

PUBLIC BUYBACK FUND



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How can we be sure the funds are safe?

We have worked hard to create a safe environment using the expertise of **Openingchain.org**. It's a project created by Inlea Foundation to guarantee full transparency and public visibility of the **Public BuyBack Fund** for the token holders.

- 1 Inlea Foundation** is an independent party, not controlled directly or indirectly by the Company. Inlea Foundation has been hired to monitor and publicly expose, denounce any irregularity that goes against the service contract act established between the Company and the Foundation. It's in full interest of Inlea Foundation to cooperate with public authorities if the Company does not collaborate or comply with the obligations set by the Company when it engaged into the OpeningChain project.
- 2 Multisignature cold storage accounts:** Funds are kept in 2 of 2 multisig escrow accounts. The type, the amount, the number of the crypto currency wallets will be decided by the Company. Both Foundation's and the Company's approval is needed to unlock the funds. This reinforces an appropriate spending policy.
- 3 Monthly report publishing:** All Inlea Foundation's reports and additional information can be found on its website **<https://www.openingchain.org>** (see previous topic).

Why do we need a Public BuyBack Fund?

We think the BuyBack program will incentivize the Pungo token wider adoption and usage. All our other projects will benefit from it. The token holders can have the certainty that **Pungo token** has solid ways of acquiring value over time through a safe, transparent and rigorous approach.

Who can request a token BuyBack?

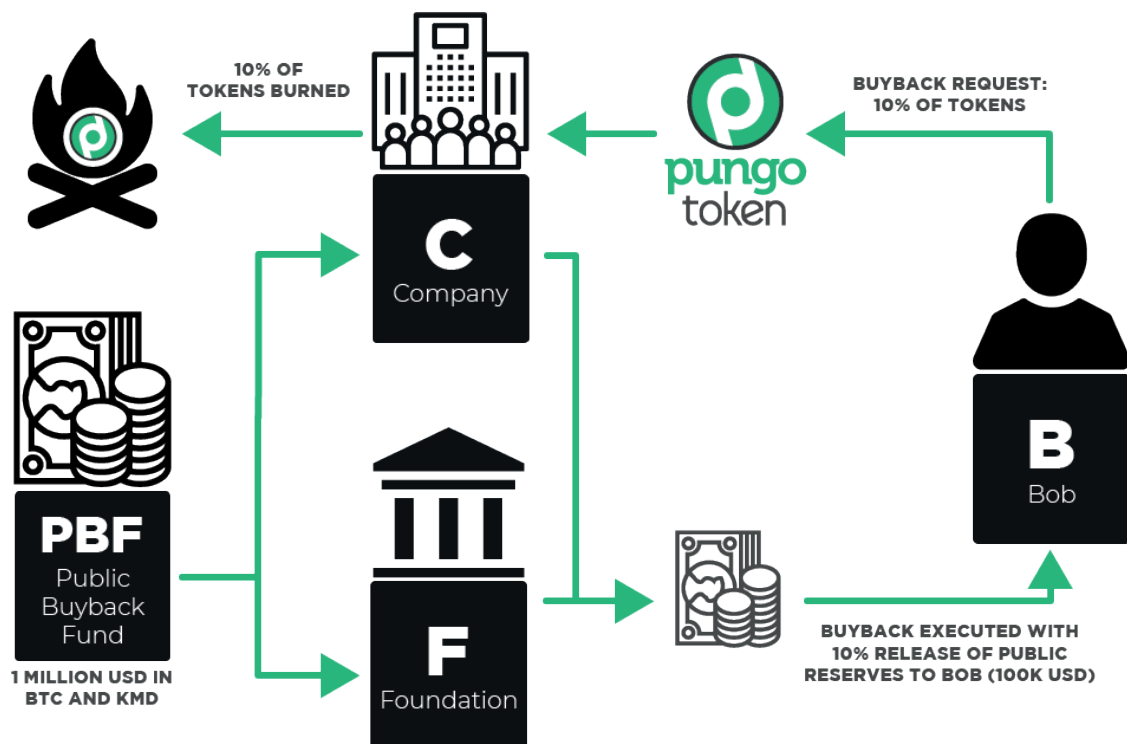
Anyone holding Pungo Tokens, from any country where it is legally allowed to own and sell cryptocurrencies, can request the Foundation to have their Pungo tokens bought back by the Company. We call this procedure a **Token BuyBack request**.

How does a Token BuyBack request work?

The process should follow these steps:

- 1 The token holder contacts the Company / Foundation to initiate a new Token BuyBack Request. For this purpose several channels are being set up on the Company's and Foundation's websites.
- 2 A KYC process of the token holder, a purchase agreement offer and acceptance are required.
- 3 Once the transaction is confirmed, the Company sends the Foundation all the information regarding the trade for verification.
- 4 The Foundation reviews the purchase agreement act and if correct it allows the withdrawal from the Public BuyBack Fund.
- 5 The received Pungo tokens are burnt while the Token holder receives his payment.
- 6 In case the Token BuyBack Request is not accepted by the token holder or declined by the Company / Foundation, the Pungo tokens will be returned to the token holder's initial address.

Buyback request example:



The overall process shall take no more than 30 days, if the token holder fulfills diligently all the different steps of the process.

How is the price settled in a Token BuyBack request?

The price for each Pungo token bought by the Company during a BuyBack Request will always be set using the following formula:

$$\text{Token Price} = \frac{\sum \text{Buyback Public Fund}}{\text{Distributed Pungo tokens}^*}$$

***Distributed Pungo tokens** = All Pungo tokens - Undistributed Pungo tokens**

****Undistributed Pungo tokens** = *Those Pungo tokens hold by the Company while not distributed to partners and collaborators*

This is the final price independently of the price at which the Pungo Token is being traded for in other cryptocurrency markets or OTC deals.

When a BuyBack is executed by the company and the Foundation will settle the price in real time.

What are the lower and upper limits of a Token BuyBack request?

The minimum value of a token BuyBack request will be of 1.000 USD worth. Lower amounts will have to be traded independently in OTC or cryptocurrency markets where Pungo Token is listed. This happens because the Buy-Back mechanism is created mostly as a way to maintain token value and liquidity rather than dealing with low-value operations.

There is no maximum limit. Up to 100% of Pungo Tokens can be bought back. 100% of the funds can be used for a BuyBack.

What cryptocurrency is the Buy-Back executed in?

The BuyBack payments received by the Pungo token holder will be executed as follows:

- No fee will be charged if the payment is done in a cryptocurrency established by the Company and the Foundation.
- Additional fees will be charged and deducted from the total amount to be paid to the token holder in case holder desires the payment to be done in a different cryptocurrency other than the one proposed by the Company.
- Additional fees will be charged and deducted from the total amount to be paid to the token holder in case holder desires the payment to be executed in FIAT rather than in the cryptocurrency proposed by the Company.

How is the relation between the Company and the Foundation regulated?

The Company and Inlea Foundation have established a Service Agreement Act. The Company participates in the OpeningChain Project launched by the Foundation for audit, transparency and security purposes. The Opening Chain Project also provides a set of services and exploration activities associated to Blockchain technology and new digital businesses. More information of the Foundation Openingchain project in its website: <https://www.openingchain.org>



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