Chain based with currency that is converted in real time to USD face value, the auction smart contract needs an Oracle as a reliable and decentralized source of prices for ETH and USD.

An oracle is a service that provides "trusted" data to smart contracts. Using oracles for token prices is an extremely popular way of fetching external data through APIs and then utilizing the data as inputs to smart contracts. This process could not be completed with smart contracts alone, therefore they rely on oracles for such an action (read more from Binance Smart Chain on what an Oracle is and how it works here).

The following endpoints can be used to fetch the face value USD prices of ETH in various contracts of JNTR/ETN, JNTR/STOCK, and Auction.

- Coinmarketcap
- Any secondary exchange listing JNTR, JNTR/ETN, or JNTR/STOCK
- The Main Jointer Liquidity Reserve
- When prices are from multiple sources[43] the oracle will calculate the average



Contact functions will calculate median (average) PRICE from different sources and use that for calculations.

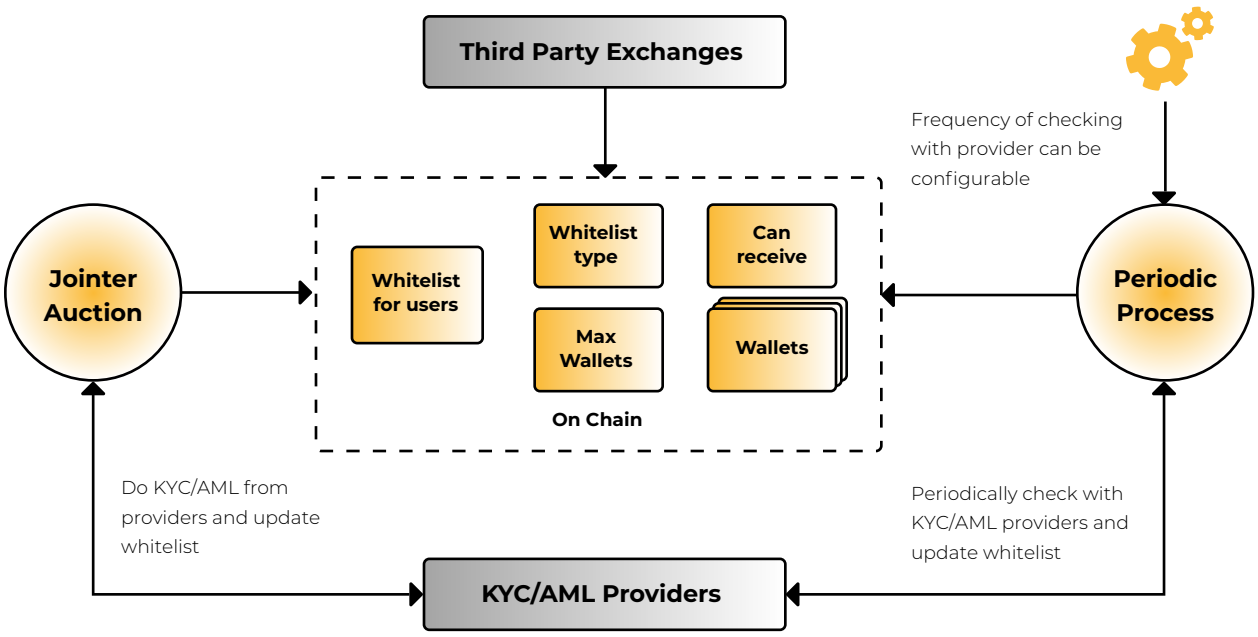
For example, ETH Price

Coinmarketcap	**$207.17**
Cointiger	**$206.61**
STEX	**$206.86**
HitBtc	**$206.50**
Median Average Price	**$206.78**

[43] This excludes JNTR where the face value price is always derived from the Liquidity Reserve.

Whitelist

A whitelist is implemented to allow Jointer's smart contracts to interact only with approved addresses. This means only whitelisted addresses can receive Jointer's digital assets. In this case, a transaction will take place only if the wallet holders have passed necessary KYC and AML, or any other verifications needed, and is part of the whitelist.



