



REALITY COMPANY

REALITY COMPANY WHITE PAPER

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**THE REVOLUTIONARY BLOCK
EXCHANGE OF THE NEW WORLD**





REALITY COMPANY

THE REALITY REVOLUTION

We are the financial revolution that the world so plainly needs.

We plan to revolutionize:

- access to support and funding for entrepreneurs to build and scale their businesses;
- the traditional concept of ownership by replacing it with digital ownership through blockchain technology;
- the inaccessibility and complexity of listing companies globally; and
- investing for everyone, regardless of their bank balance.

Reality Coin (Alpha) will be the world's first asset-backed digital token providing its holders with: (i) exclusive access to: (A) the world's first digital decentralized blockchain-based stock exchange (**Reality Block Exchange**); (B) advice and support from the Reality Group's team of advisors; (ii) a preferential ability to purchase the tokenized equity of the companies listed on the Reality Block Exchange on favorable terms once the required regulatory approvals and licenses have been obtained; and (iii) a unique medium of exchange for like-minded entrepreneurs within the Reality ecosystem.

Reality Coin (Infinity) will be the world's first asset-backed digital token providing its holders with exclusive access to benefits and returns received from the Reality Group's robust investment portfolio containing tangible real world productive assets (both listed and unlisted) managed by market-leading and reputable investment advisors.

ASSET-BACKED

The Reality Group is real – our appointed investment advisors invest in tangible real world productive assets.

THE REVOLUTIONARY BLOCK EXCHANGE OF THE NEW WORLD

We want to revolutionize capital raising for small to medium sized companies by building the Reality Block Exchange,¹ which will fundamentally change the fundraising landscape for these companies and provide them with a previously inaccessible path to raise capital from markets.

¹ For the purposes of this white paper, we define small to medium sized companies as companies with annual revenue of less than USD100,000,000.



REALITY COMPANY

INTRODUCING: THE REALITY COIN (ALPHA) (RLTA)

We're excited to introduce you to the cornerstone of the Reality Revolution: the Reality Coin (Alpha) (RLTA). The RLTA is an ERC20 token – it is also the foundation and gatekeeper of the Reality Group. After the launch of RLTA, each RLTA will have various utilities.

UTILITIES OF THE REALITY COIN (ALPHA)²

After the token generation event, each RLTA will have the following utilities.

- the ability to transfer the RLTA to a third party;
- exclusive access to the Reality Platform and the Reality Block Exchange;
- a preferential ability to purchase the tokenized equity of the companies listed on this exchange on favorable terms once the required regulatory approvals and licenses have been obtained;
- where a company holds a prescribed number of RLTA's, it will be eligible to list on the Reality Block Exchange;
- the ability to utilize RLTA's as a medium of exchange within the Reality ecosystem to: (i) pay the annual membership fee to access the Reality Platform (this fee will only become payable once the Reality Group's operations have scaled); (ii) obtain advice and support from the Reality Group's team of advisors; and (iii) conduct transactions (e.g. for services and products) with like-minded entrepreneurs on a peer-to-peer basis;
- a preferential ability to be issued Reality Coins (Infinity) before anyone else; and
- an ability to convert RLTA's into other cryptocurrencies.

² The granting of any utilities to an RLTA is subject to: (i) compliance with applicable laws; (ii) obtaining the required regulatory approvals and licenses to grant the relevant utilities; and (iii) compliance by the RLTA holder with our 'know-your-customer' requirements.



REALITY COMPANY

INTRODUCING: THE REALITY COIN (INFINITY) (RLTI)

We're also excited to introduce you to the RLTA's Second-in-command: the Reality Coin (Infinity) (RLTI). The RLTI is also an ERC20 token. After the launch of RLTI, each RLTI will have various rights, benefits and utilities.

RIGHTS OF REALITY COIN (INFINITY) HOLDERS AND UTILITIES OF THE RLTI³

After the token generation event, the following rights and utilities will attach to RLTIs:

- a right for you to vote in certain fundamental decisions regarding the activities of the Reality Group via the Reality App and website;
- a preferential right to acquire additional RLTIs before third parties when Reality Holdings decides to conduct general issuances of additional RLTIs;
- the ability to receive interest, returns and other benefits arising from the Reality Group's underlying investments;
- an ability to require Reality Holdings to redeem a portion of your RLTIs;
- the ability to exchange your RLTIs for the tokenized equity of the companies listed on the Reality Block Exchange; and
- the ability to utilize RLTIs as a medium of exchange within the Reality ecosystem to: (i) pay the annual membership fee to access the Reality Platform (this fee will only become payable once the Reality Group's operations have scaled); (ii) obtain advice and support from the Reality Group's team of advisors; and (iii) conduct transactions with like-minded entrepreneurs and
- the ability to convert RLTIs into other cryptocurrencies.

³ The granting of any rights and benefits to an RLTI holder and any utilities to an RLTI is subject to: (i) compliance with applicable laws; (ii) obtaining the required regulatory approvals and licenses to grant the relevant rights, benefits and utilities; and (iii) compliance by the RLTI holder with our 'know-your-customer' and staking requirements.



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REALITY COMPANY BRAND EXPLAINED

OUR NAME

Reality Company

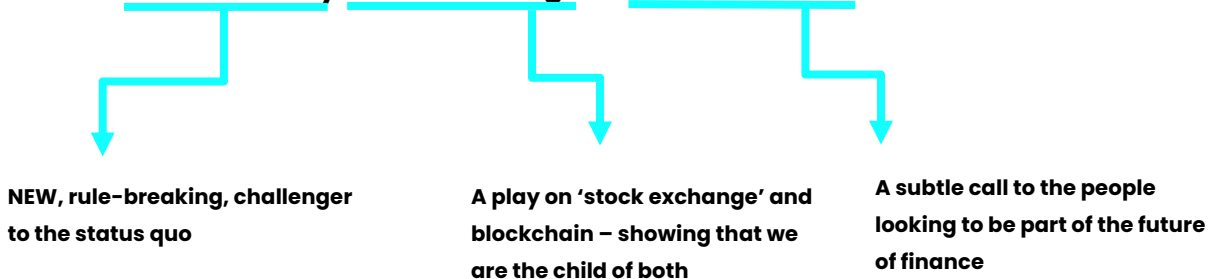
The name 'Reality' comes from the founders' vision to combine tangibility and real-world productive assets with blockchain technology and the crypto environment, which often have no tangible connection to the real world.

OUR TAGLINE

The Revolutionary Block Exchange of The New World

Reality.

The Revolutionary Block Exchange Of The New World



OUR COMMUNITY GROUP NAME

The Revolutionaries

Once you invest in Reality you become a 'Revolutionary' – someone who challenges the status quo and stands with us to create the financial revolution the world so plainly needs.



REALITY COMPANY

OUR MANIFESTO

We were promised transformation
And growth
But the coin came
And fell - and climbed and fell again
And it left us wanting
We were promised freedom
And first mover success
But the platforms emerged
And we tried - and we lost, and we tried again
And it left us wanting
We found volatility where we wanted stability
We found wealth written in code where we wanted real world value
We realized if we wanted a true revolution
We had to build it ourselves
One where real-world assets meet digital currency
Where we can buy and trade but also extract value
We built Reality
Because the new world needs a financial revolution, we can trust in
The new reality needs a revolutionary block exchange



Watch the video on our website





REALITY COMPANY

OUR VALUES

We are founded on integrity

We operate with integrity at our core. We will do everything that we can to protect and advance the interests of RLTA and RLTI (collectively, **RLTs**) holders.

We respect your privacy

Your privacy is of paramount importance to us. That's why we have a comprehensive Group privacy policy. We will never sell your information to any third party for profit without your consent. All your information is kept on our own servers which have top-of-the line security.

We believe in transparency

We have nothing to hide. All verified RLT holders have the right to information about the Reality Group.

We respect the law

Prior to commencing any business activities, Reality Holdings has been registered as a Designated Business with the Isle of Man Financial Services Authority in terms of the Designated Businesses (Registration and Oversight) Act 2015. We also have a comprehensive 'know-your-customer' (**KYC**) Group policy to ensure that we comply with all anti-terrorism and anti-money laundering laws.

We are accountable

We have a duty to ensure that RLT holders' interests are protected and advanced. We will provide RLT holders with regular updates regarding the Reality Group's activities.

We are inclusive

At launch, an RLTA will cost USD1.15 with the price initially escalating in 15% increments. This means that everyone can be a part of the Reality Revolution.

We don't compromise on security

We understand that the security of the Reality platform is vital. Prior to launch, we have conducted extensive risk management exercises to ensure that our platform is secure.

We are disruptors

Out with the old reality. In with the new.



REALITY COMPANY

ENTREPRENEURSHIP IS BROKEN

1 **Entrepreneurs don't have access to adequate advice and support**

We know that being an entrepreneur can be an incredibly difficult and stressful experience. Obtaining quality advice and support can also be expensive.

We will be a safe haven for entrepreneurs

RLTs will provide anyone with access to Reality's entrepreneurial ecosystem, which will allow entrepreneurs and their businesses to thrive and obtain the support they need when they need it the most.

2 **Barriers to entry have made starting a business more difficult than ever before**

Due to significant barriers to entry, it can be more complex and difficult than ever to start a business. This is especially the case with blockchain-based and tech businesses.

We break down barriers

We want to break down barriers to entry by providing entrepreneurs with the support that they need to build and scale their businesses.

3 **Most entrepreneurs don't have access to a network or mentors**

The vast majority of entrepreneurs don't have access to a network of like-minded individuals who can guide and mentor them as their business grows.

We're creating an entrepreneurial ecosystem

We want entrepreneurs to succeed. Our ecosystem will provide RLT holders with access to a deep network of entrepreneurs across several industries.



