



JOINTER'S BLUE PAPER

Version 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.

Who We Are

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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 Solution for Commercial Real Estate Owners

Where most solutions crowdfund or tokenize individual assets which presents 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 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

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.



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.

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 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, the Ethereum blockchain, 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 Ethereum blockchain developed as the exclusive payment method to facilitate trades of Jointer's stocks (JNTR/STOCK)

and bonds (JNTR/ETN). 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.

JNTR compared to Cryptocurrency and Asset Backed Tokens

JNTR is a financially engineered decentralized protocol layer on top of the Ethereum blockchain 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.¹ The Commercial Real Estate and REIT investment markets are far greater than cryptocurrency asset values.²

¹ <https://www.nar.realtor/sites/default/files/reports/2017/2017-commercial-lending-trends-survey-05-18-2017.pdf>

² Cryptocurrency global market cap is ~\$238B as of January 20, 2020

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.



90% Commercial Real Estate Property Investments³

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

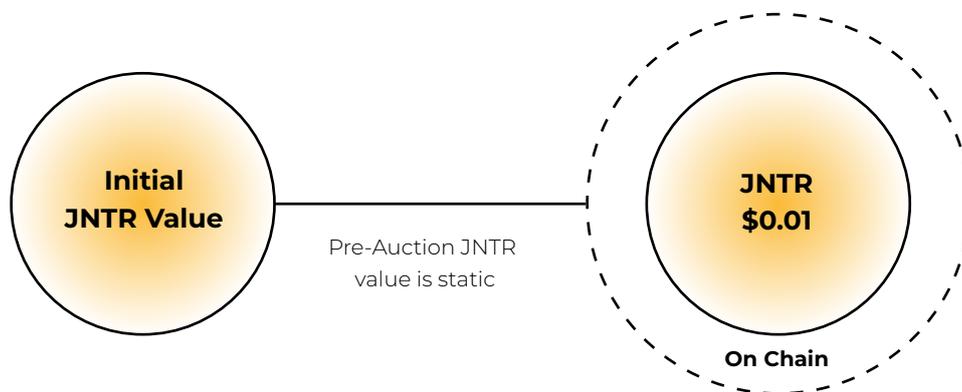
³ Jointer reserves the right to use this investment to support liquidity until the organic market will be strong enough to support ongoing liquidity

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.

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

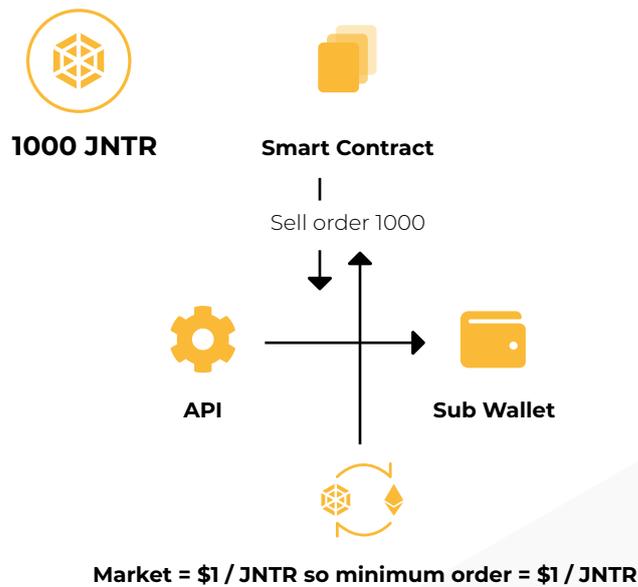
Jointer's minting is dynamic and automatic, powered by financially engineered smart contracts with no centralized minting control.

Pre Minting

Jointer will pre-mint \$107M (equal to Jointer's valuation) worth of JNTR assets 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. 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 contributions⁴ 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.

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).

⁴ Or by using the [Higher Ground Investment Rule](#) mentioned in the Auction section of this document

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 \$0.01).

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).

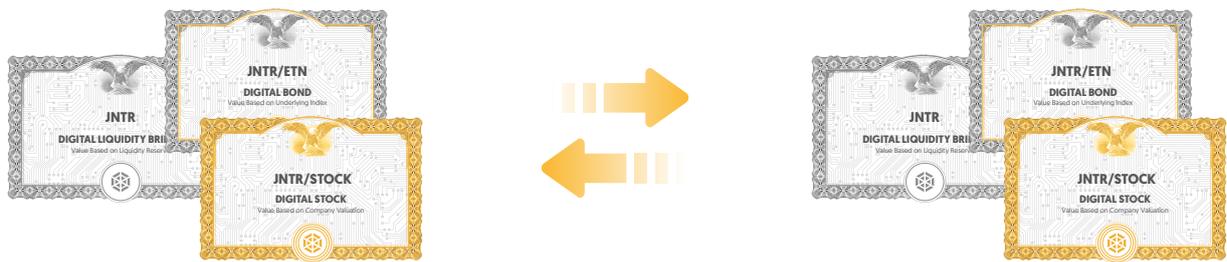
Secondary Market Exchange

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 Ethereum. 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.⁵

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

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.

