



LEXIT

THE BUSINESS MARKETPLACE FOR EVERYONE

POWERED BY BLOCKCHAIN TECHNOLOGY

A Distributed Intellectual Property
and Company Mergers & Acquisitions Marketplace

June 2018

Important Notice

This document and information contained herein may not be sent and or addressed wholly or in part, directly or indirectly, to any person in the United States or Singapore, or any other jurisdiction in which it would be impermissible or otherwise restricted to offer, distribute, purchase, sell or retain cryptographic tokens.

PLEASE READ ALL PARTS OF THIS NOTICE CAREFULLY. THIS WHITEPAPER IS TO BE READ IN CONJUNCTION WITH THE TOKEN SALE AGREEMENT AND ITS TERMS AND CONDITIONS TO BE SUPPLIED.

All definitions contained in this notice shall bear the same meaning as provided in the Whitepaper unless stated otherwise.

The LEXIT Token (LXT) is not intended to constitute:

1. securities in any jurisdiction,
2. currency of any kind,
3. stocks, shares or debentures,
4. units in a collective investment scheme or business trust,
5. equity in an investment fund.

Any regulation or legislation applicable to securities or to any of (1 to 5) above will not be applicable to this Whitepaper and the LXT ITO. This Whitepaper does not constitute a prospectus or offer document, nor is it an offer of securities or an attempted solicitation for investment in securities in any jurisdiction. This Whitepaper and the LXT ITO have not been approved by any regulatory body in any jurisdiction. It should not be assumed that the Whitepaper and the LXT Token Offering comply with any laws, regulation or legislation of any jurisdiction.

The purchase of the LXT and participation in the LXT token offering is inherently risky. No warranty, guarantee or undertaking is made by LEXIT and/or the distributors of the LXT regarding:

1. the performance of the LXT,
2. the performance of the assets underlying the LEXIT business or the LXT token purchase,
3. the accuracy of the information contained in this Whitepaper,
4. the accuracy of the financial or other projections contained in this Whitepaper.

The law and regulation of token offerings is in the process of development and review in most jurisdictions. This lack of clarity surrounding the law and regulation further increases the risk associated with the LXT purchase. As a potential purchaser, it is assumed that you have familiarized yourself with the underlying technology and workings of token purchases, blockchain technology, digital wallets and cryptocurrency.

It is assumed that, as a potential purchaser, you have knowledge and understanding of the foregoing and that you have familiarized yourself with the risks associated therewith.

Any agreement between you and LEXIT and/or any distributor, in relation to the sale and purchase of the LXT will be governed by a separate Token Sale Agreement setting out the terms and conditions of such agreement. In the event of any inconsistencies between the Token Sale Agreement and this Whitepaper, the Token Sale Agreement shall prevail. To the maximum extent permitted by the applicable laws, regulations and rules, LEXIT and/or any distributor shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income, personal savings or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you and any purchase of the LXT tokens by you.

As a potential purchaser of the LXT you agree and acknowledge that:

1. You are recognized as an Accredited/Sophisticated/High Net Worth Individual/Investor in your home jurisdiction.
2. The purchase of LXT is inherently risky.
3. The law and regulation in relation to token offerings, cryptocurrency, digital wallets and blockchain is in the process of being developed and reviewed in most jurisdictions.
4. LEXIT and/or any distributor give no representations, warranties or undertakings regarding the success of the LXT token offering, the underlying LEXIT business, the accuracy of the information and accuracy of the financial and other projections contained in this Whitepaper.
5. To the full extent permitted by the applicable laws, regulations and rules, LEXIT and/or any distributor shall not be liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income, personal savings or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you and any purchase of the LXT tokens by you.

LEXIT is committed to providing a safe, compliant and reputable service to our customers. For this reason, LEXIT insists on a comprehensive and thorough Know Your

Customer (KYC) and anti-money laundering (AML) / combating the finance of terrorism (CFT) compliance implementation. This includes the monitoring of suspicious transactions and obligatory reporting to local regulators and other compliance bodies. Our policies in this regard differ depending on the country of origin of which our clients are located. The specific AML/CFT and KYC policies as per regional jurisdiction are located in the terms and conditions of the Token Sale Agreement. Our compliance framework ensures that regulatory requirements are being adhered to at both a local and global level, instilling a level of trust and ensuring LEXIT will continue operate

uninterrupted. LEXIT reserves the right to refuse to offer LXT to persons from or in jurisdictions that do not meet international AML/CFT standards or could be considered as a Politically Exposed Person.

Table of Contents

1. Introduction: A New Frontier for M&A Transactions	6
2. M&A Opportunities and Challenges	7
Why Do Companies Undertake M&A Transactions?	7
What Are the Barriers to Accessing the M&A Market?	8
Pricing Is Difficult	9
Counterparties and Experts Are Not Easily Accessible	9
Transaction Costs Are High	10
Intellectual Property Challenges	11
3. The LEXIT Ecosystem.....	12
The LEXIT Platform: Our Marketplace and Deal Room	12
The Marketplace.....	12
The Deal Rooms	13
The Role of Blockchain Technology	13
Our Technical Approach	14
The Participants	16
Sellers and Buyers	16
Assessors	17
Anti-Fraud Detection Team	18
Outside Service Providers.....	18
LEXIT Global Partners	18
External Partners.....	19
4. The LEXIT Token	20
5. A Glimpse into LEXIT's Future.....	22
Third Party API	23
LEXIT Market Predictive Artificial Intelligence (MPAi)	23
6. Next Steps	24
7. Closing Remarks	25

1. Introduction: A New Frontier for M&A Transactions

Mergers and acquisitions (M&A) provide organizations, both large and small, with an opportunity to accelerate strategic growth. By purchasing another company, an acquirer can gain access to critical research, intellectual property, human capital, and other assets at a much faster rate than could be achieved in-house.

However, at present, the M&A process is flawed and outdated. According to the Small Business Administration, roughly half of US businesses with employees fail within five years.¹ When businesses fail, they often take their hard-won knowledge, technologies, and human capital down with them. To date, there has not been an efficient way for sellers to find buyers who can carry the torch of a faltering business. In turn, buyers usually do not have a consistent source of deal-flow outside of their inner circle. Furthermore, even when a buyer and seller do manage to find each other, the process itself is unjustly complex, involving batteries of corporate lawyers, investment bankers, financial advisors, appraisers—all of whom come at a high cost.