- Jointer maintains one whitelist for each individual Jointer digital asset and a whitelist processor updates the whitelists.
- Once a wallet is added to any of the whitelists, it is unable to be removed meaning it can always swap Jointer's assets.
- The whitelist processor can block wallets that no longer meet AML/KYC or other terms of use from receiving new digital assets.
- If investors purchase Jointer's digital assets through third-party exchanges, the investors' wallet address is automatically added to the associated whitelist once approved by the third-party exchange.
- Third-party exchanges provide Jointer a list of wallets that are not compliant with KYC/AML, allowing Jointer to use the whitelist processor to block the wallet from purchasing new Jointer's assets.
- During Jointer's Auction, every investor is whitelisted based on their KYC/AML and possible accreditation which is checked through third-party providers and updated on-chain within the Jointer system.
- Investors from regulated countries will need to pass a full accreditation check.
- The Jointer system will periodically check the whitelists with KYC/AML providers against the existing investors and update accordingly.
- Frequency of checking KYC/AML with providers is configurable from the Jointer Admin System.

Jointer's Whitelist Processor

Jointer developed a protocol layer on top of the traditional whitelist structure which allows authorizations and limitations on wallet addresses. The protocol layer helps Jointer remain in compliance and update the whitelists to reflect potential KYC/AML changes.

In addition, the processor authorizes different holding periods or other regulatory limitations for wallets. Rules can be added or subtracted based on the nature of ever changing regulation.

Example

- The whitelist is currently set to exclude people based on KYC/AML and accreditation checks.
- The whitelist processor adds additional layers of restrictions such as the current restriction to exclude users from North Korea.

Reverse KYC

KYC / AML and accreditation is not meant to be an easy process. It is meant to stop fraud, money laundering, and unqualified investors from a regulatory standpoint from investing in JNTR. Due to the arduous nature of KYC, Jointer does not want to punish investors for a slow KYC response time. Therefore, Jointer implemented, Reverse KYC.

The KYC/AML and accreditation checks are a part of an ongoing compliance process. Therefore, Jointer is just reversing the verification process to make it more friendly for investors but does not take any legal shortcuts.

Reverse KYC allows investors to purchase JNTR from the Auction or swap to JNTR through SmartSwap. The investor in JNTR will then have to start the KYC process in order to send, sell, swap, or redeem JNTR. This means until the investor passes KYC/AML and potentially accreditation, their JNTR will be locked indefinitely from moving. Investors can still opt to gain access to the whitelist before investing by passing the checks before investing, the traditional and forward process.

In order to make sure investors understand the risk, Jointer will display the following message to ensure all investors CONFIRM this

“ALL your JNTR tokens that are sent to your wallet will be LOCKED FOREVER with NO ability to send, sell, swap, or redeem until you successfully complete your KYC/AML. If you are from a regulated country like the USA, you will also need to complete accreditation compliance with Regulation D 506(c) otherwise you will be unable to move your JNTR.

You can avoid that risk by clicking here to start your KYC/AML before investing or swapping, otherwise type the word CONFIRM to show that you understand and agree to the above terms.”

Jointer Decentralized Governance System

Since inception, Jointer's goal has been to achieve a fully decentralized syndication economy based around a Decentralized Autonomous Organization (DAO). In order to achieve this goal, Jointer needs to delegate control in a manner that organizes Jointer and the community for a sustainable and decentralized future.

The Jointer haha is broken up into two parts, governance rights and level of quorum calculations. When combined, Jointer community members are able to propose and execute rules based on the category of decision being proposed compared to the level of majority required to execute the proposal. For example, changing the max alloted of investment per day requires only a low level majority (Simple Majority) compared to the high level majority (Double Absolute Majority) which would be required to change the protocol majority implementation.

The DGS highlights how the future of JNTR is controlled by the Jointer community while protecting the protocol fairness and sustainability.

User's governance rights are placed into one or two categories: Voting power and Proposal Power.

Voting power

Individual users gain voting power by holding JNTR. The cumulative individual voting power is how majority level decisions are either affirmed or denied.

How voting power is determined

- Equal weight is given to all JNTR, no matter where or when they are purchased
- Each user holding JNTR in their wallet receives voting rights
- 1 JNTR = 1 vote
- JNTR must be unlocked and unstaked to receive voting power (i.e., JNTR locked or staked through the protocol will not count as a vote)
- Pre-minted JNTR has the same rights as any other JNTR

What is cumulative individual voting power (CIVP)?

A user's cumulative individual voting power (CIVP) is their combined JNTR across all their wallets. This means as long as a wallet is linked under a specific user's account they will be cumulatively counted (a user's CIVP counts only unlocked and unstaked JNTR across all their wallets).

Some rule alterations require different types of Majority Levels and users can use their CIVP to influence the outcome of the rule proposal by voting YEA or NAY.