⁵ Gas and transaction fees are reimbursed with Element Zero's native token

Example

- 🌀 Bob wants to swap \$1,000 JNTR with \$1,000 ETH
- 🌀 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 ETH against Bob's JNTR, the SmartSwap will execute the order of \$500 JNTR against \$500 ETH
- 🌀 The SmartSwap will detect the value discrepancy between the JNTR and ETH, 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 counterparties⁶ as needed to cover the face value and complete the transaction.⁷ 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.

Example

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

⁶ Multiple counterparties will increase gas costs so the minimum amount per of counterparties can be limited by users

⁷ When there is no buyer in the market, Jointer will step in with JNTR available to trade

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 ETH 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 whales⁸ from taking advantage of Jointer's reserve through manipulative draining of the side reserve which is meant to limit slippage for all investors.

⁸ A whale is an investor that holds a large amount of a certain digital asset

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 occurred.

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).⁹

⁹ Jointer has received legal guidance that JNTR is not a security in Singapore, Hong Kong, and the UK

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%¹⁰ on top of the total daily minted supply. This fee goes to operational costs of the Jointer company and ongoing business operations.

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

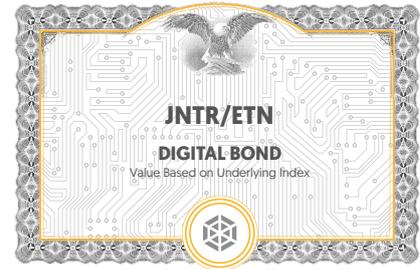
JNTR Quick Facts

- ✅ **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**

¹⁰ The 2% is fixed and cannot be altered by Jointer

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.¹¹

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

¹¹ 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.¹²

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 Joiner 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 ETH
- 🌀 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 ETH against Bob's JNTR/ETN, the SmartSwap will execute the order of \$500 JNTR/ETN against \$500 ETH
- 🌀 The SmartSwap will detect the value discrepancy of the \$500 JNTR/ETN delta between JNTR/ETN and ETH and the delta will be returned back to Bob's wallet through SmartSwap

¹² Gas and transaction fees are reimbursed with Element Zero's native token

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 counterparties¹³ to cover the face value and complete the transaction.¹⁴ 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.

Example

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

¹³ Multiple counterparties will increase gas costs so the minimum amount of counterparties can be limited by users

¹⁴ When there is no buyer in the market, Jointer will step in with JNTR/ETN available to swap

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 \times 110\% \times 2 = \220 - (Jointer's Carry) = \$180
- 🌀 Bob use SmartSwap to swap the \$180 of JNTR/ETH for \$180 of ETH

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 ETH 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.

Taxation

JNTR/ETN is an intangible asset, carrying capital gains tax benefits. JNTR/ETN investors outside of the United States do not need to pay U.S. income tax on their profits. This is unlike REITs or private syndication where investors pay tax on the income distributed. With JNTR/ETN, investors will only pay capital gains taxes based on the country they associate with. In some countries, investor's profits from JNTR/ETN may end up with zero capital gains tax.

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.

JNTR/STOCK's initial valuation is \$107M, which is Jointer's verified seed investment valuation.

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 properties¹⁵



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.

¹⁵ 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 staking 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 valuation of \$107M, a 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 Ethereum. 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.¹⁶

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.

¹⁶ Gas and transaction fees are reimbursed with Element Zero's native token

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 ETH
- 🌀 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 ETH against Bob's JNTR/STOCK, the SmartSwap will execute the order of \$500 JNTR/STOCK against \$500 ETH
- 🌀 The SmartSwap will detect the \$500 JNTR/STOCK value discrepancy between the JNTR/STOCK and ETH 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 counterparties¹⁷ as needed to cover the face value and complete the transaction.¹⁸ 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.

Example

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

¹⁷ Multiple counterparties will increase gas costs so the minimum amount per of counterparties can be limited by users

¹⁸ When there is no buyer in the market, Jointer will step in with JNTR available to trade

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 reserve 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 the UNSWAP 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, Jinter implemented an automated process to ensure neither potential reality could harm JNTR's integrity.

BNB increases in value

- 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

- Every time 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 Jinter system.