REALITY COMPANY

STOCK EXCHANGES ARE BROKEN

1 Public funding is inaccessible to 99% of companies

Funding from stock exchanges is inaccessible to small to medium sized companies as: (i) listing is too expensive; and (ii) listing requirements have become complex and onerous. This has also led to a significant number of companies deciding to delist in some jurisdictions.

We want to revolutionize access to public funding

We're building the Reality platform with the vision of allowing small to medium companies to tokenize their shares as digital assets on our decentralized dedicated public blockchain. Our listing framework will be transparent and streamlined. Prior to listing, these companies will undergo a rigorous due diligence process to ensure that they are suitable for global public investment. This will help small to medium sized businesses grow whilst creating value for the Reality Group and RLT holders. Importantly, a company will need to hold a minimum number of RLTAs (which will be determined on a case-by-case basis) to be eligible to list on and have access to the Reality Block Exchange and the Reality Group's team of advisors.

2 The listing model is broken

By the time that a stock becomes available on a stock exchange, public investors are paying a premium to purchase that stock. Only institutional investors can purchase stocks before an IPO.

We want you to be rewarded for sharing this journey with us

We intend to provide RLT holders with exclusive access to purchase tokenized shares of companies that list on the Reality Block Exchange before a listing occurs. RLT holders will also be able to exchange their RLTs for the tokenized equity of the companies listed on this exchange before a listing occurs.



REALITY COMPANY

INVESTING IS BROKEN

We want everyone to have access to sound investment advice and exposure to the best investment opportunities.⁴

1 The best investment advice is inaccessible

Market-leading and reputable investment advisors are largely inaccessible to the public as these advisors: (i) charge substantial fees, which most people can't afford; and (ii) advise large organizations and high net worth individuals.

We make investment advice accessible

Each RLTI will receive exclusive access to benefits arising from the Reality Group's underlying investments, which will be managed solely by our appointed market-leading and reputable advisors.

2 The best investment opportunities are inaccessible

The best investment opportunities are inaccessible to the public. For example, private equity (PE) and venture capital (VC) investments generally have prohibitively high barriers to entry, with entry-level investments in established funds tending to be more than USD20,000,000. As these investments may produce exponential returns, we believe they should form a part of every investor's portfolio.

We will provide access to the best investment opportunities

Once our operations have scaled, we will use a portion of the funds received from RLTI holders to invest directly in PE and VC investment funds managed by market-leading and reputable firms, providing RLTI holders with access to benefits arising from the best investment opportunities.

⁴ Please note that we are not an investment or financial advisor and all of these functions will be provided by market-leading and reputable advisors appointed to manage the Reality Group's investments.



REALITY COMPANY

INVESTING IS BROKEN

3 Investing is riskier and more complex than ever

There are many creative people out there and someone is always coming up with a new way to try and take your hard-earned money. For instance, by trying to convince you that a digitally coded and pixelated image of someone in a cap and sunglasses, smoking a pipe is worth USD7,500,000, just because it exists on a blockchain.

We mitigate investment risk

Our market-leading and reputable investment advisors invest in tangible real world productive assets and ensure that investment risks are managed as effectively as possible.

4 No one has enough time any more

Time has become the world's most valuable resource. We know that you're busier than ever before, making it a challenge to carefully consider each and every decision that you make.

We give you back your time to focus on what's important

By appointing market-leading and reputable service providers to actively manage the Reality Group's investments, we give you back your time so that you can focus on what's important to you.

5 Life is unpredictable

If we've learnt anything over the past two years, it's that life is unpredictable. From pandemics to unjustified invasions of neighboring countries, life can be full of surprises. However, drawing down on your investments when you need money the most can result in significant penalties and hidden fees. This process can also take a substantial amount of time.

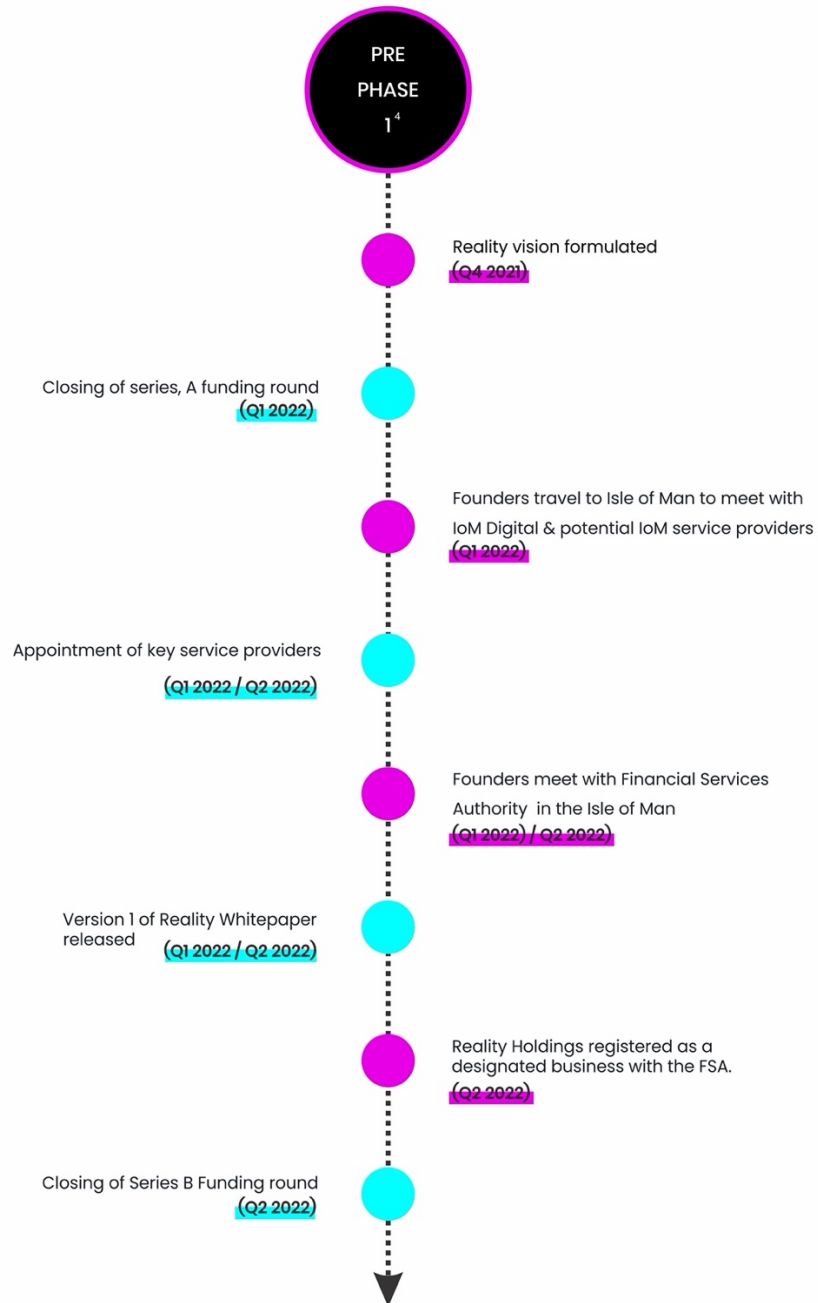
We will make withdrawing investment funds easy

Our blockchain infrastructure will allow RLTIs to be transferred almost instantaneously with no penalties or hidden costs. Additionally, in the future we intend to provide RLTI holders with an ability to require the Reality Group to redeem a portion of your RLTIs. This gives you access to your money when you want it.