All of this adds up to an enormous barrier to entry for the average company that, under other circumstances, might have been an attractive acquisition target if only it had access to the right buyers and expertise. For this reason, we believe that it is time to bring the business marketplace into the 21st century.

Just as eBay revolutionized peer-to-peer commerce and Airbnb brought aggregation platforms to the forefront, LEXIT will bring increased efficiency and liquidity to M&A transactions, all within one secure space. We do this in the following ways:

1. With a **marketplace** that brings buyers and sellers together, giving them global access to assets and opportunity;
2. Through the addition of **assessors and field experts** who help appraise assets;
3. With a **secure, digital deal room** where transactions are finalized quickly;

¹ Small Business Administration, "Do economic or industry factors affect business survival?" June 2012

4. With an **international network of business partners**, to extend reach and promote communication;
5. By utilizing **blockchain technology**, for its security and transparency;
6. And through **token economics**, to incentivize and drive engagement.

By knocking down the barriers of the past, LEXIT enables M&A transactions to close more quickly, at an estimated quarter of the cost. Entrepreneurs are empowered to discover the true value of their assets in a dynamic and highly liquid marketplace, without having to bear excessive fees. By establishing an efficient market for corporate assets—including patents and intellectual property (IP), we are making these transactions as accessible as real estate transactions have become thanks to online property marketplaces.

Simply put, LEXIT aims to make today's mergers and acquisitions as uncomplicated, seamless, and lucrative as ever by revolutionizing the way these transactions take place. The increased liquidity and market-efficiency will promote innovation and support growth, while reducing costs and risk for all parties involved.

2. M&A Opportunities and Challenges

From small local businesses to innovative start-ups to billion-dollar corporations, a wide range of actors can benefit from participating in an M&A transaction. However, these transactions are not always accessible to those without the right resources or connections. Before addressing how LEXIT intends to change this, it would be useful to describe the current M&A environment.

Why Do Companies Undertake M&A Transactions?

Mergers and acquisitions allow ventures that are fledging or struggling to find support while giving established companies the opportunity to attain the tangible or intangible assets that enable them to reach greater heights. It is often easier to obtain a license,

patent, or source code from outside of the company than to utilize valuable hours and funds to perform research and development from within. The acquisition of a local company, specialized start-up, or innovative technology can help an established company enter new markets more quickly than if that company attempted to expand organically.

For example, a manufacturing company may need a new customer service division for its operations. Because customer service is likely not to be a key competency of a manufacturing company, inorganic growth could save time and resources in this case. By sourcing this division from another company and bringing it completely in-house, the manufacturer can remain focused on its primary task while also accessing the benefits of a thoroughly integrated customer service capability. However, such benefits are not limited to human or physical assets. In fact, a significant portion of the M&A market includes intellectual property like patents, trademarks, and open and closed source code as well as other intangible assets like rights and licenses. Such acquisitions can greatly increase a company's ability to operate and innovate.

From the perspective of the acquisition targets, these transactions can provide the financial and legal resources needed to continue their work. For example, a larger company can offer the financial support that a cash-strapped venture might need to survive. In the case of a small company that owns intellectual property, having access to legal resources is essential. This is because individuals and small companies often find it prohibitively expensive to assert their IP rights in a court of law—especially if they are up against the legal teams and deep pockets of experienced corporations. In these situations, it makes sense to be acquired by a larger company that can better protect the intellectual property.

It is therefore clear that there are a range of benefits for both buyers and sellers in M&A transactions. When more participants are able to take part in such activity, a healthier business environment is created for all. Unfortunately, as outlined below, access to this market is often restricted for a variety of reasons.

What Are the Barriers to Accessing the M&A Market?

What we think of as modern M&A activity has existed since the late 19th century.² As would be expected from anything that has been around for over 100 years, the M&A process is in need of an update in order to better serve the requirements of today's buyers and sellers. At present, the internet, coupled with blockchain technology, is moving the world toward more decentralized, democratized ways of doing business. Archaic systems powered by opaque negotiations, powerful inner circles, and high costs are quickly becoming outdated.

Pricing Is Difficult

One of the most taxing parts of an M&A negotiation is arriving at an acceptable valuation. Buyers want to ensure that they are not overpaying while sellers are naturally angling for the highest reasonable price. Without proper guidance, either end of an M&A transaction could have unrealistic expectations that sour the deal. Sometimes it is the zeitgeist of the moment that can lead to poor valuation decisions. The brains behind a trendy new technology may demand a premium that turns out to be unjustified by the time the deal is ready to close. Other times, benchmarking off of similar past transactions can blind acquirers to the unique opportunities in front of them. An acquirer may miss out on the next big thing if they do not have a clear vision of the future and how the target could contribute. There was a time when Yahoo declined to buy Google for \$1 million and then later for \$5 billion. As of May 2018, the market cap of Alphabet, Google's parent company, stood at over \$750 billion.³ Such anecdotes reveal the difficulty of putting a price on innovation, especially when shackled to outdated ways of doing business.

Counterparties and Experts Are Not Easily Accessible

In today's M&A marketplace, a lack of connections can put either side of the transaction at a disadvantage. From discovering transaction opportunities to ensuring the company's interests are well represented, the old system often requires an inner circle of experts who can guide the process. The system shows its age particularly when it comes to connecting M&A buyers and sellers, with both buyers and sellers often relying on individual contacts to find the counterparties to their transactions. In addition to

² Sudi Sudarsanam, "Creating Value from Mergers and Acquisitions, the Challenges," 2003

³ Nasdaq, accessed 25 May 2018

contacts, the parties can also contract professional services firms for this task. In both cases, the search for potential counterparties is often limited to the address books of the participants—a constraint that artificially restricts the potential of the transaction. The process is also unnecessarily lengthy and tedious, and a match might not be made simply due to a lack of exposure to the right contacts. As a result, the current, antiquated system can lead to a waste of time, effort, and money.

Furthermore, while M&As are often associated with large corporations, smaller M&As are responsible for a considerable amount of annual transaction volume. Midrange M&A transactions represented a total volume of \$3.6 trillion across 49,000 transactions in 2016 alone.⁴ Despite this impressive transaction volume, smaller companies often lack the resources and experience to navigate the complexities of the process in the best way possible. This process includes confidential disclosures and legal minefields in which slight wording variations can cause drastic differences in meaning with equally drastic outcomes. It can be difficult for an inexperienced company to navigate this rigid, esoteric system without the right guidance, yet the right guidance is hard to find.