At the time of voting, the DGS snaps and timestamps the current cumulative JNTR per user. At the close of the vote, the DGS will re-snap and timestamp users' CIVP to protect system integrity in the case that a user's CIVP changes during the open voting process.

Example

- User A has three (3) wallets that hold JNTR
- Wallet one (1) has 4,000 unlocked JNTR and 2,000 staked JNTR
- Wallet two (2) has 2,000 unlocked JNTR
- Wallet three (3) has 3,000 JNTR locked in Downside Protection
- When the DGS snaps and timestamps to initiate a voting window, User A will have 6,000 votes (Wallet one (1): 4,000 + Wallet two (2): 2,000)
- The staked JNTR in Wallet one (1) and locked JNTR in Wallet three (3) do not count towards User A's CIVP

Proposal power

Individual users gain proposal rights by holding a large amount of the total JNTR circulated supply.

How proposal power is determined

- Users with voting power that is equal to 1% or more of the total JNTR circulated supply will have proposal power to change a rule within the system.

Dual voting

Users that hold JNTR will have voting power and may have proposal power over rules that affect the JNTR holders community. If a rule also affects the JNTR/ETN or JNTR/STOCK holders community, it will require dual or triple voting from the JNTR holders community and from JNTR/ETN and/or JNTR/STOCK holders community as well in order to pass (similar to how govremanates runs dual voting via two houses upper and lower).

Admin Dashboard Access

In order to provide the community tools to analyze and vote, Jointer created access to transparent, accurate, and relevant information for holders of JNTR, JNTR/ETN, and JNTR/STOCK. By holding any amount of JNTR, JNTR/ETN, or JNTR/STOCK, holders are given access to a dashboard that displays every aspect of the protocol, the current rules, and the majority level needed to change the rules. To access the admin dashboard users need to sign with their wallet and be identified through two-step verification.

Steps to access the dashboard and vote

1. Integrate a wallet that holds any amount of JNTR, JNTR/ETN, or JNTR/STOCK
2. Complete two-factor authentication with a six (6) digit code from SMS/email
3. View the current rules (as is) vs the proposed rule (how it will be after) and choose your vote YEA or NAY

Rule Proposals - suggest a change

After successfully gaining access to the dashboard, user's with proposal power may propose a change to the rules. The process is simple, requiring users to make a change directly on the admin dashboard and click save.

- All proposals are open to the community the moment they are submitted, until the close of the vote.[44]
- All proposals have the same closing vote time, 12:00 am UTC on the first day of each month.
- All proposals must be proposed no later than 24 hours before the closing vote.[45]
- Users that suggest a change may also withdraw the proposal and cancel the voting process at any time before voting ends.

[44] Be careful waiting until the last moment to vote because the protocol runs on Binance Smart Chain blockchain and is subject to gas times which could delay your vote from reaching the proposal contract in time.
[45] Proposals outside of this window will stay pending until the following month begins.

Crowdsource Proposals - suggest a change

- Users without proposal power can crowdsource their proposal amongst other users until the total group collectively reaches the threshold for suggesting a change through a rule proposal (at least 1% or more of the total JNTR circulated supply).
- Once the crowdsource proposal reaches the threshold proposal power, the proposal will be submitted to the community like any other proposal.
- Unsuccessful crowdsource proposals will be closed automatically 24 hours after closing vote time, 12:00 am UTC on the first day of each month.

Expedited Voting Period

Users with proposal power[46] equal to 10% or above have the power to expedite the voting period to 24 hours from the proposal opening instead of waiting until the recurring monthly vote.

Instant Voting Period

If a proposal receives YEA or NAY by an absolute majority (50%+1 of the voting power versus the total CIVP of the entire JNTR circulating supply), the proposal executes or is rejected instantly without delay. The instant voting period instantaneously finalizes[47] the vote once submitted.

Vote Notification

Informing users of upcoming votes is crucial to participation in Jointer's decentralized governance system. In order to make sure the community is informed, an email and SMS with a link to the admin dashboard will be sent 14 days before the vote closes and again 24 hours before the voting period closes. Voting for a rule proposal opens and displays 24/7 on the admin from the moment a successful rule proposal is submitted.