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ROADMAP

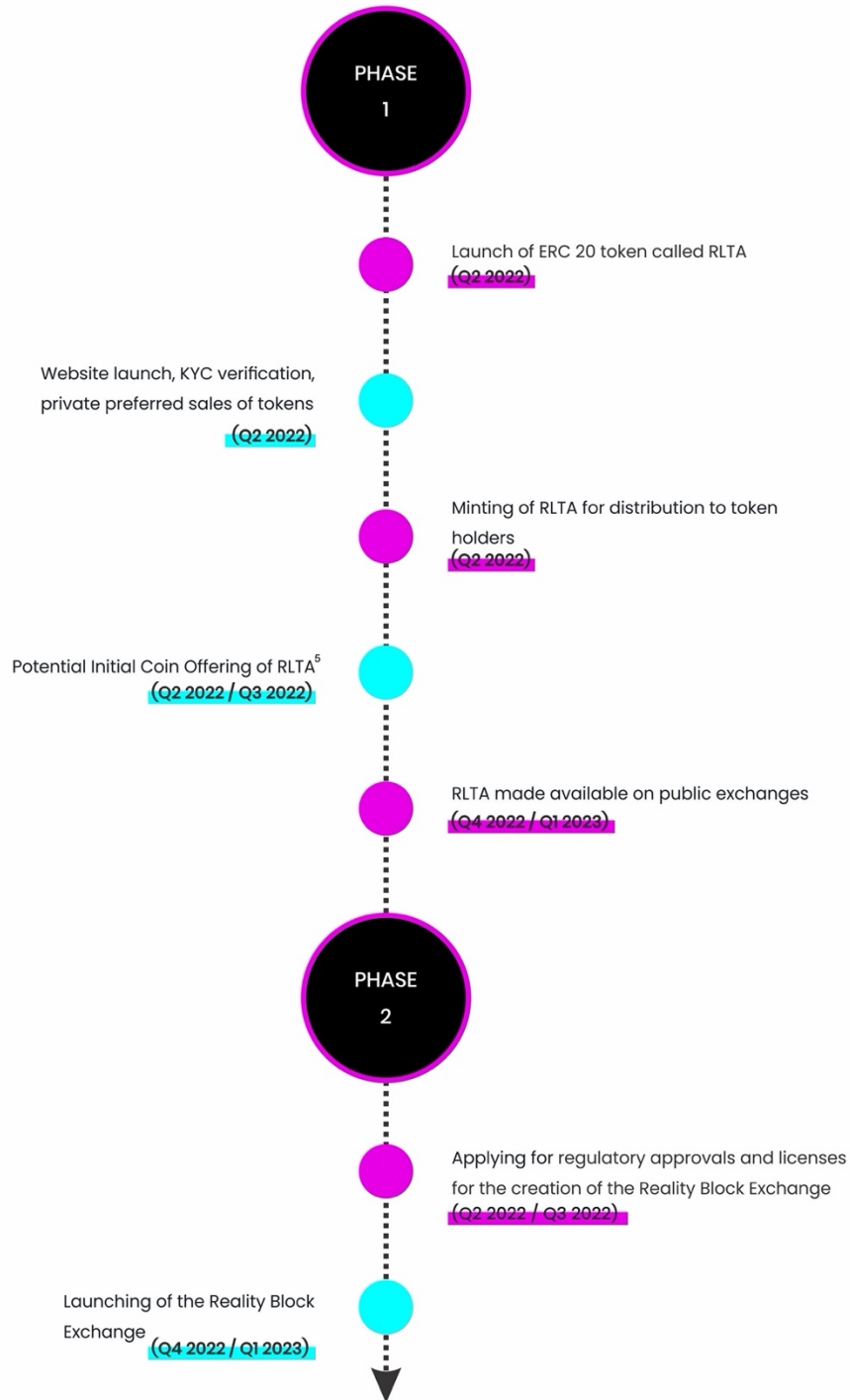


* Please note that the roadmap set out above and on the following pages contains several forecasts and is subject to change.



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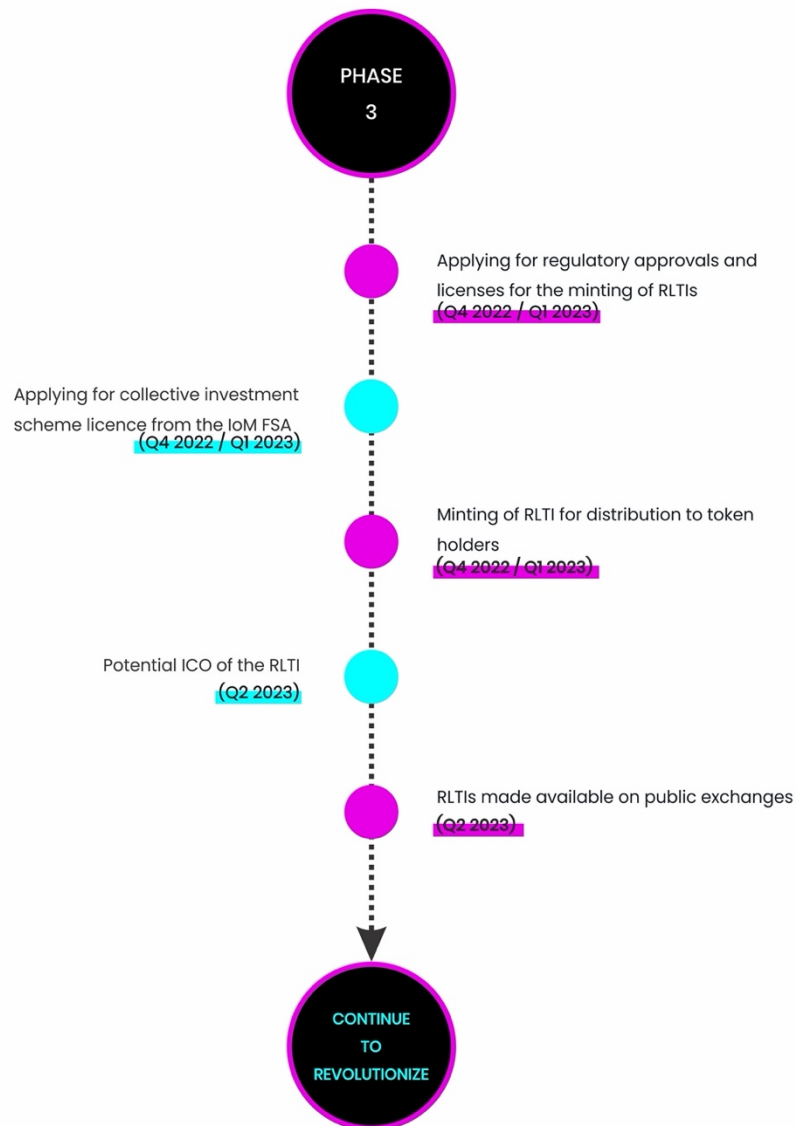
ROADMAP





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ROADMAP





REALITY GROUP STRUCTURE

What is the Reality Group?

The Reality Group comprises a group of real-world entities based in the Isle of Man.

Why is the Reality Group based in the Isle of Man?

We established the Reality Group in the Isle of Man for the following reasons:

- the Isle of Man has received international credit ratings of AAA awarded by Moody's and of AA+ awarded by Standard and Poor's;
- the Isle of Man is consistently ranked as one of the best jurisdictions in terms of ease of doing business;
- the availability of world class corporate, legal and financial services;
- the availability of market-leading, reputable and high caliber professionals with specialized expertise;
- the safe, low crime environment;
- the Isle of Man Government and regulatory authorities adopt a progressive and favorable environment for innovation in the blockchain space;
- the Isle of Man Government is responsive to business needs;
- the ability to potentially minimize the Reality Group's taxation footprint and obtain access to European markets;
- a clear and simple tax system that encourages the creation and preservation of wealth; and
- economic stability and security.

How will each RLTI be linked to the Reality Group's underlying investments?

Reality Holdings will be entitled to issue 2,000,000,000 RLTIs. Similarly, Reality Holdings will hold 2,000,000,000 ordinary shares in Reality Investments (**Reality Investment Shares**). As such, there will be a 1:1 ratio between RLTIs and the Reality Investment Shares. Each RLTI will also have various rights and benefits relating to a Reality Investment Share, including voting and participation rights. In this way, each RLTI will be representative of a Reality Investment Share and the entire portfolio of investments held by the Reality Group.



REALITY COMPANY

Will any companies in the Reality Group be registered with a regulatory authority?

Yes – Reality Holdings will be registered as a Designated Business with the Isle of Man Financial Services Authority in terms of the Designated Businesses (Registration and Oversight) Act 2015. We will also register with additional regulatory authorities as our operations scale.

What isn't the Reality Group?

- We aren't a cryptocurrency exchange.
- We aren't an investment or financial advisor.
- We aren't a traditional cryptocurrency.
- We aren't a rug pull.



HOW DO WE PROTECT RLT HOLDERS?

We want you to be able to sleep at night. That's why several protections will be included for RLT holders across the Reality Group structure.

Am I protected at Reality Trust level?

Don't worry – we won't be selling the Reality Group to George C. Parker without allowing RLT holders to vote beforehand. This is because the Reality Trust isn't entitled to transfer its shares in Reality Holdings without RLT holders voting in favor of this decision.

Am I protected at Reality Holdings level?

We want you to have a say in decisions that could have a material impact on the Reality Group. That's why the following protections will be included in Reality Holdings' constitutive documents:

- Reality Holdings is not entitled to transfer its shares in Reality Investments;
- Reality Holdings is not entitled to issue any additional shares, increase or decrease the number of unissued RLTs, or change the rights relating to the shares issued to Reality Trust or the rights attaching to the RLTs;⁵
- Reality Holdings can only issue RLTs for adequate consideration;⁶
- Reality Holdings cannot burn any RLTs; and
- Reality Holdings is not entitled to approve or implement several fundamental transactions (e.g. amending Reality Holdings' constitutive documents or the issuance of additional shares or RLTs or other tokens by Reality Holdings) that could have an adverse impact on RLT holders,

without RLT holders voting in favor of this decision.

Additionally:

- at least 85% of RLTs issuable to the co-founders: (i) must be held by Reality Holdings in a custodial wallet for a minimum period of three years from the date of issue, during

⁵ This is subject to compliance with applicable laws.

⁶ Save for any: (i) RLTAs issued as part of our series A or B funding rounds; or (ii) RLTs issued to RLTs upon the launch of the RLT.



REALITY COMPANY

- which Reality Trust will not own or be entitled to dispose of the RLTS ; and (ii) will not be issued to the Reality Trust until the three-year period has expired;
- Reality Holdings is not entitled to declare dividends to the Reality Trust, unless: (i) these proceeds arise from the RLTI's held on behalf of Reality Trust as set out above; or (ii) the dividends are to be utilized for operational and organization expenses of the Reality Trust;
- RLTI holders will be able to exercise a non-binding vote regarding the approval of remuneration packages for executives every two years. If more than 51% of RLTI holders vote against the remuneration packages, the board of Reality Holdings will revise the remuneration packages of executives;
- RLTI holders will be entitled to access information relating to the activities of Reality Holdings; and
- subject to applicable laws and regulations, RLTI's will rank ahead of the ordinary shares of Reality Holdings in the event of the liquidation of Reality Holdings.

Am I protected at Reality Investments level?

We will include the following protections in Reality Investments' constitutive documents:

- Reality Investments is not entitled to issue any additional shares, increase or decrease the number of its authorized or issued shares, or change the rights relating to the shares issued to Reality Holdings; and
- Reality Investments is not entitled to approve or implement several fundamental transactions that could have an adverse impact on RLTI's, without RLTI holders voting in favor of this decision.

Additionally:

- subject to operational requirements and expenses, approximately 95% of the net proceeds received from Reality Investments' underlying investments must be reinvested into underlying assets; and
- RLTI holders will be entitled to access information relating to the activities of Reality Investments.



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What else have we done to protect you?