Transaction Costs Are High

The right guidance is also expensive. Transactional costs represent a significant barrier to M&A participation for small businesses and startups, which are often cash-strapped. A 2018 report by Forbes indicated that 2017 saw the highest accumulation of M&A advisory fees for its top five banks—\$10.2 billion—since the record-breaking number from 2007—\$11.3 billion. The report also cites that M&A advisory fees for the largest US investment banks are steadily rising—from 2008 to 2014 the average figure was \$1.8 billion, and in 2017 the figure sat at a staggering \$2.55 billion.⁵ Investment banks typically keep quiet about fees collected per individual transaction; however, a success fee ranging from 1% to 8% of the target company's enterprise value is not unheard of—and the smaller the company's value, the higher the percentage.

These figures do not even take into account the myriad of lawyers, accountants, and other professionals needed to successfully close a deal. A traditional M&A transaction usually takes up to two years to close—from the day the acquirer discovers its target to the day ownership is transferred. The length of process is therefore a major deterrent

⁴ Harvard Law School Forum on Corporate Governance and Financial Regulation, "2017 M&A Report," 1 Jun. 2017

⁵ Forbes, "How Much in M&A Advisory Fees Did the Largest U.S. Investment Banks Earn in Q1?" 30 Apr. 2018

for those considering the M&A route as these companies must bear multiple years' worth of transaction costs before receiving any payout.

Intellectual Property Challenges

In addition to the M&A challenges faced by companies in general, there are also a number of issues that are specific to IP-related transactions. Because of the intangible and sometimes inscrutable nature of intellectual property, it can be particularly difficult to discover and value these types of assets.

Discovering Unused IP – Due to the illiquid nature of current IP markets, a considerable amount of intellectual property is left unused across the world. Small and midsize companies, individual inventors, and universities often lack the knowledge, the legal expertise, and the financial resources to engage with the opaque IP market. Rather than actively look for buyers, these creators prefer to focus on the research and development of their technologies. They also prefer to avoid the risk of litigation against large corporations with extensive legal and financial resources. Since large amounts of IP are held by smaller IP market participants, resources are wasted when intellectual property from this group goes unused. In cases where these smaller projects are abandoned, the IP simply goes to waste and is never discovered by larger organizations that could devote resources to fully realizing the potential of the technology. Even when promising IP is identified by a large organization, oftentimes the IP owner cannot be located, so no transaction can take place.

Valuing IP – Illiquidity of the IP market can also be attributed to the frequent inability of an IP owner to determine the value of the IP asset. Correspondingly, potential buyers sometimes lack the deep understanding required to fully assess the function and value of the target asset. These challenges are compounded by the fact that certain patents can meet the formal requirements for issuance but still lack the precise technical description that is necessary to appraise their potential. As a result, both sides of the transaction need experts with transactional and industry expertise to analyze the IP's potential and compare it to similar past transactions.

3. The LEXIT Ecosystem

The abovementioned challenges are symptoms of an imperfect market. Pricing difficulties, the need for expert guidance, and high transaction costs all contribute to the M&A market's lack of accessibility. With this in mind, LEXIT endeavors to break down the barriers to M&A so that even those individuals and companies that, in the past, were not traditional participants can now access the benefits of M&A transactions. We do this via a platform that consists of a Marketplace and a Deal Room and is underpinned by blockchain technology. Our ecosystem—which facilitates the participation of buyers, sellers, experts, LEXIT Global Partners, and external partners—has been designed to open up M&A opportunities to any individual or entity, no matter how large or small.

The LEXIT Platform: Our Marketplace and Deal Room

The Marketplace

LEXIT is launching the first global M&A marketplace. Our Marketplace will increase accessibility to global M&A opportunities by allowing sellers of any kind to create auction listings for their companies and IP. LEXIT is free to join, but there is a small listing fee for each auction. Then, acquirers of any size can browse these auctions—eliminating the need to scour the globe and exploit personal contacts for promising counterparties. Once sellers post their listings, buyers can either browse through all the sell offers or search for offers with specific attributes, like industry or location. After receiving bids, the seller makes the final decision regarding which bid to accept. Buyers can also communicate with sellers before bidding in order to get more information about the listing.

Throughout the Marketplace phase, both buyers and sellers can obtain support from LEXIT platform experts as described in the “Participants” section below. In addition, we will explore ways to incorporate artificial intelligence that evaluates patterns in IP—in order to provide automated information about a listing's potential value. After the seller accepts a buy offer, the transaction transitions to the Deal Room phase.

The Deal Rooms

Our virtual Deal Rooms are secured spaces where non-disclosure agreements are signed, terms are negotiated, and transactions are finalized. Since Deal Rooms will hold confidential documents containing trade secrets, robust security frameworks will be used to reduce risk of breach. Access to each Deal Room will be tightly controlled, open only to the relevant buyer, seller, and selected experts. These experts can be invited to Deal Rooms as described in the “Assessors” section below.

Traditionally, M&A negotiations have revealed the extent to which a power imbalance exists between sellers and buyers—whoever controls the most resources also controls the deal. In contrast, LEXIT aims to level the playing field by giving all participants the same access and guidance. We will achieve this by maintaining a pool of experts who are on hand to participate in the Deal Room. Instead of gaining advantages simply by being a larger organization, participants will gain advantages by being good actors in the ecosystem. By gathering data on deals that take place on the platform, LEXIT will build track records for each party involved—buyers, sellers, and assessors.

While a traditional M&A transaction can take up to two years from start to finish, purchase agreements on LEXIT can be finalized and signed within 12 weeks. Thanks to this increased efficiency, transaction costs can be dramatically reduced. In addition to the reduced costs for transactional expertise, participants will only be charged a service fee to use the LEXIT platform. This service fee is a fraction of the traditional success fees charged by investment banks. As a result of these lower costs, along with our platform’s convenience, the circle of potential M&A participants is widened to include those that were until now excluded from the market due to the high barriers to entry.