[46] You can crowdsource this expedited voting process but it must be decided ahead of time
[47] This can take place ahead of time but also executes instantly during the voting period

Circulation Supply calculation

The circulation supply is calculated through the following formula:

Total Supply – Excluded wallets balances

Exceptions:

1. Company wallet
2. System wallet
3. Downside protection
4. Jointer's Reserve

Blocked wallets

Some wallets holding JNTR will not be allowed to vote. These include:

1. Company wallet
2. Exchange's wallets

JNTR Vote Revelations

The number of wallets will be revealed throughout the process but the amount of votes for YEA or NAY will stay anonymous until the end of the voting period to remove propaganda or manipulation potential.

Duplicate proposals

If proposals for the same rule are submitted more than once with different changes (ie. a proposal to change max investment from 150% to 160% and another proposal to change max investment from 150% to 170%) the order to accept the changes (assuming that both passed) is based on the earliest timestamp of the proposal. Meaning the first proposal submitted will be executed first but the later proposal will determine the final change.

Majority Determinations

The majority is determined out of the total actual participants. Total actual participants is the user's cumulative individual voting power comparative to the total voting power present for voting on a rule proposal.

Example

- A rule is proposed and requires a YEA action by a Simple Majority (50%+1 of the total actual participants)
- 100 users participate by voting "YEA" or "NAY" on the proposed rule. Each user has 1,000 unlocked/unstaked JNTR representing 1% of the voting power which combined, equals 100,000 total qualified votes
- This means for the proposed rule to pass, 50,001 or more of the qualified votes must be cast as YEA and anything below this amount will fail

Jointer's communities

Jointer's syndication economy includes three communities (JNTR, JNTR/ETN, JNTR/STOCK) which rely on each other to function at full efficiency. Each rule proposal has the opportunity to impact community members of one community or all three of the communities. Therefore, when a rule proposal impacts a community of a different asset within Jointer's syndication economy, that community will get a voice in the final outcome of the vote.

Jointer proposals will receive a single, double, or triple classification which will determine if multiple communities will participate in voting for the outcome of a rule proposal.

Types of Majority Levels

Simple majority

- >50% of the voting power versus the total CIVP of all voting power present and voting

Special majority

- 75% of the voting power present and voting

Absolute majority

- >50% of the voting power versus the total CIVP of the entire JNTR circulating supply.
- Absolute majority alternative[48]

  90% of the voting power present and voting.

Examples of Single Community Votes

A Rule Proposal is submitted that only affects JNTR and is a Simple majority. This means that for the Rule Proposal to be successful, greater than 50% of the voting power versus the total CIVP of all voting power present and voting must approve the proposal.

[48] The Absolute majority alternative is triggered if the absolute majority is deadlocked

Special majority

- 75% of the voting power present and voting

Absolute majority

- 50%+1 of the voting power versus the total CIVP of the entire community circulating supply[49]

Examples of Double Community Votes

Double Simple Majority

- 50%+1 of the voting power that is present and voting by community A, and
- 50%+1 of the voting power that is present and voting by community B

Double Special Majority

- 75% of the voting power that is present and voting by community A, and
- 75% of the voting power that is present and voting by community B

Double Absolute Majority

- 50%+1 of the voting power of the entire circulating supply of community A, and
- 50%+1 of the voting power of the entire circulating supply of community B

Examples of Triple Community Votes

Triple Simple Majority

- 50%+1 of the voting power that is present and voting by community A, and
- 50%+1 of the voting power that is present and voting by community B, and
- 50%+1 of the voting power that is present and voting by community C

[49] Jointer's management fee of 2% is not calculated in determining the circulating supply as it would disproportionately affect the vote

Triple Special Majority

- 75% of the voting power that is present and voting by community A, and
- 75% of the voting power that is present and voting by community B, and
- 75% of the voting power that is present and voting by community C

Triple Absolute Majority

- 50%+1 of the voting power of the entire circulating supply of community A, and
- 50%+1 of the voting power of the entire circulating supply of community B, and
- 50%+1 of the voting power of the entire circulating supply of community C

Rules based on Majorities

Investors are able to see all the rules and their majority levels in the admin panel through their wallet.

Our development team prepared a list of rules here.

Ongoing Property Cash Flow and Sales

Jointer utilizes 90% of funds received in the auction to invest in Commercial Real Estate properties following the due diligence guidelines discussed earlier in the paper. Therefore, Jointer will receive both ongoing cash flow and benefit from potential appreciation from property sales.