- The activities of the Reality Group are governed by comprehensive KYC, privacy and data protection policies.
- We've only appointed market-leading and reputable service providers and advisors.
- We will provide RLT holders with quarterly reports relating to the activities of the Reality Group.
- If a verified person holds 5% of the total number of issued RLTs, they will be entitled to appoint an observer to the board of Reality Holdings.

Are there any exceptions?

We need to ensure that we can realize the vision that we have for the Reality Group. That's why the protections above don't apply to changes that we need to make to the Group to obtain any regulatory approvals or licenses that are necessary or desirable for the Reality Group's operations and the RLTs. Nevertheless, we value your feedback and will still give RLT holders an opportunity to exercise a non-binding vote before making these changes.

How do RLT holders vote?

Voting will take place via the Reality App and website. However, voting is subject to: (i) applicable laws and regulations (including us obtaining any licenses or approvals that we require to grant these rights); (ii) compliance with our KYC requirements; and (iii) RLTs being staked for a minimum prescribed period.

All voting will be conducted in accordance with our voting policy. Essentially, this means that where a decision relates to one of the protections referred to above: (i) for quorum to be met 25% of the voting rights entitled to be exercised on the decision must vote on the matter in question; and (ii) 75% of the voting rights exercised must be exercised in favor of the proposed decision.

Where a decision relates to any other matter: (i) for quorum to be met, 25% of the voting rights entitled to be exercised on the decision must vote on the matter in question; and (ii) 51% of the voting rights exercised must be exercised in favor of the proposed decision.



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TOKENOMICS

Introduction

Reality Holdings:

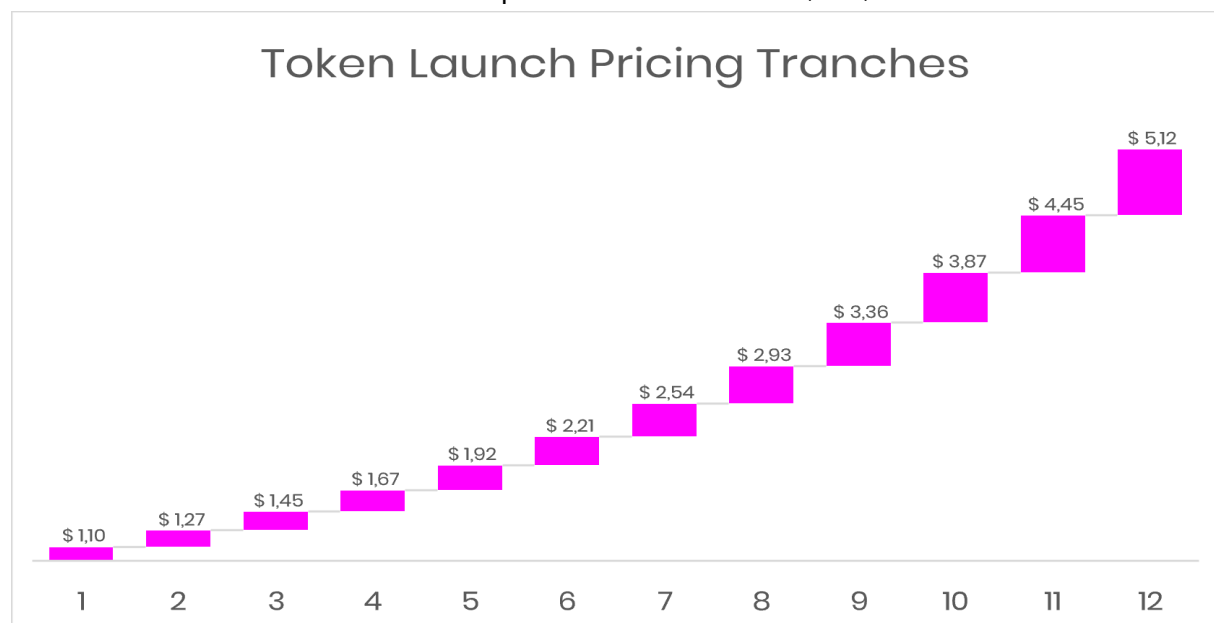
- is entitled to issue up to 2,000,000,000 RLTA's of which a maximum of 400,000,000 have been allocated as a founder stake as follows: (i) a 200,000,000 allocation as a baseline; and (ii) a 200,000,000 performance based allocation; and
- will be entitled to issue up to 2,000,000,000 RLTI's of which a maximum of 400,000,000 have been allocated as a founder stake as follows: (i) a 200,000,000 allocation as a baseline; and (ii) a 200,000,000 performance based allocation.

Pre-launch phase

We've already raised sufficient funding to establish the Reality Group and build the blockchain infrastructure for the RLTI's. However, we want to have as many underlying assets as possible when we launch and we require additional regulatory approvals in certain jurisdictions before we launch the RLTI. That's why we're continuing to raise funds from investors until the first RLTA's have been minted. This phase ends on 6 May 2022, which is five days before our anticipated launch date for the RLTA of 11 May 2022.

Launch phase

During this phase, a total of 34,000,000 RLTA's will be available for purchase. These will be sold in 12 tranches of 2,833,333.33 RLTA's each, with the purchase price of the RLTA's increasing by 15% in each tranche. In the first tranche, RLTA's will be for sale for USD1.10. In the final tranche, RLTA's will be for sale for USD5.12. This phase ends once all 34,000,000 RLTA's have been sold.

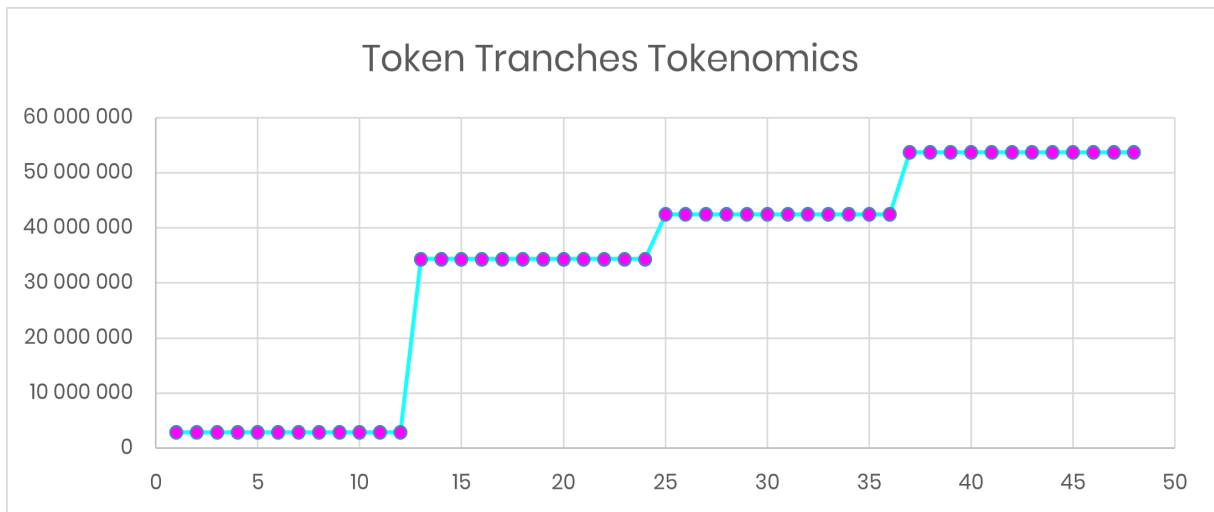




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Post-launch phase - RLTA's

In this phase, RLTA sales will occur according to an issuance model that we've prepared. Essentially, the additional RLTA's will be released in tranches as in the launch phase but the number of RLTA's issuable in each tranche as well as their indicative pricing will be slightly different. This is summarized in the graph below:



We don't want to bore you with 5,000 pages of Microsoft excel spreadsheets. If you would like a detailed breakdown of our tokenomics calculations, we are more than happy to provide you with these.

Post-launch phase - RLTI's

Once we've raised USD\$50,000,000, we'll have sufficient underlying assets and reserves to apply for the regulatory approvals and licenses that we require to launch the RLTI.

Before publicly launching the RLTI, all eligible RLTA holders will be entitled to be issued an amount of RLTI's equal to the number of RLTA's they hold. Thereafter, RLTI's will be issued in accordance with the same tokenomics schedule that we're prepared for the RLTA's.

Will we burn RLTI's?

We will never burn RLTI's unless we have obtained the prior approval of RLTI's in accordance with the Group's voting policy.



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How is the market value of RLTs determined?

The market value of an RLT is primarily determined by a combination of at least four factors: (i) general supply and demand market forces – just like any cryptocurrency or listed stock; (ii) the value of the underlying assets held by the Reality Group; (iii) policy and regulatory developments relating to cryptocurrencies and blockchain technology; and (iv) to a lesser extent, tweets from Elon Musk.

How does the value of RLTs increase?

- Whenever an RLT is purchased from Reality Holdings, approximately 95% of the net proceeds from the purchase will be invested in tangible real world productive assets held by the Reality Group. This increases the Group's underlying asset base, increasing the value of RLTs.
- Approximately 95% of the net returns received from underlying investments will be reinvested in additional underlying investments. This results in both the Reality Group's underlying asset base increasing and the value of RLTs increasing.
- The capital value of the Reality Group's underlying investments will also appreciate over time. This results in the value of RLTs increasing.
- Where there is more demand for RLTs than supply in the open market, this will also result in an increase in the value of RLTs.
- Once we achieve significant milestones (e.g., obtaining certain regulatory approvals and licenses and the Reality Block Exchange is launched), this may also result in an increase in the value of RLTs.

How does the value of RLTs' decrease?