The Role of Blockchain Technology

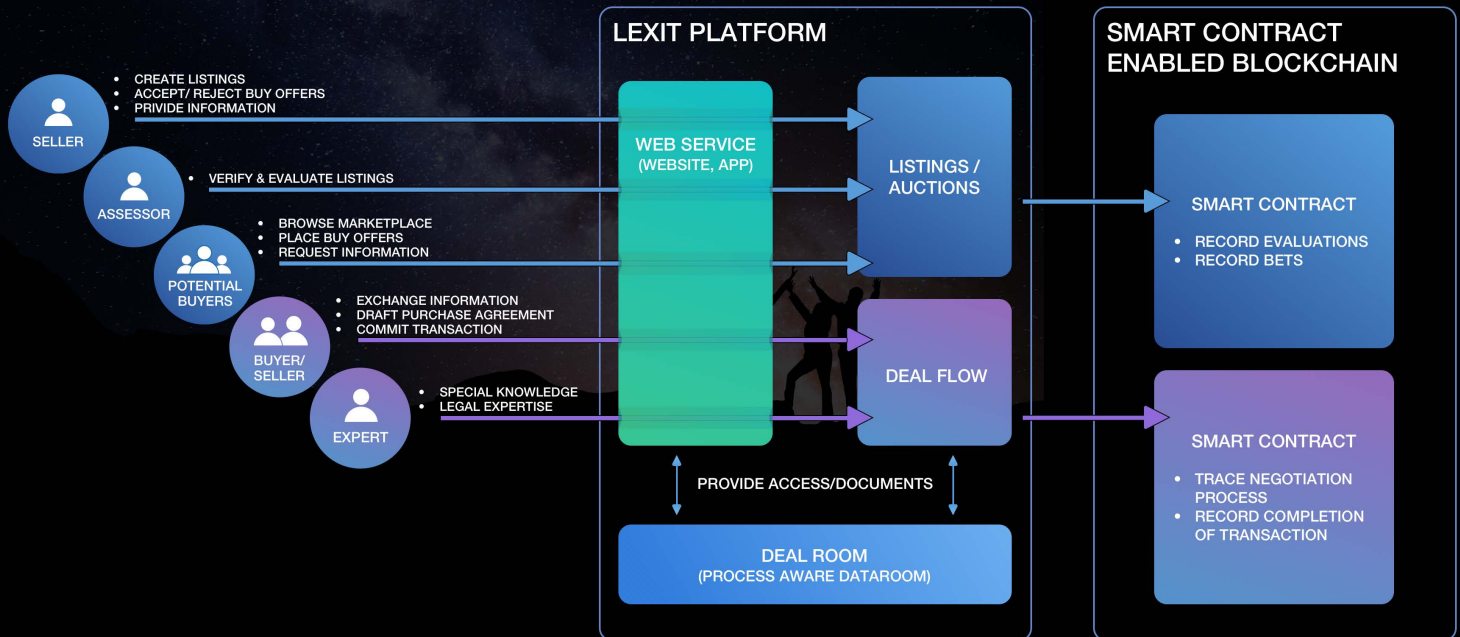
Because LEXIT brings together complete strangers from around the world to undertake high-value transactions, these transactions must be completed in a way that makes trust irrelevant. It is not reasonable to expect these strangers to trust each other, so the concept of trust must be done away with completely. Blockchain technology makes these kinds of trustless transactions possible.

Valuations, bids, and transaction volumes will be immutably recorded on the blockchain via smart contracts. When transactional data is stored on a tamper-proof, immutable shared ledger, platform security and transparency are increased. Moreover, smart contracts eliminate the need for contracting parties to trust each other. Because smart contracts self-execute automatically, users across the world can conduct large transactions without worrying about breach of contract. Additionally, in order to keep transactions as cost-efficient as possible, the P2P transactions offered by blockchain technology and LEXIT's internal cryptocurrency eliminate third-party processing fees. This can help to reduce transaction cost and increase transaction speed. LEXIT's architecture allows smart contracts to communicate seamlessly and securely with the platform's webservice and business logic. This includes a sophisticated, searchable database to enable buyers to quickly and accurately identify a comprehensive universe of acquisition targets.

Our Technical Approach

On the LEXIT platform, both proven and pioneering systems will coexist. We incorporate established technologies (databases, web development frameworks, and smart phone apps) with innovative technologies (blockchain with smart contracting capabilities) aimed at a common goal: to help establish trust among interacting parties throughout all layers of the platform.

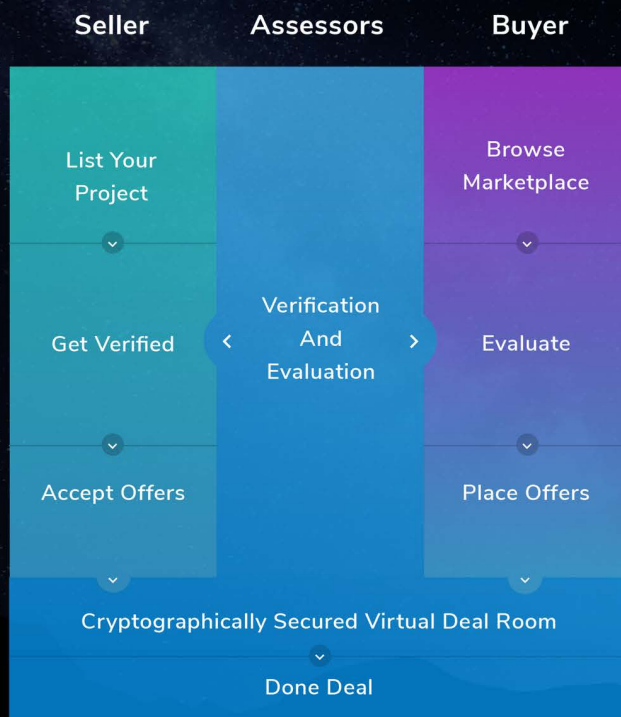
Figure 1: LEXIT Platform Technology Stack



The LEXIT system will use a webservice that acts as the front end of the platform. This will utilize common technologies like web servers, databases, and web development frameworks. Here is where players will interact: buyers will browse the Marketplace and place their bids, and sellers will create listings and manage buy offers. These capabilities require a repository of currently active listings, a sophisticated search engine, and comprehensive databases that can handle complex queries. As stated, the goal is not only to ensure information is accessible to and usable for platform users, but also that it is sufficiently secured. Since the Deal Room will hold confidential documents, robust and stable information security frameworks will be used to mitigate any risks.

The Participants

Figure 2: LEXIT Ecosystem Participants



Sellers and Buyers

As described in the “Marketplace” section above, sellers are those with assets that they list on the LEXIT platform. These assets can take the form of a company or IP that the owners wish to sell. Examples of sellers include a company with a patent portfolio or a professor who manages the IP of his or her research institution. It is the seller’s responsibility to provide sufficient information to satisfy listing requirements. Sellers are also expected to interact with buyers and assessors to facilitate the valuation process.