The Side Reserve

The Side reserve has two responsibilities, to recover the Main Reserve which protects JNTR's face value, and 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.

First, the Overflow Reserve receives JNTR from the Main Reserve every time the Main Reserve uses digital currency to purchase JNTR from the pool. Second, JNTR is added to the Overflow Reserve everytime investors swap JNTR for JNTR/ETN or JNTR/STOCK.

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.

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 withdraws 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.¹⁹ 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 disproportionality 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 JNTR'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.

¹⁹ Liquidating relay tokens reduces the numerator and denominator of total available tokens in the pool and JNTR assets equally by 10% without changing the token value or token ratio. Learn more about UNISWAP protocol works: <https://uniswap.org/docs/v2/protocol-overview/how-uniswap-works/>

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.²⁰

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%²¹ 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.

²⁰ Exception is the higher ground rule mentioned below

²¹ 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

Network Staking

Jointer creates 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 un stake 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 their pre-minted digital assets and the ongoing company supply.

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 Swap.

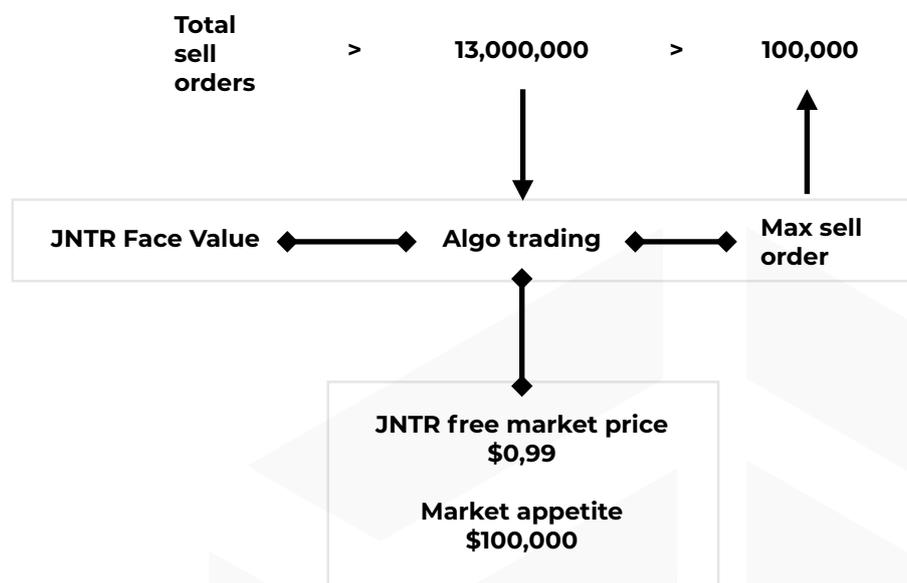
All Jointer's digital assets under this classification are automatically placed into a digital escrow contract. This contract only allows Jointer's digital assets to be sent to a single address²², the Gateway.

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 to be split pro-rata between the group itself.

²² These tokens will eventually be allowed to be transferred to personal storage wallets and family members; the minimum time period is one year.

Group		Allocation	Users	JNTR sell orders
Group 1	Investors	40%	User A	> 1,000,000
			User B	> 1,000,000
			User C	> 1,000,000
Group 2	Founders	40%	User A	> 1,000,000
			User B	> 1,000,000
			User C	> 1,000,000
Group 3	Employees	5%	User A	> 1,000,000
			User B	> 1,000,000
			User C	> 1,000,000
Group 4	Advisors /Providers	5%	User A	> 1,000,000
			User B	> 1,000,000
			User C	> 1,000,000
Group 5	Company	10%	User A	> 1,000,000



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:

$$\text{Yesterday's total investment} * 150\%$$

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

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

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

Example

Yesterday's total Investment = \$10,000

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

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

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 models²³ 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.

²³ 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 Dilema

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 $((\text{today's total investment} / \text{yesterday's total investment}) * 2) * \text{baseline supply}$

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%²⁴ 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%²⁵ 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.

²⁴ N.B. The 2X includes pro-rata JNTR distribution, the combined Group Discount, and Individual Bonus but does not include the large contribution bonus.

²⁵ 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.