- If the capital value of the Reality Group's underlying investments decreases, the value of RLTs should also decrease temporarily.
- Where there is more supply for RLTs than demand in the market, this will result in a decrease in the value of RLTs.
- As talented as we are, we can't predict everything that will happen in the future. The blockchain space is evolving rapidly and there are several events outside of our control that could result in a decrease of the value of RLTs (e.g. the implementation of new laws and regulations).



Is RLTA or RLTI a stablecoin?

A stablecoin is a digital asset whose market value is pegged to the value of an external asset. For example, the Tether and Binance USD stablecoins are digital assets that peg their value to the United States Dollar. Another example would be a stablecoin that tracks the purchase price of a new Tesla Model S.

RLTA and RLTI are not stablecoins. As mentioned above, the value of RLTs can increase or decrease depending on several factors – just like any cryptocurrency or stock. However, we've tried to mitigate the extreme volatility inherent in cryptocurrencies by including the Reality Group's underlying investments as a base line for the value of RLTA's and RLTI's. This should prevent RLTs from falling below the aggregate value of the underlying assets of the Reality Group. By doing this, we have tried to provide RLTs with one of the desirable attributes of stablecoins – their stability.

How do GAS fees work?

Gas fees are simply rewards given to cryptocurrency miners for putting transactions in the blockchain or executing them. The reason that we haven't allocated any RLTs for Gas fees is because we've built the Gas fees payable by Reality Holdings into our operating costs and expenses.⁷

To reduce gas fees, we are implementing on-chain smart contracts and off-chain logic to handle batch processing as well as transaction timing to ensure the lowest possible gas fees are paid.

⁷ Please note that this does not include the gas fees payable by a prospective RLTI holder when purchasing RLTI's.



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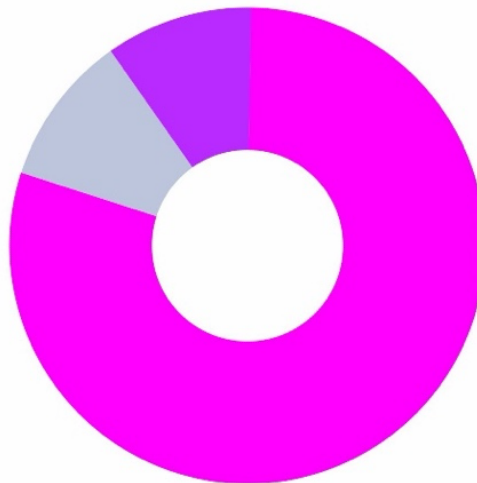
FOUNDER STAKES

What do we get out of this?

For our sleepless nights and making sure that the Reality Group runs optimally, we receive a 10% initial stake in the Reality Group, held solely through RLTs. This stake is held in a custodial wallet by Reality Holdings on behalf of the Reality Trust. Additionally, subject to various performance-based milestones being met, we may receive an additional 10% stake.

Tokenomics Allocation

Founders Stake



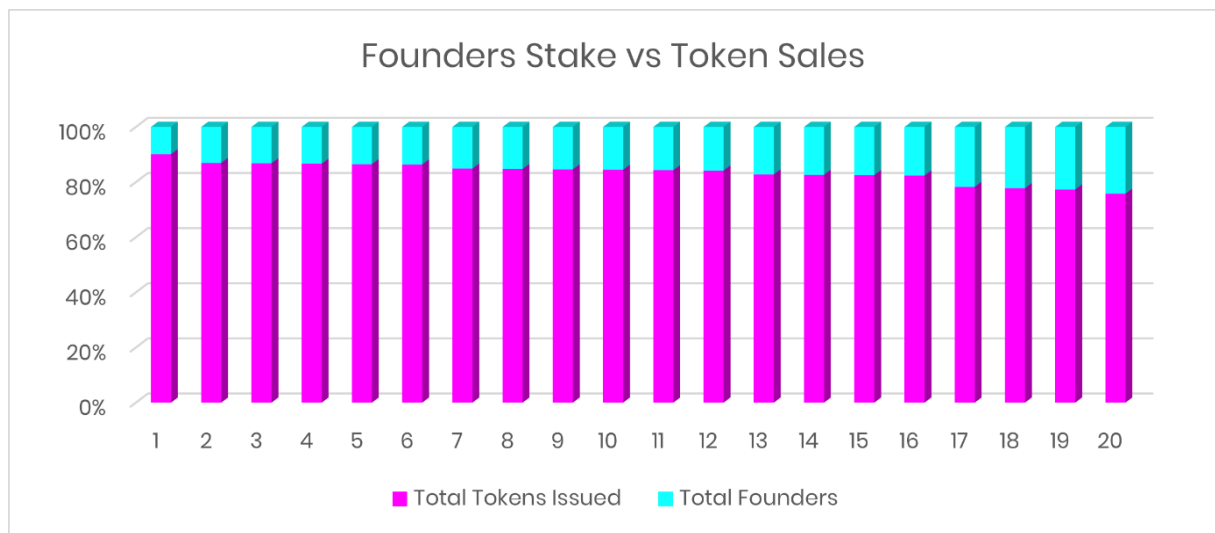
■ Maximum Threshold Achievements 10% ■ Founders Fixed Allocation 10% ■ Total Open Market Tokens 80%



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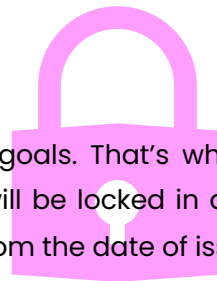
Is there anything else that we get?

As the Reality Group grows and we achieve certain milestones, our stake will increase progressively up to a maximum of 20%. An example of how this works is set out below:



We're on this journey with you

We're committed to achieving our ambitious goals. That's why at least 85% of the RLTs issuable to Reality Trust as a founder's stake will be locked in a custodial wallet of Reality Holdings for a minimum period of three years from the date of issue.



Founder RLTs' voting rights

To ensure that we're able to achieve our goals and make the vision that we have for Reality a reality, any RLTs issued or issuable to Reality Trust have a 10x voting multiple when compared to RLTs held by anyone else. As Reality Trust's interest increases and the Reality Group scales, these voting rights will gradually reduce from a 10x multiple to a 5x multiple.

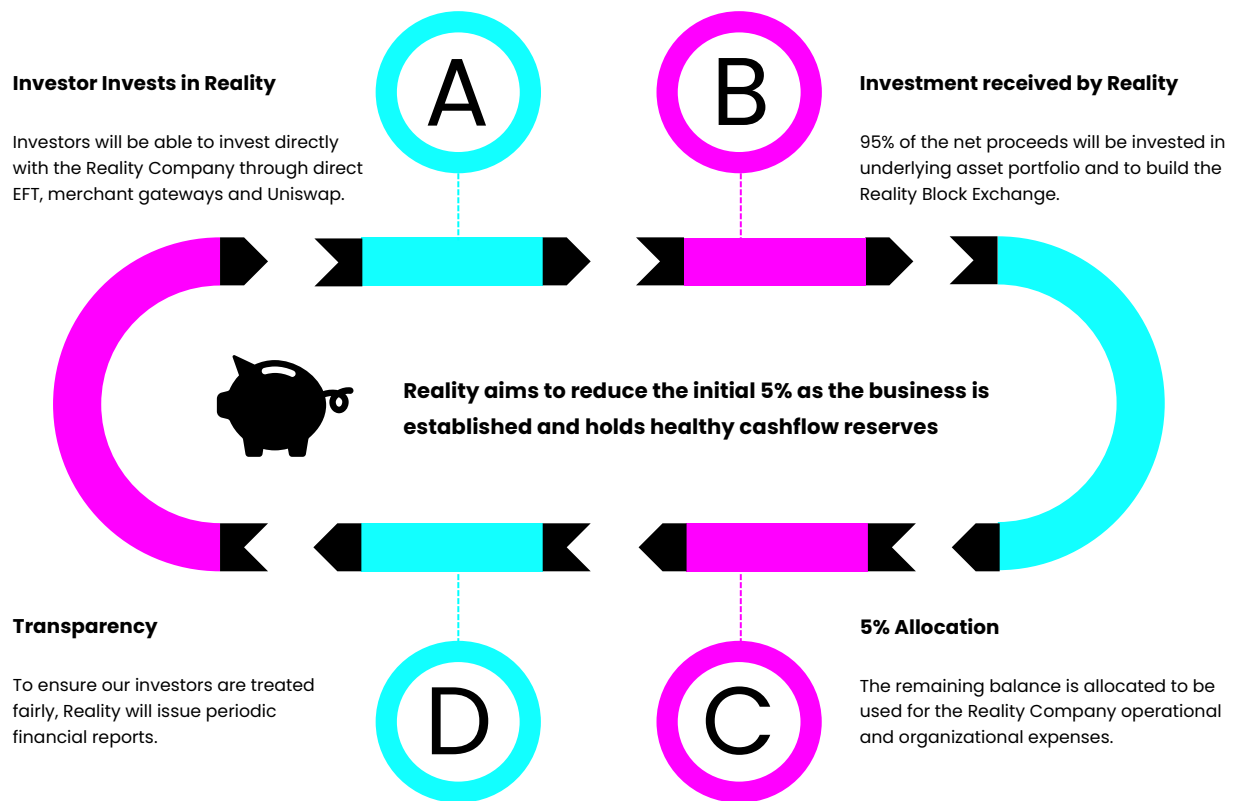


REALITY COMPANY

CASH FLOWS AND OUR REINVESTMENT ECOSYSTEM

What do we do with your money?

Don't worry – we won't be using your money to buy our own 17,000 square meter palace on the coast of the Black Sea. Initially, we will use approximately 95% of the net proceeds that we receive from you to invest in underlying assets and to build the Reality Block Exchange. As the Reality Group's operations scale, this percentage will increase so that more and more of the money that we receive for RLTs is invested. The remaining 5% may be used for operational and organizational expenses and to ensure that the Reality Group maintains healthy levels of reserve funds and liquidity. We will always endeavor to invest as high a percentage as possible of the proceeds received for RLTs in underlying assets.