On the other side of the transaction, buyers are companies or investors that intend to purchase IP, assets, or entire companies for growth or investment purposes. They can request further information, securely transmitted via the LEXIT platform, from any seller

whose listing is of interest. Both buyers and sellers can move between roles from one transaction to another, increasing their opportunity to contribute to the ecosystem.

Assessors

During both the Marketplace and Deal Room phases, LEXIT buyers and sellers can access specialized experts who provide personal observations—or “views”—on the listings and transactions. In the LEXIT ecosystem, these experts are called “assessors.” Both independent industry experts and advisory firms can join the LEXIT ecosystem as assessors. Assessors must be vetted and approved in order to participate on the LEXIT platform.

Once approved, assessors may then be selected to offer views on listed transactions. Sellers choose up to 10 assessors whom they can invite to post views. A seller can also accept requests from assessors who have expressed interest in providing views for that particular seller’s listing. In either case, buyers will be more likely to select assessors who have assisted with previous listings and received high ratings. Selected assessors then offer their personal views of the listing. However, they cannot, in any official capacity, judge or decide the amount, value, quality, or importance of a transaction. Assessors who are selected to post will be paid a standard amount of LXT upon submitting a view. This compensation is not related to the length, quality, or any other characteristic of the transaction being considered—every chosen assessor who posts a view will be compensated.

After a listing’s auction ends, the buyer and seller are each given the opportunity to invite one assessor to the Deal Room. The buyer and seller can choose two different assessors, the same assessor, or no assessors at all. Therefore, the number of assessors in the Deal Room can range from zero to two. Once in the Deal Room, assessors can provide further assistance with due diligence and negotiations, albeit in a non-official capacity.

Although assessors only give their personal views on transactions, a well-crafted, high-quality view gives LEXIT users a sense of the assessor’s expertise. As a result, the submission of a view may lead to an invitation to the Deal Room. Once again, any assessor who is selected to join a Deal Room will be paid an additional amount in LXT—and this amount will be substantially higher than the first payment. All payments are funded via the ecosystem’s LXT pool, which itself is funded from the listing fees.

After a successful transaction, the buyer and seller will be asked to provide ratings for all participating assessors. Never before have these professionals all been accessible in one place. With functionality in mind, LEXIT brings together sellers, buyers, and assessors to make each transaction as transparent, accurate, and efficient as possible.

Anti-Fraud Detection Team

In addition to providing approved assessors with the opportunity to write personal views and participate in Deal Rooms, LEXIT will also employ an anti-fraud detection (AFD) team to monitor all activity on the platform. The AFD team will not give public opinions about transactions. Rather, the team will filter unwanted transactions before they are listed on the platform. Any listings that are suspected to be fraudulent or related to any illegal activity will be barred and reported to the appropriate authorities. As the guardians of the ecosystem, members of the AFD team will be LEXIT employees and undergo a rigorous vetting process before being accepted.

Outside Service Providers

LEXIT is developing a network of outside service providers to assist buyers and sellers with professional valuation, and advisory, legal, and accounting services. Web links to these service providers will be provided via our online platform. However, any services offered must be agreed upon in a contract that is formalized and signed completely outside of the LEXIT ecosystem. Outside service providers are permitted to become assessors and submit personal views, but they cannot assist in an official capacity unless engaged separately through a contract that is external to the platform. Service providers must abide by LEXIT standards in order to become—and remain—part of our network.

LEXIT Global Partners

LEXIT has established a Global Partnership Program (GPP) in order to generate a consistent deal flow on the platform and to ensure that a variety of companies are included in the LEXIT ecosystem. To this end, LEXIT is establishing partnerships with

international accelerators, incubators, startup hubs, industry associations, venture capitalists, and M&A firms.

As part of the GPP, we offer generous fees for our partners: 50% of the LEXIT transaction fee for any successful transaction completed on the platform thanks to a Global Partner's introduction. Furthermore, for a period of three years, Global Partners will receive 5% of every transaction sourced from their affiliates—new partners they introduce to the platform.

If a Partner is a nonprofit organization, such as a university or an industry organization, and therefore cannot accept the referral fee, LEXIT will instead provide a donation to the nonprofit or to a charitable foundation established by LEXIT to support the startup industry. The foundation's objective will be to provide funds to organizations, institutions, or individuals that make scientific, educational, or other beneficial contributions to the startup industry.

The ecosystem described above will only be effective if the incentives amongst participants are properly aligned. To support this alignment, we are launching a token that will be the native currency of the ecosystem and be used to perform a variety of activities within it.