Jointer's Commercial Real Estate profits are distributed:

90%

goes to invest in new Commercial Real Estate opportunities

10%

goes to promote the company success

Regulations

Jointer's offering complies with

1. Section 201(a), the SEC adopted paragraph (c) of Rule 506. Under Rule 506(c), based on this rule issuers can offer securities through means of general solicitation, provided that:
   All purchasers in the offering are accredited investors; the issuer takes reasonable steps to verify their accredited investor status and that certain other conditions in Regulation D are satisfied.

2. Reg S allows non-US investors to invest in a US company or a non-US company on a similar basis to the Reg D terms, but with ***no requirement*** to be accredited investors.

<u>Non-Accredited Investors</u>

In regulated countries such as the US, there are three options for non-accredited investors to buy Jointer assets:

1. Purchase them from an accredited investor via a security exchange in the secondary market. In this situation, accredited investors are subject to rule 144 to hold their securities for 12 months before they can sell them to non-accredited investors.

2. If a company completes registration of its public offering of securities, and those securities are registered with the SEC and the 50 states, anyone will be able to buy and sell the registered securities.

3. If a company can prove that their security is no longer a security based on the "Howey Test" created by the US Supreme Court for determining whether certain transactions qualify as "investment contracts."

Note: Non-accredited investors from non-regulated countries can freely purchase JNTR if they pass KYC/AML. To check if your country has regulations, consult with your local legal representative.

Initial Qualifications

Since Jointer will begin fundraising under US Regulation D 506(c) and Regulation S, the investor pool is limited. Therefore, certain qualifications must be met and the regulatory process must be followed in order to participate.

Prior to submitting a bid in the Jointer Auction, the investor must be qualified by meeting the following conditions:

- All investors will complete onboarding procedures established by Jointer or Jointer's partners, including AML/KYC review.

- Each investor will complete the verification process to confirm they are outside of the US or other regulated countries and complaint with Regulation S, or are accredited investors under Regulation D of the Securities Act.

- If investors use BNB, they are able to participate directly from their wallet of choice once approved. At the moment, Jointer's Auction page supports MetaMask but other wallet support will be added down the road.

- For Bitcoin, Fiat backed stablecoins, and other cryptocurrency, Investors will need to swap their funds using Element Zero SmartSwap or any other solution. After the auction launches, Jointer plans to integrate SmartSwap into the auction which allows users to invest BTC and other cryptocurrencies. The SmartSwap processes the swap and refunds fees and gas in a native token.

- Investors with fiat money that want to use conventional bank wiring will need to transfer the desired amount of funds they wish to invest into a designated escrow account, established by the escrow agents engaged by Jointer. More information about this process will be shared by Jointer after the auction launches. Investors that invest through exchanges, will invest funds using their exchange wallet, the exchange will distribute the JNTR assets directly.

Learn more about Element Zero and the SmartSwap here

Risk Factors

- As with any digital/cryptocurrency, purchasing Jointer assets involves a high degree of risk. Those who cannot risk losing their entire purchase should not buy these assets.
- The ability to transfer the coins is subject to a secondary market for digital securities functioning. If there is no secondary market in which to sell the coins, investors could be left holding them in perpetuity.
- The assets have no voting rights or ability to direct the company or its actions.
- Government changes to the current regulations or tax code changes could impact our results. It is also possible that regulators from the jurisdictions in which a purchaser of Jointer assets reside may, after the purchase of the coins, conduct investigations and take regulatory action. Additionally, it could become prohibited for the secondary market to sell or purchase Jointer assets.
- Residents of certain jurisdictions may not be permitted to purchase cryptocurrencies or digital assets. In some cases, even participating in a purchase may be illegal in certain jurisdictions. New or revised legislation, regulations, guidelines, and directives may be introduced, which may affect the Jointer marketplace or other platforms in which the Jointer token is used.
- There is always the possibility that our burn rate will increase to support changes and operating costs, so we may run out of capital before reaching the next significant milestone. This could change our plans and force us to earmark more funds to fill the gaps.
- When deciding whether or not to purchase Jointer assets, you must rely on your own examination of the issuer and the terms of the offering, including the merits and risks involved. The Jointer assets have not been recommended or approved by any federal or state securities commission or regulatory authority. Furthermore, these authorities have not passed upon any information regarding the accuracy or adequacy of this document.
- The U.S. Securities and Exchange Commission does not decide on the merits of any securities offered or the terms of the offering. Nor does it make a decision on the accuracy or completeness of any offering document or literature.
- Jointer assets are offered under an exemption from registration; however, the U.S. Securities and Exchange Commission has not made an independent determination that these securities are exempt from registration.

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