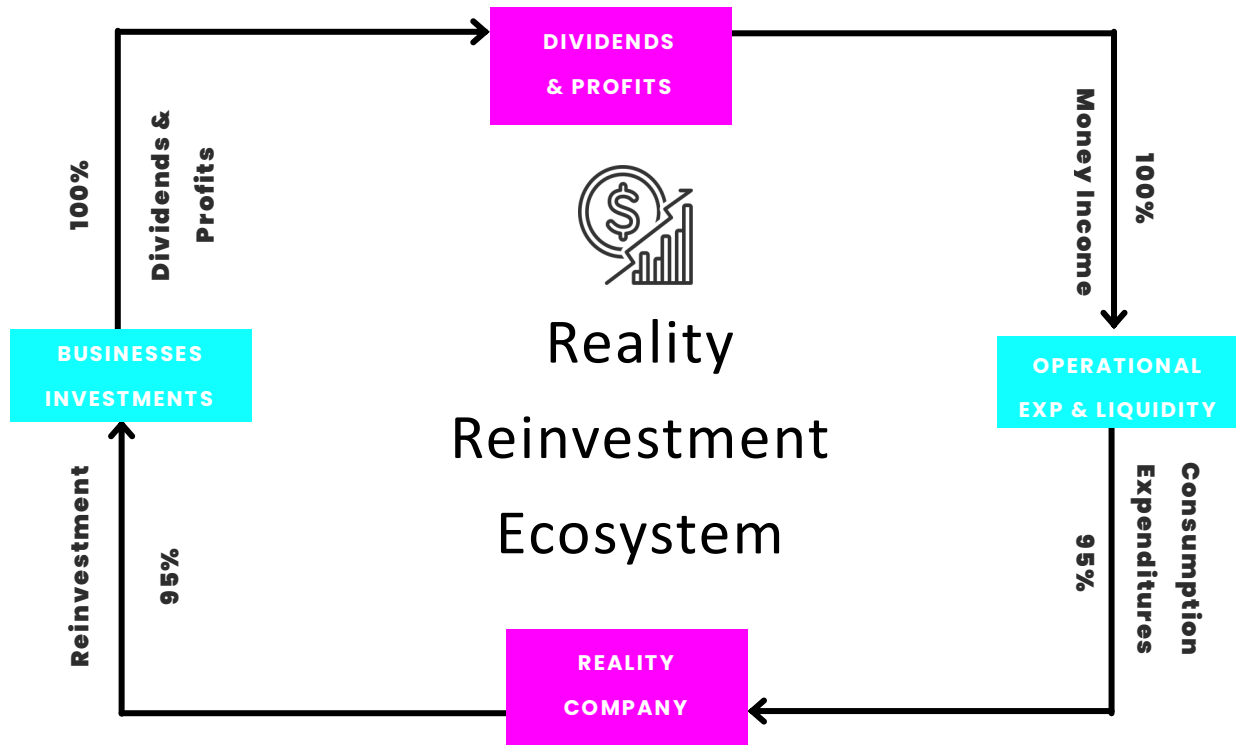
REALITY COMPANY

Our reinvestment ecosystem

In the words of Albert Einstein: *"Compound interest is the eighth wonder of the world. He who understands it, earns it; he who doesn't, pays it."* That's precisely why we've developed the Reality Reinvestment Ecosystem to maximize returns for RLTI's.

Over time, the Reality Group's underlying assets should generate returns. We have a long-term focus and want to grow the Reality Group into the world's biggest blockchain-based company. Initially, approximately 95% of the net returns that the Reality Group receives from underlying investments will be reinvested in additional assets. As the Reality Group's operations scale, the 95% will increase so that ultimately the greatest possible percentage of net returns will be invested. The remaining 5% may be used for operational and organizational expenses and to ensure that the Reality Group maintains healthy levels of reserve funds and liquidity.

We've also structured the Reality Group so that it is tax efficient. This allows us to maximize the returns received from underlying investments and the amounts that we can reinvest.





REALITY COMPANY

Can I invest using cryptocurrency?

Yes. We know that there are many people out there looking to move their existing cryptocurrency holdings into a more stable environment. Subject to compliance with: (i) applicable laws and regulations; and (ii) our KYC requirements, you will be able to invest using your existing cryptocurrency.

How do I cash out?

- Initially, RLTA holders will have a right to transfer and sell their RLTAs to anyone on the open market (subject to any applicable laws and regulations).
- Once the Reality Group's operations have scaled, we intend to list RLTAs and RLTIs on public exchanges, which will provide RLT holders with additional options in terms of transfers.
- In the future, we aim to provide RLTI holders with the ability to periodically require Reality Holdings to redeem their RLTIs.



REALITY COMPANY

STRATEGY AND INVESTMENT MANAGERS

Introduction

Technology companies are the future. The United States is the world's leading technology and innovation hub. It also tends to adopt a progressive and innovative approach to new technologies. That's why our initial mandate to our investment advisors will be to invest only in US listed technology stocks.

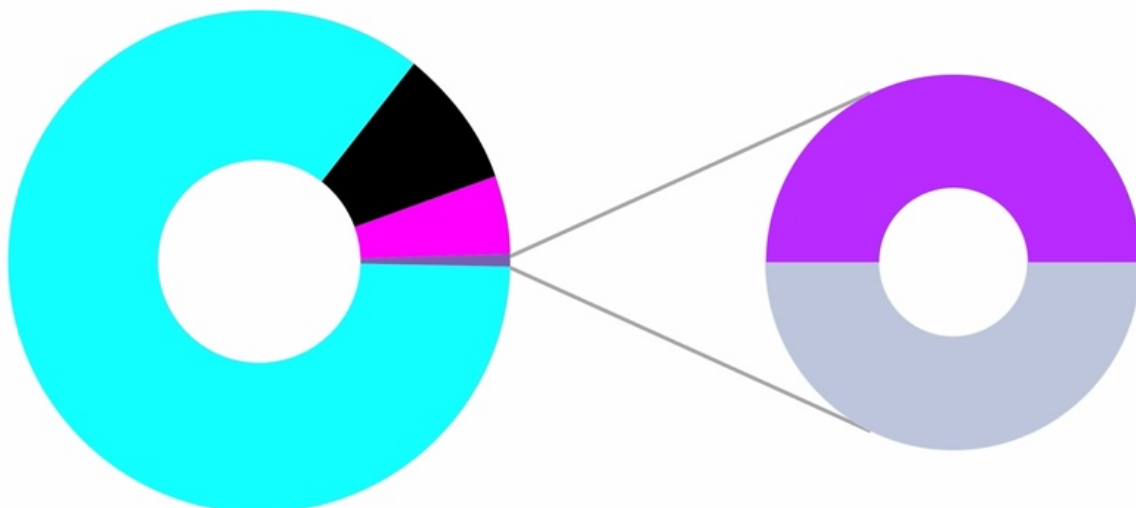
Once our operations have scaled, we will also be appointing PE and VC advisors to make investments on behalf of the Reality Group.

Phase 1 – Indicative Investments held

We anticipate a 12% to 13% return during this phase.

Investment Portfolio

Launch & Phase 1



■ Listed 85% ■ Private Equity 9% ■ Venture 5% ■ Crypto 0.5% ■ Blockchain 0.5%



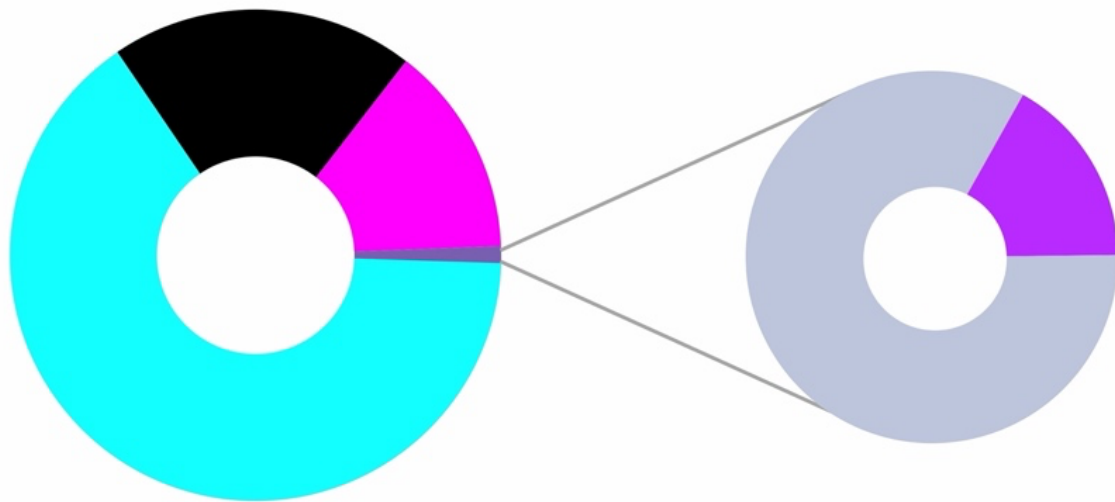
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Phase 2 – Indicative Investments held

The key difference in this phase from a return's perspective will be the potential returns from underlying PE and VC investments.