External Partners

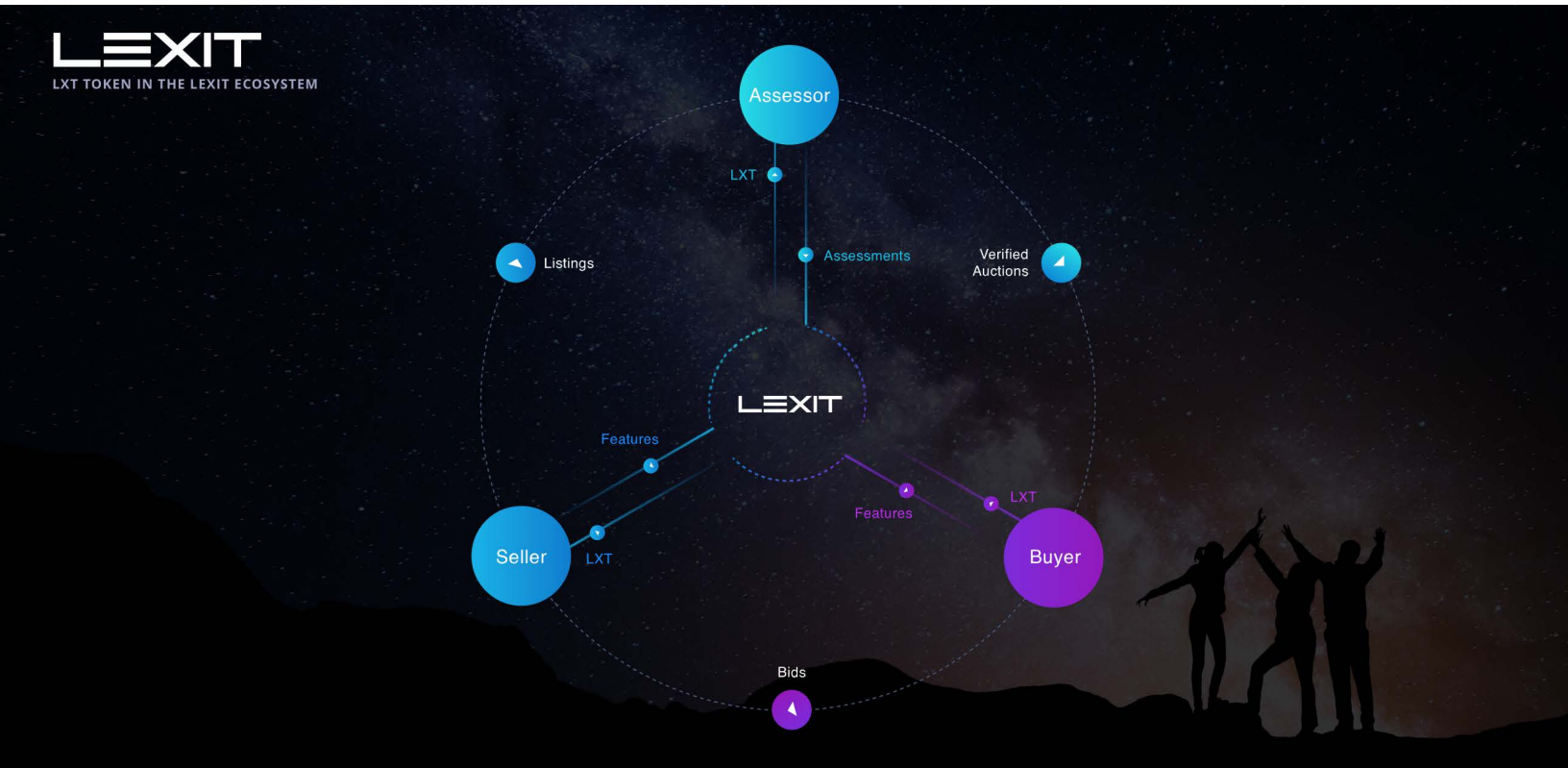
LEXIT has also engaged in partnerships with external entities so that we can enhance our platform's capabilities at a leveraged pace. These partnerships will help develop the LEXIT ecosystem and offer continued support to our users and partners. Our current roster of External Partners is as follows:

SelfKey	https://selfkey.org/
Chainium	https://chainium.io/
Metaverse	https://mvs.org/
Polymath	https://polymath.network/
Veriff	https://veriff.me/
Startup Bootcamp	https://www.startupbootcamp.org/

4. The LEXIT Token

As stated, in order to ensure ecosystem alignment, LEXIT is launching a native currency token to be used on the LEXIT platform. Since our ecosystem is heavily dependent on network features such as listings, ratings, and revenue-sharing among participants, the introduction of an internal currency is essential. The LXT token powers the LEXIT platform and its services. Escrow payments, rapid settlements, and cross-jurisdictional transactions between non-acquainted parties use smart contract technology to ensure a secure, trustless environment that can support the high transaction volumes anticipated. By providing LEXIT participants with a native token, we help to mitigate the price fluctuations that would occur if other cryptocurrencies were used. Buyers, sellers, and assessors will be charged or compensated in LXT for their respective actions on the platform.

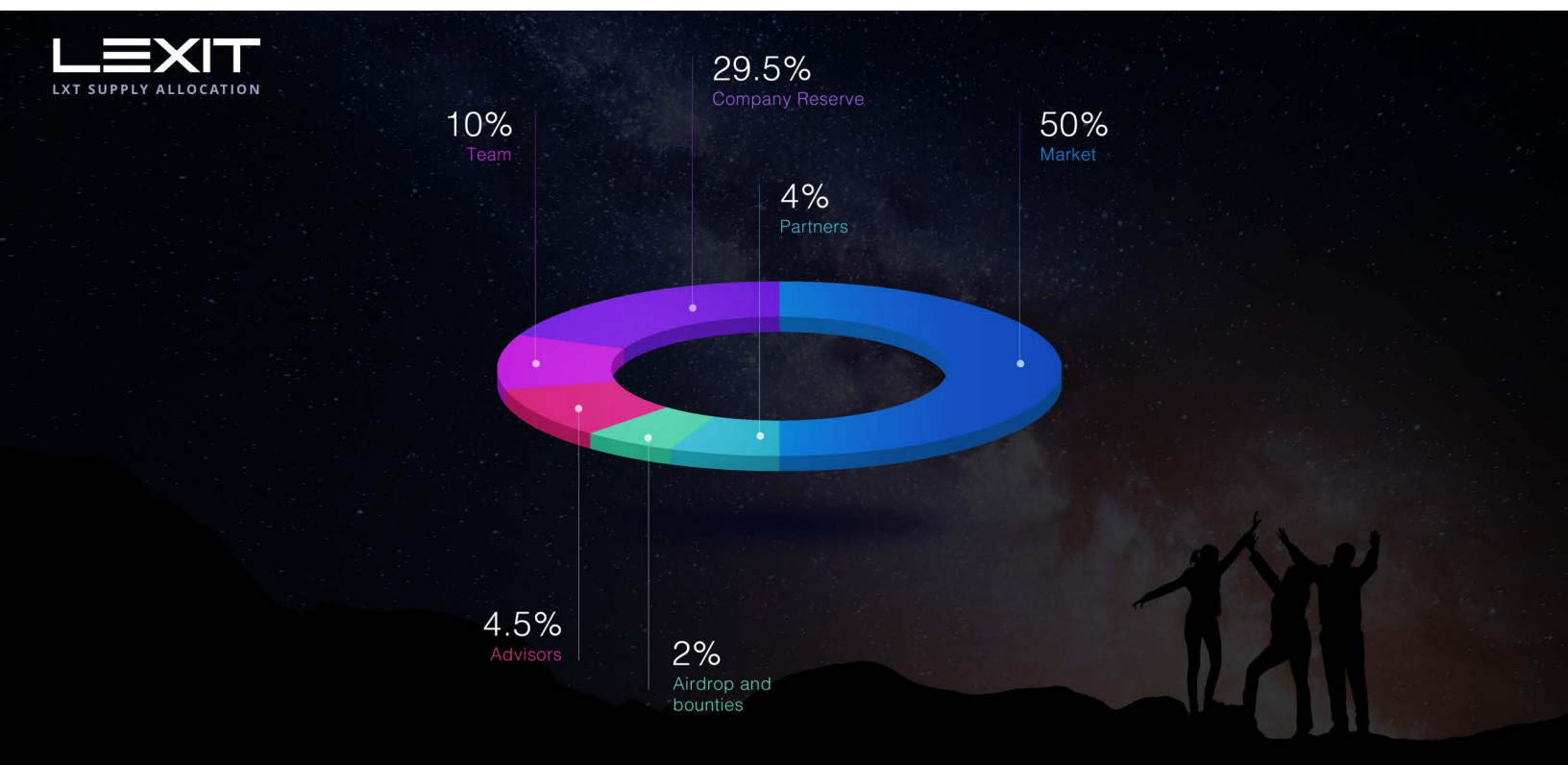
Figure 3: Flow of LXT in the LEXIT Ecosystem