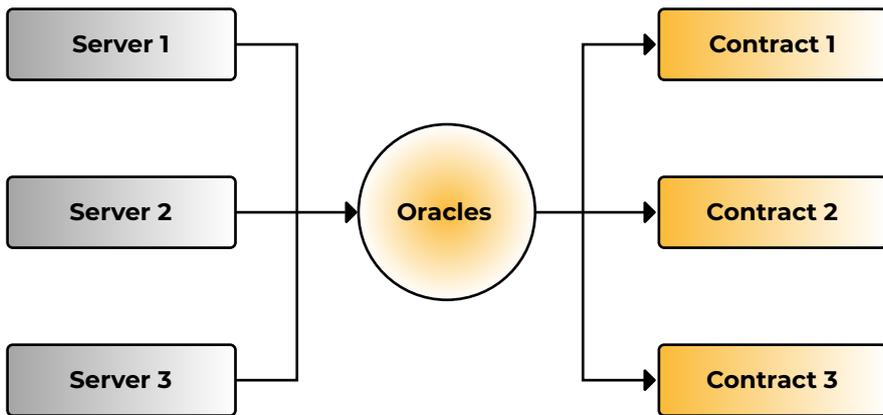
Price Oracles

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 Ethereum 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 sources⁴³ the oracle will calculate the average



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

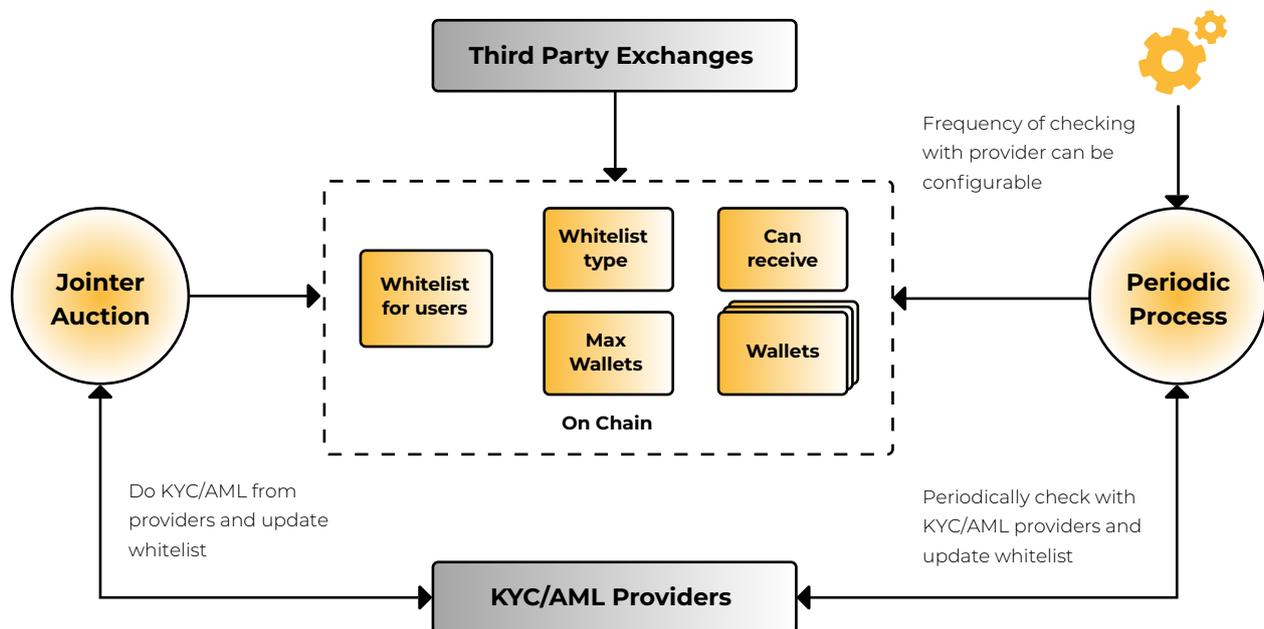
For example, ETH Price

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.

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 Decentralized Governance System (DGS) 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 allotted 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 govemanates 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.²⁷
- 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.²⁸
- Users that suggest a change may also withdraw the proposal and cancel the voting process at any time before voting ends.

²⁷ Be careful waiting until the last moment to vote because the protocol runs on Binance Smart Chain and is subject to gas times which could delay your vote from reaching the proposal contract in time.

²⁸ 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 power²⁹ 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 finalizes³⁰ the vote once submitted.

Vote Notification

Informing users of upcoming votes is crucial to participation in Joiner'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.

²⁹ You can crowdsource this expedited voting process but it must be decided ahead of time

³⁰ 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 alternative³¹

90% of the voting power present and voting.

Examples of Single Community Votes

A Rule Proposal is submitted that only effects 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 approval the proposal.

³¹ 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 supply³²

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

³² 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.

Non-Accredited Investors

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 Jinter 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 Jinter Auction, the investor must be qualified by meeting the following conditions:

- All investors will complete onboarding procedures established by Jinter or Jinter'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 compliant 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, Jinter'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, Jinter 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 Jinter. More information about this process will be shared by Jinter 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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