Investment Portfolio

Phase 2



■ Listed 65% ■ Private Equity 20% ■ Venture 14% ■ Crypto 1% ■ Blockchain 0.2%



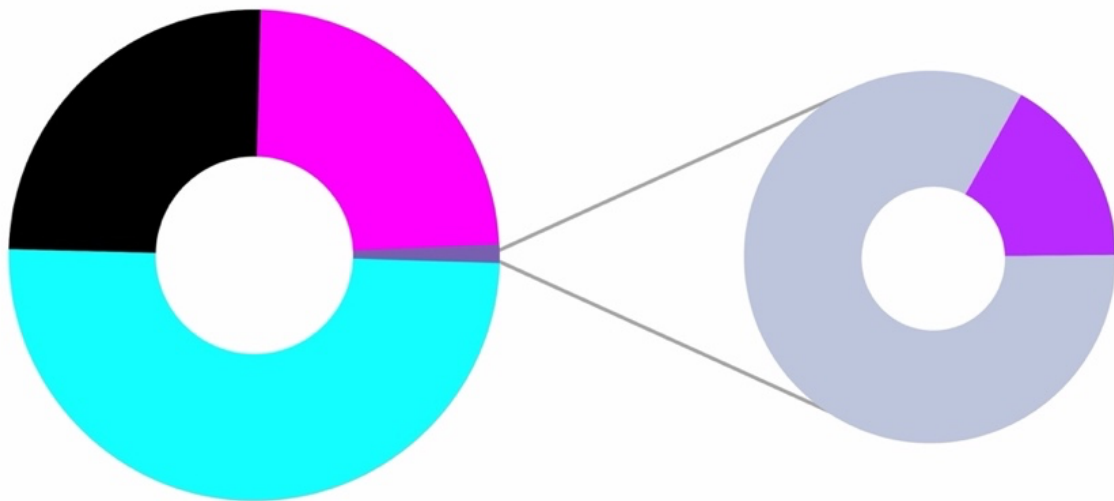
REALITY COMPANY

Phase 3 – Indicative Investments held

Once the Reality Block Exchange has been launched, this will create additional benefits and returns for the Reality Group.

Investment Portfolio

Phase 3



■ Listed 50% ■ Private Equity 25% ■ Venture 24% ■ Crypto 1% ■ Blockchain 0.2%

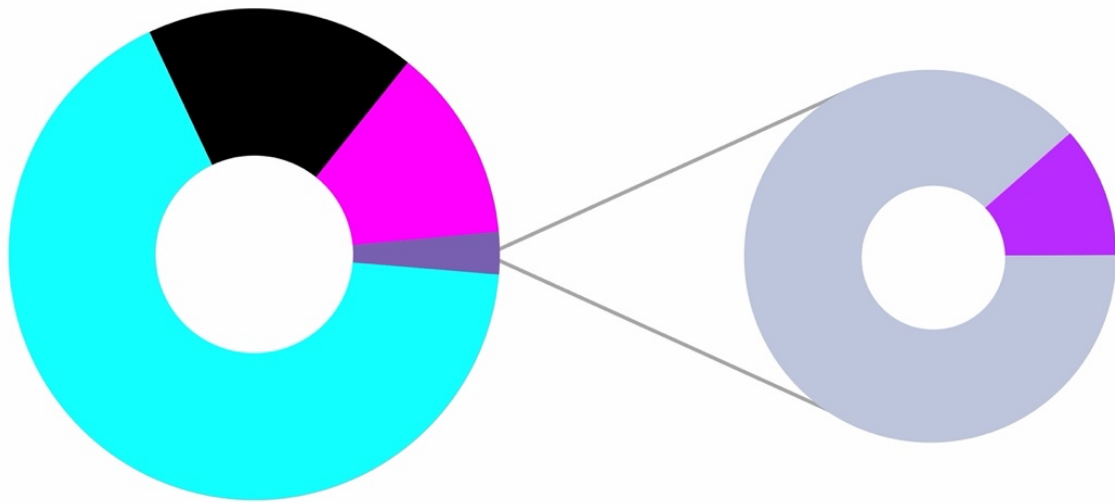


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Total - Indicative Investments held

Investment Portfolio

Total



Listed 67% Private Equity 18% Venture 13% Crypto 2.3% Blockchain 0.3%



REALITY COMPANY

KEY RISKS AND MITIGATION

A few years ago, I (David) had to inspect a mine in a remote area for a few days. By the time I had a chance to look at my stock portfolio, my Steinhoff N.V. stock had plunged from ZAR50,25 to ZAR10 – an 80% reduction in value in about three days.⁸ There are countless people out there who've had the same experience as I have, and have had to watch their holdings take even a steeper nosedive with cryptocurrencies. For example, the value of one Squid Game token on 1 November 2021 went from an all time high of USD2,856.64 to USD0 – all in less than one day. We will do everything we can to try and make sure that the same thing doesn't happen to RLT holders.

The blockchain and cryptocurrency space is rapidly evolving

It seems like every day there is a new country that has implemented new laws relating to cryptocurrency. It's inevitable that this space will become more and more regulated and complicated. That's why we've appointed a team of market-leading and reputable legal advisors to ensure that we comply with applicable laws.

Technical and infrastructure risks

Reality Holdings may experience blockchain infrastructure failures as well as unplanned interruptions in its network or services, hardware or software defects, security breaches or other causes that could have an adverse impact on the Group's operations.

To mitigate these risks: (i) we will host multiple dedicated blockchain nodes in our own server clusters, with failover to other nodes in the event of redundancy; and (ii) our off-chain infrastructure runs on a highly available and secure cluster of servers with backups and failovers. This ensures as little down time as possible.

⁸ By the time that I sold this stock, it had lost approximately 95% of its value.



REALITY COMPANY

Token risks

RLTs will be distributed using multisig wallets. We've taken several steps to mitigate token related risks, including: (i) the token contract being "owned" by a multisig wallet address; and (ii) the multisig wallet being an on-chain multisig smart contract that will require a certain number of on-chain signed transactions to take place before any new tokens are minted and transferred. By requiring multiple individuals and private keys to approve on-chain transactions, we distribute the token risk as multiple private keys will need to be breached to do unauthorized transactions.

Reality Group security risks

We're building our platform with security and privacy at its core. We will always use the highest-grade security to keep RLT holders' data safe. We've also taken the following steps to mitigate security risks:

- we employ white-hat hackers and third-party cyber security solutions to provide a continuous layer of audit and protection;
- we restrict access to our clusters to as few individuals as possible and have enabled multi-factor authentication;
- we routinely conduct software deployments and data backups to ensure that no unauthorized code is run and there are no losses off-chain, or any of our users' private data is lost or stolen;
- all traffic in and out of our clusters is secured by standard TLS encryption security. Further, only necessary servers and endpoints are exposed publicly (any user-facing endpoints needed for the public web and mobile applications);
- we ensure minimal risk to exposed servers by monitoring, logging and white listing traffic

RLT holders' security and privacy risks

Cryptocurrency scams are on the rise. Due to the decentralized and public nature of our blockchain, once we've issued RLTs, unfortunately, there isn't much that we can do if someone fleeces you out of them. Please take steps to ensure that this doesn't happen. For example, by:

- using multi-factor authentication to protect your wallets and public blockchain services and exchanges;
- never re-use your passwords across sites and services;
- always refresh your passwords every few weeks;



REALITY COMPANY

- never share your private key seed phrases and store them offline, ideally on paper and locked away in a safe;
- never click on any unknown links from unknown emails or SMS; and
- never connect to any public WIFI, especially when engaging in any online transactions.

General risks for the Reality Group

- Reality Holdings is dependent on various third party service providers and advisors for the provision of: (i) technical advice, services and support; (ii) corporate governance and maintenance; (iii) legal advice; (iv) investment and financial advice; (v) marketing and advertising advice; and (vi) cloud based services.
- Given that the Reality Group is comprised of real world entities, the implementation of new corporate governance laws may have an adverse impact on the Reality Group.
- Just like any international company, global market and economic conditions could have a material adverse impact on the Reality Group's operating performance and cash flows.
- The Reality Group is dependent in part on the location and storing of data at data centre facilities owned by third parties.
- If the Reality Group's operations and activities are managed ineffectively as it scales, this could have an adverse impact on the ability to maintain the Reality Group's business.



REALITY COMPANY

CO-FOUNDERS AND EXECUTIVE TEAM

Edward Cotterell

Co-Founder and CEO, Reality Company



Edward is an experienced entrepreneur and business developer. He was employed in various capacities at one of the largest privately held logistics and transport businesses on the African continent, for 13 years. He was appointed as a Managing Director for approximately 5 years. During this time, he was responsible for representing and engaging with key stakeholders on an international scale until he left in 2017 to establish his own investment firm with a portfolio representing various sectors.

David Goldberg

Co-Founder



David is an experienced legal advisor. Prior to co-founding the Reality Group, David was an Associate at one of the world's largest and most prestigious law firms. David has extensive experience in general corporate commercial law, corporate governance, mergers and acquisitions, private equity and corporate structuring. David is admitted as an attorney in the State of New York and South Africa. He is also currently requalifying as an attorney in Australia.

David has a Bachelor of Laws degree from the University of Cape Town; a Bachelor of Arts degree majoring in Psychology from the University of South Africa; and a Master of Laws degree from the University of the Witwatersrand.



REALITY COMPANY

CO-FOUNDERS AND EXECUTIVE TEAM

Lorna Richards

Director



Lorna is a director of the Reality Group. She is also the Managing Director of Suntera Digital and has been with the Group since 2004. In 2019, Lorna assumed the management of a portfolio of non-licensed private client structures whilst taking on responsibilities for the Group's digital technologies portfolio and its development in the areas of DLT, cryptocurrency and e-money. She is highly experienced in dealing with corporate administration and has a comprehensive understanding of due diligence and corporate governance requirements. Lorna is also approved as 'Key Staff' with the Isle of Man Financial Supervision Authority and holds all necessary personal approvals and licenses.