Each time a seller posts a listing, they will pay a listing fee in LXT. LXT will also be charged for premium features—for instance, increased visibility of a seller's listing. Users will also be charged LXT to access the Executive Room—an exclusive viewing space that showcases offerings before they are available to the public. Collected tokens go into the Community Wallet, which is used to compensate raters and assessors. For example, LXT could be used to reward those who provide ratings for the ecosystem. Under this system, buyers and sellers can give ratings to assessors after successful

transactions, based on the quality of the assessors' services. Our currency will also be used to compensate assessors when they perform well, which will incentivize high-quality performance from these experts. Lastly, LEXIT's service fee is paid in LXT upon successful completion of transaction. On average, users can expect to pay 4% of the total transaction volume in LXT. Moreover, LEXIT is compensated only when a deal is formally finalized.

Figure 4: LXT Supply Allocation



5. A Glimpse into LEXIT's Future

Given the general increase in cost-efficiency discussed throughout the paper, LEXIT's growth is not limited by traditional market dynamics. We are striving to position LEXIT as the default venue for trading corporate assets across all industries, accommodating

business of all sizes. With the growth of LEXIT's transaction volume, the LEXIT platform will further develop in order to accommodate the needs of a growing user base, one with diverse interests and behaviors. We expect that these future developments will include a third-party API and predictive artificial intelligence.

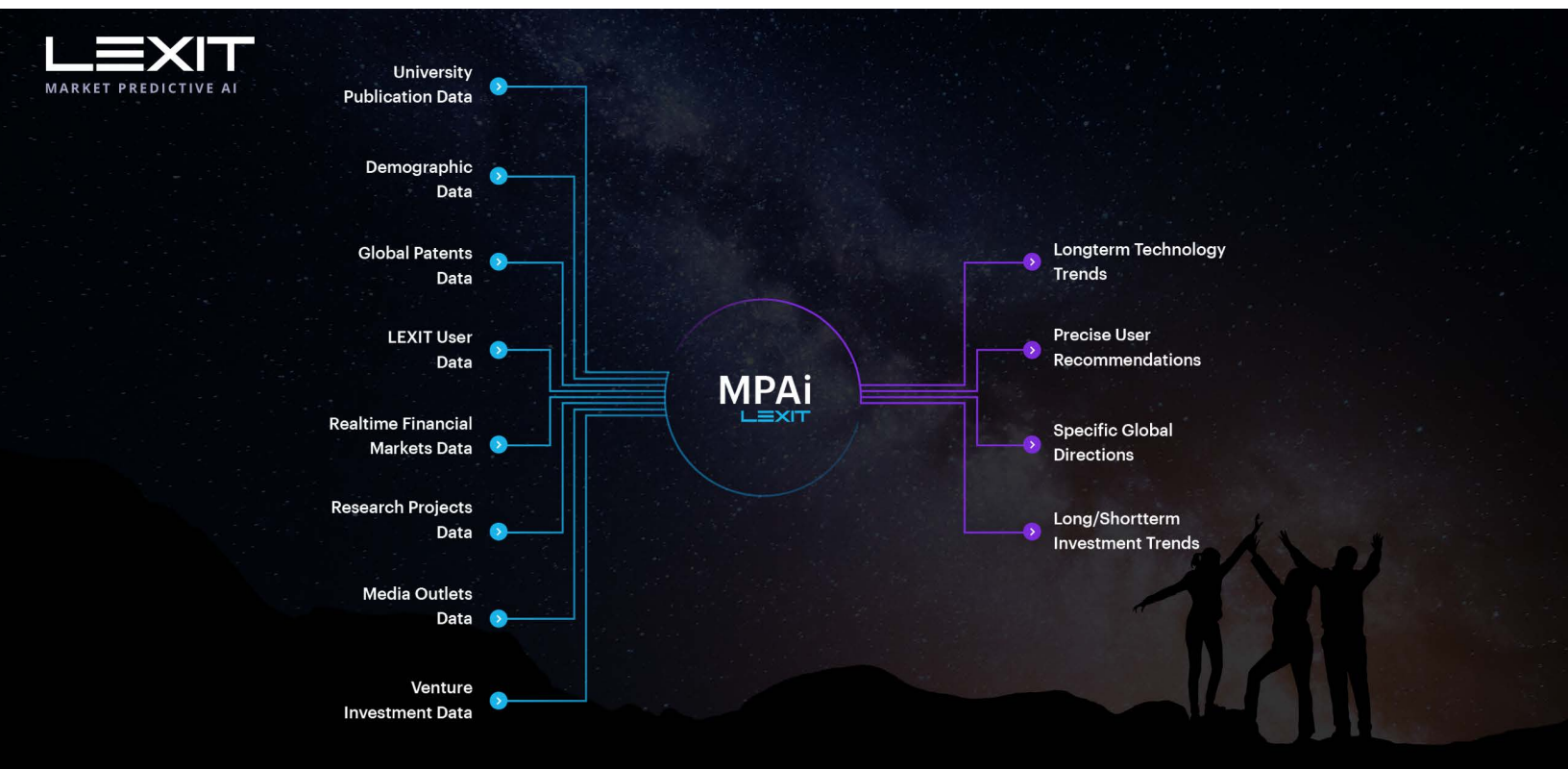
Third Party API

LEXIT will provide a third-party API (application program interface) in order to facilitate direct listings onto LEXIT by General Partners and other external specialists, without having to use the LEXIT web interface. These external entities will benefit from LEXIT's global reach, while LEXIT in return increases its transaction volume and reach even further.

