OTN FOUNDATION PRESS RELEASE

HISTORY OF DEVELOPMENT

Open Trading Network was planned at the time when the whole world was enchanted by decentralized technologies. People could see that any technology which is decentralized can be cheaper, transparent and function better. Mere ideas which claimed they will use blockchain in the process of realization got vast sums of money at the initial stage of the project. The majority of the investors either believed in this "magic" of decentralization or thought they could draw away e rights for this technology for a bigger price than they initially paid.

The idea and the product of Open Trading Network is based on the assets' tokenization. Digital or physical asset is tokenized within the OTN network and can be exchanged to any other tokenized asset. In this network the dPoS block confirmation mechanism was used. It's much faster than mostly spread PoW mechanism.

Since IQOPTION is creating a trading platform, the company decided to distribute some part of the emission amongst IQOPTION traders at no charge. The other part was distributed among the employees of IQOPTION in the exchange to the financial support of the first version of the product created for the clients of the company (traders).

Thus, the traders got OTN-tokens which they could exchange to the OTN-coins when the network starts functioning and could use them to make payments within the network. OTN-tokens were actually sold on the secondary market right away, in other words, those traders who got them for free could sell the tokens for the real money. However, the price which rose drastically should have been corrected up to the real value determined by the demand for the services of such network.

Soon after the main OTN network was launched, it turned out that only around 33% of the whole amount of tokens was exchanged to the coins, and the transactions within the network are barely performed by the clients.

Put in other words, tokens which were given for free turned out to be non-demanded and the product, which took a lot of time and effort, missed the expectations either. Probably, the reason was that initially the tokens were given to the clients for free.

Since the network doesn't live its own being, current coin holders (the owners of the network) should determine its future.

The system should either be turned into something highly-demanded and will continue existing or the development should be stopped.

That is why we organize the selection of ideas and suggestions regarding the network's development. The owners of the coins should vote for the future of the OTN project.

OTN Foundation didn't carry ICO and didn't sell tokens on a secondary market; the main idea was to create a network for decentralized asset exchange. It is worth noting, that IQOPTION employees got the coins only after the network was launched.

We understand that there are clients who bought the tokens on a secondary market, however, IQOPTION should emphasize that these tokens were given to the traders for free, and were bought by some clients for the speculative purpose, so that they could sell them for a higher price. Moreover, OTN-tokens were merely bought for making transactions with tokenized assets.

DEVELOPMENT STRATEGY

1. IQOPTION accomplished the planned tasks, amongst others:
- developed and launched the network;
- gave out the tokens to the potential traders.

Those tokens which were not given out to the traders will be sent back to OTN Foundation wallet.

2. At the moment, OTN holders are to determine the future of the project.

3. A contest with the prize of 5 000 000 OTN-tokens is announced. Each participant fills in the <u>form</u> and states the White Paper plan, points out programming and financial resources and the wallet address where the votes should be sent to.

The contest continues for 3 months, after that the results are counted.

4. An open voting is held within the community:
- all the wallets with positive balances are considered as participants; these wallets should be registered before 11.01.2019. Each wallet has 1 vote, disregards the balance of the wallet. The total amount of such wallets is 573. In order to avoid the driving up the numbers of the votes, all the wallets registered after 11.01.2019 will not participate in the voting;
- in order to win, the plan should get at least 200 votes;
- each request mentions the wallet where each voter sends a minimum amount of OTNs (0.0001), thus, the vote will be considered as a valid one;
- one wallet can vote for one plan only once;
- at the same time, one can vote for several plans of the future development.

5. If the decision was made via voting, the participant gets 250 000 tokens each month after sending the progress report. Note that the voting will be held within 3 days each time the report is sent.

6. If the decision is not made, and the new development plan is not chosen (*OTN holders were insensate of the project's future*):
    - current nodes go offline;
    - the whole code is left publicly available at GitHub.

The proactivity of the community may really change the future of the project now. We are ready to cooperate and support good innovative ideas.