Arno Cruywagen

Director



Arno is a director of the Reality Group. He is also a manager in the Suntera digital technologies department and started his career with Suntera in 2014-2016, before returning in 2021. He has seven years' experience in the corporate services field, focusing on corporate governance of client entities and ensuring they are directed and managed correctly. Arno is an Associate of the Chartered Governance Institute UK and holds a Bachelor of Sport Science Degree from the University of Pretoria (South Africa).



REALITY COMPANY

CO-FOUNDERS AND EXECUTIVE TEAM



Heather Cotterell

Chief Marketing & Administration Officer, Reality Company

Heather is a seasoned businesswoman and is currently a director and non-executive director of several companies. She holds a N.Dip in Interior Design from the University of Johannesburg. She is a self-proclaimed "fixer" and enjoys color-coding spreadsheets almost as much as ice-cream.



REALITY COMPANY

EXECUTIVE TECHNICAL TEAM



Jacques de Villiers

Director, Appstrax Technologies

Jacques is a director at [Appstrax Technologies](#) and has been working professionally in the software development space for 10 years. He is passionate about all things tech related and keeps up to date with new technologies both software and hardware related. One such technology is blockchain and he is thrilled to be working with Reality to help bridge the gap between real-world assets and blockchain-based assets.



Ramsey Ramadan

Blockchain specialist, Appstrax Technologies

Ramsey is an education and tech entrepreneur who has been converging his skill sets into the blockchain space for the past few years materializing in a crypto mining operation and a cloud deployment solution for tech startups. He's excited and grateful to be working with Reality to bring a non-digital asset backed token to underserved global investors and enterprises alike. The bridging between digital and real-world assets is happening right now, and Reality Company is closing the gap.



REALITY COMPANY

EXECUTIVE TECHNICAL TEAM



Mikael von Ketelhodt

Director, Appstrax Technologies

Mikael has been in the software development industry for the last 10 years building out custom software solutions in various industries around the world. He is also the director of Appstrax Technology and Code Capsules, a software development agency and Development Application Platform as a Service. Over the past few years, he has engulfed himself in the crypto and blockchain space and is am excited to help bridge the gap between real-world assets and blockchain-based assets by building out the Reality Platform.



REALITY COMPANY

MARKETING TEAM



Kerry Muller

Managing Director, Sidebar International Inc

Kerry is a seasoned creative unicorn with abundant imagination and great creative intuition. She's as observant as she is curious, a risk-taker without fear of failure. She's the type of person you would want by your side when taking a leap of creative faith. She has more than 17 years' experience specializing in UX/UI design, social media marketing and on-air promos.



Carli Schoeman

Digital Director, Sidebar International Inc

Carli gives the term "jack of all trade" a new meaning. She's a design extraordinaire with a quizzical mind and a photographic memory. She brings valuable insights into any brief and project and has a way of conceptualizing thoughts into great executions. This creative walking encyclopedia has been doing digital design, UX/UI, and advertising and branding for more than 14 years.



REALITY COMPANY

MARKETING TEAM

Oliver Huxter

Branding Director, Sidebar International Inc

Olly is a brand whisperer with a flair for everything marketing and advertising. He's an advocate for creative freedom. This global citizen loves dipping his fingers in different creative jars. His wealth of experience spans almost 20 years in motion pictures & audio, print, and web design—social media, branding, conferences and festivals. The globetrotter has worked in Europe, Africa, the Middle East, Asia, and the USA.



Motheo Moleko

Digital Strategist & Paid Media Specialist, Sidebar International Inc

He started his career as a video editor before transitioning into more strategic work. He's obsessive about why customers purchase what they purchase, not just what they purchase. 'In understanding their motivations, we're better able to solve their problems', he says.





REALITY COMPANY

MARKETING TEAM



Deborah Halliday

Tactical PR Lead, Sidebar International Inc

She has vast experience in PR with over 11 years working for industry leading agencies, servicing clients across a broad range of local and international companies consisting of blue chip companies within the FMCG, banking, technology, and entertainment industries.



David Jenkins

Organic and Paid Search Lead, Sidebar International Inc

He has been working on organic and paid search strategy, implementation and optimisation for the past 8 years. His experience is predominantly in the finance and manufacturing sector. Understanding Google Search's role and integrating it into the broader digital marketing ecosystem is his primary focus and strong point which leads to results.



REALITY COMPANY

MARKETING TEAM

Bernadette Wilson

Paid Lead, Sidebar International Inc



She is a creative thinker and digital strategist and have worked in digital marketing since 2002. Whilst her core skills revolve around Google Ads and the Google suite of paid channels, she's embraced LinkedIn for its huge untapped business potential and feels the cellular/mobile revolution is only just beginning. She's worked in large agencies throughout Asia, Europe, Africa and the Americas leading campaigns and teams on global bluechip clients.

Byron Demetriou

Marketing Advisor & 3D animator creator



Byron is an established businessman with his own 3D animation company based in Cypress. Byron has extensive experience in the marketing industry working on international and national brand campaigns on various levels with a keen eye for all design related matters.



REALITY COMPANY

LEGAL ADVISORS

We are continuously engaging with several legal advisors to ensure that we're complying with applicable laws. Some of these are listed below.



LOPES ATTORNEYS INC.



Adams & Adams



REALITY COMPANY

SPECIALIST ADVISORS



Duncan McHaffie

IT & Security, KHANDA-Fi

Duncan has partnered with multiple local and international companies over the last 16 years, with the aim of building solutions for their business that reduce overheads and increase productivity. All of this while maintaining integrity and security for all the data and I.T. needs.



George Michael

Technical Exchange Control Specialist, XConsult

George was appointed as the exchange control manager at Standard Bank's Cape Town International Service Centre in 1990. After 1995 he spent time dealing with capital investments including structuring back-to-back finance transactions using a variety of payment mechanisms. In 2003 George returned to the exchange control field as Standard Bank's Manager for the Western Cape. George has now recently retired from that position.

George has an extensive knowledge of exchange control and foreign exchange including documentary credits and collections, guarantees, specialized trade and letters of credit.

George has now joined XConsult and will concentrate on corporate and business exchange control matters including foreign loans, cross-border transactions, service agreements, sales agreements, foreign loans and foreign direct investments.



REALITY COMPANY

SPECIALIST ADVISORS



Neethling van Heerden

Partner Corporate, International & Mining Tax, Renmere

Neethling specialises in transaction structuring and corporate and international tax advisory. He is a qualified chartered accountant holding a law degree and master's degree in taxation and previously practiced as a corporate tax and transaction advisory specialist at one of the Big 4 accounting firms. Prior to joining Renmere in 2017, Neethling functioned as head of finance and taxation at a prominent mining group.

Neethling's clients include listed and unlisted corporates and high net worth individuals and his focus areas include acquisition and divestment structuring, corporate reorganisations, funding structures as well as mining tax and mineral resources royalties.



REALITY COMPANY

SCHEDULE A: LEGAL CONSIDERATIONS AND DISCLAIMER

PLEASE READ THIS SECTION CAREFULLY.

INVESTING IN CRYPTOCURRENCIES AND DIGITAL ASSETS CAN BE HIGHLY SPECULATIVE. WE RECOMMEND THAT YOU OBTAIN INDEPENDENT LEGAL, FINANCIAL, TAX, EXCHANGE CONTROL AND OTHER PROFESSIONAL AND TECHNICAL ADVICE BEFORE DECIDING TO BUY A REALITY COIN.

We also recommend that you read the Reality Group's terms of use before purchasing a Reality Coin (RLT), accessible on our website.

This schedule (**Schedule**) applies to the white paper (**White Paper**) to which this schedule is attached as Schedule A and any information on the Reality Group's website and mobile application (**Platform**).

This schedule contains the terms and conditions relating to: (i) your use of this White Paper and any and all information on the Platform; (ii) your decision to participate in the sale of any RLT; and (iii) any updated version of the White Paper that we may publish from time to time.

Reality Holdings Limited does not recommend purchasing RLTs for speculative investment purposes.

The information contained in this Schedule is not exhaustive and does not imply any elements of a contractual relationship. While we make every reasonable effort to ensure that all information: (i) in this White Paper; and (ii) available on the Platform, is accurate and up to date, such material in no way constitutes professional advice.

By purchasing an RLT, you acknowledge, understand and agree that: (i) holding RLTs is not a guarantee, representation or warranty that the holder will be able to use RLTs, Reality Holdings Limited or Reality Investment Holdings Limited; (ii) you are not purchasing RLTs for purposes of investment, speculation, for the purposes of arbitrage or immediate resale or any other financial purpose; (iii) the purchase of an RLT is final and non-refundable; (iv) other than as set out in this White Paper or on the Platform, RLTs do not entitle you to any equity, corporate governance, dividends, voting rights or any other entitlements in respect of any entity in the Reality Group.

RLTs are digital assets. We strongly suggest that you take the steps set out on pages 33 and 34 above to protect your RLTs.



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Citizens, nationals, residents and/or green card holders of jurisdictions that prohibit the possession, dissemination or communication of this information and/or prohibit participation in the sale of RLTs or any similar activity or any other restricted persons are not permitted to participate in the sale of RLTs.

No entity in the Reality Group, nor any of its representatives, employees, directors or professional advisors be liable for any loss of whatsoever nature that you may suffer as a result of purchasing an RLT or utilizing the Platform.

None of the entities comprising the Reality Group make or purport to make any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy or completeness of any of the information contained in this White Paper or on the Platform.

Please note that we may need to update this White Paper to take into account: (i) policy and regulatory developments; (ii) additional advice obtained from our service providers and legal advisors; (iii) new developments relating to the Reality Group; and (iv) any other items that we consider to be relevant.



REALITY COMPANY

HOW TO STAY UPDATED OR GET IN TOUCH?

Reach out anytime to hello@realitycompany.tech.



#REALITYREVOLUTION