LEXIT Market Predictive Artificial Intelligence (MPAi)

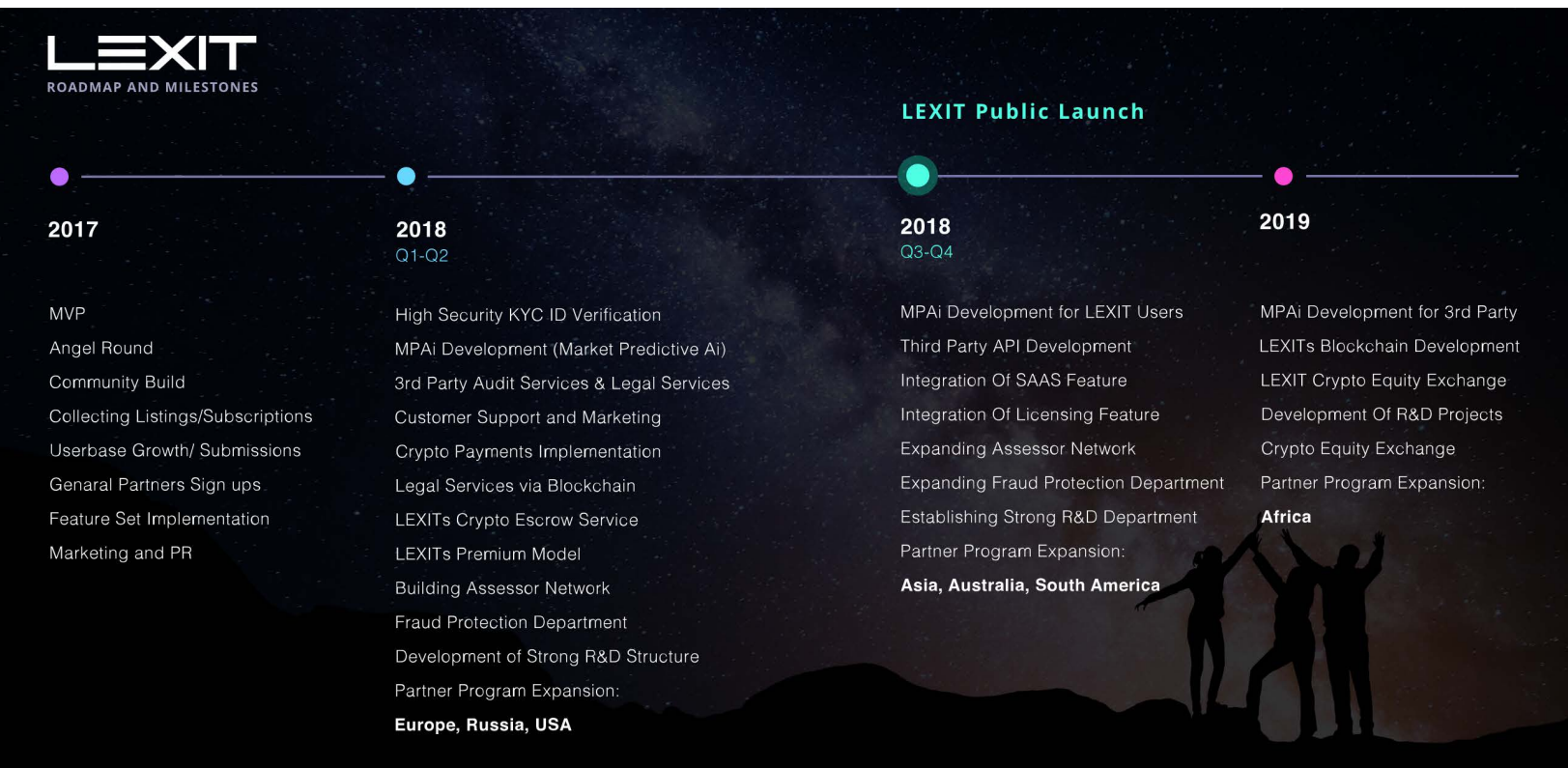
By facilitating a high quantity of business interactions and processing the respective metadata that comes with it, LEXIT finds itself in the privileged position of possessing exclusive access to valuable, de-identified big data. With this information—in conjunction with various additional sources, such as stock exchanges, patent offices, and social media sources—LEXIT's MPAi will be able to deduce trends and other insights from given market behaviors. These insights can then be utilized to inform the decisions of LEXIT users or be sold on-demand to third parties.

Figure 5: Market Predictive Ai



6. Next Steps

Figure 6: LEXIT Roadmap



LEXIT's goal is to become the industry-standard marketplace for mergers and acquisitions. We expect our ecosystem to include participants of all types, from small family businesses to high-level tech companies. No matter the size or scale, we want to improve business for everyone.

We are also actively expanding our network in order to connect with traditional M&A players so that we can all work together to improve the industry. In doing so, we hope to effect change more quickly and efficiently. As a LEXIT Global Partner, a firm can hire just one person to cover 25 deals instead of hiring 50 people to do the same thing. In fact, this individual can virtually handle hundreds of deals due to the increased efficiency of the LEXIT platform.

We know the current M&A system is flawed: the process is extensively lengthy, valuations are often unclear, and exposure to the right buyer or seller is far too limited. Primarily controlled by large, global organizations, industry gaps and oversights within the current system are unavoidable. LEXIT is transforming these M&A fundamentals. By systemizing and democratizing the entire process, we are bringing a new level of transparency, speed, and efficiency to mergers and acquisitions. In this way, LEXIT aims to revolutionize the business landscape for participants across the globe.

7. Closing Remarks

The LEXIT platform was designed to transform the M&A paradigm and innovate its methodologies. In the LEXIT Marketplace, sellers can list intellectual property, assets, and entire companies. On the other side of the transaction, we will facilitate the discovery process for potential buyers thanks to LEXIT's sophisticated search mechanism. Then, our Deal Rooms will serve as secure spaces where terms are negotiated, non-disclosure agreements are signed, and transactions are finalized. With the help of assessors, M&A transactions can be successfully and efficiently closed.

We use blockchain technology to ensure our platform is secure, transparent, and trustless. Our native currency supports the network features of the ecosystem, with all platform activities being powered by the LXT token. Those who use or contribute to the ecosystem will be charged or compensated in LXT. In turn, this will prompt more users to engage, facilitating an active deal flow on the platform.

We believe that the LEXIT solution will increase asset liquidity and improve market efficiency, while significantly reducing costs and barriers to entry. As a result, actors worldwide can reap the benefits of a healthy mergers and acquisitions market. Our hope is to continuously work with current M&A players so that, together, we can create a smarter, stronger marketplace for decades to come.

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