



Korea Won Token / K Wave Token

VER 1.0



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Disclaimer

This disclaimer is accompanied by important information, so please read it carefully.

- 1 This whitepaper is intended solely to describe KWT's functionality as a utility token and its use in various digital transactions and platforms. KWT is designed as a functional settlement unit within supported applications and does not constitute an investment product or any promise of price performance. The purchase and use of KWT tokens are subject to applicable laws, taxes, and regulations. After consulting with experts, participants should carefully assess potential benefits, risks, and other consequences associated with their transactions, as there may be unforeseen economic and operational risks

- 2 The statements and information contained in this White Paper are forward-looking and may be subject to uncertainties and risks. Actual results may differ materially from what is described in this white paper.

- 3 This whitepaper does not legally bind the KWT project team. The KWT project team does not guarantee the accuracy or reliability of the information provided in this document, nor does it assume legal responsibility for any consequences. The KWT project team reserves the right to modify, add, or remove any part of the whitepaper at any time. Any updates will be communicated through official KWT channels such as the website and social media.

- 4 This whitepaper does not represent a plan to issue securities and does not encourage investment or the purchase of securities. Participants should understand that KWT tokens are not securities and do not confer any rights, such as dividends or voting rights.

- 5 The KWT project team will review the legal aspects of the whitepaper, but does not guarantee its legal status, non-infringement of third-party rights, or any commercial value. The KWT project team is not liable for any decisions made by participants after reading this whitepaper or for any potential financial damages caused by using this document.

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In KWT transactions, participants may not provide, distribute, resell, or transfer KWT to individuals or entities in regions where digital token transactions are prohibited or restricted by local laws. Participants are responsible for ensuring compliance with relevant regulations.

The KWT project team may reject requests to purchase tokens if the identity information provided is insufficient, inaccurate, misleading, or violates participation restrictions. Additionally, participants must not engage in transactions involving illegal activities, such as money laundering or terrorist financing. Any such transactions may be blocked, and purchases of tokens may be canceled.

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Disclaimer

- ⁸ It is the participant's responsibility to determine whether KWT tokens can be legally purchased and resold in their jurisdiction. This whitepaper does not provide legal advice or guidance on such matters, and the KWT project team is not responsible for any misjudgments made by participants regarding local laws and regulations.
- ⁹ KWT will continue its legal review of the legality of its business using Main App and numerous services to be released in the future, but please note that due to regulatory measures or laws of each country, in some cases, it may not be able to obtain regulatory approval commercially and may be suspended by each country's jurisdiction.
- ¹⁰
- ¹¹ The token distribution plan included in the white paper has already been completed, and the foundation that issued the KWT does not have it at all. In the future, the profits generated by the platform business will be paid with KWT or purchased from the exchange to hold KWT.
- ¹² This white paper and related documents may be translated to documents other than Korean, and if there is a discrepancy between the Korean and foreign versions, the Korean version will take precedence.

KWT Project Team, KWT's disclaimer is not limited to the above mentioned.



01

KRW Utility Coin Background

01. Korean Won Utility Coin Background

Digital tokens have gained attention for enabling faster and more efficient transaction and settlement workflows, reducing fees and processing time compared to traditional bank remittances. KWT will function as a blockchain-based utility unit for digital transactions and service settlement, supporting KRW-referenced pricing and accounting in digital environments. As the use of foreign-currency digital tokens increases in Korea, challenges have arisen, such as price discrepancies and market volatility. The introduction of a KRW-referenced utility token is being discussed as a practical solution to these challenges, aimed at strengthening the financial sovereignty of the Republic of Korea.

The U.S. state of New York has introduced strict regulations on digital tokens, including issuing permits, redemption obligations, and reserve asset management to ensure reliability. Similarly, the European Union stipulates issuer qualifications, reserve asset requirements, and disclosure obligations through MiCA legislation, effective from 2024.

In addition, Japan has defined digital tokens as an electronic payment method and regulated their issuance and transaction procedures, highlighting global responses to digital currencies. The need to introduce a Korean Won-based digital token is emerging as a way to prevent the expansion of foreign-controlled digital tokens, minimize capital outflow, and integrate with various financial services such as P2P, card payments, and remittances, all while paving the way for the international use of the Won in the digital economy and advancing Korea's fintech sector.



02

Utility Coin Overview

02. Utility Coin Overview

- Utility coin function

- (1) Utility token function: KWT is used for service settlement and transactional utility in digital applications, including digital asset trading utilities, DeFi-related workflows, and platform services. It enables seamless transactions across supported applications while using KRW-referenced pricing for user convenience and accounting consistency in digital environments.
- (2) Users who frequently engage in digital transactions may use KWT for its efficiency and convenience as a settlement unit within supported applications.
- (3) KWT leverages blockchain technology to enable virtual asset-based transactions through smart contracts, allowing for automatic signing, settlement, and liquidation in various applications.

- Key Utility Coins and Features

- Utility tokens like KWT can be categorized by their primary usage model, such as settlement-focused tokens, service-access tokens, and liquidity-support tokens.
- KWT operates under an internal treasury and risk-management policy designed to support reliable settlement operations and platform continuity.
- Tokens such as KWT are designed to enhance efficiency in digital transactions and exchanges by providing a consistent settlement unit within supported services.

02. Utility Coin Overview

- Utility Coin Response in Major Countries

(1) New York State, United States

In June 2022, New York introduced regulations regarding payment-oriented digital tokens, outlining standards for permission, user protection obligations, operational safeguards, and audit practices. Issuers must obtain appropriate regulatory permission as a limited-purpose trust company, and certain deposit and lending activities are restricted. Regarding user protection, the framework describes processing timelines and operational requirements following a user withdrawal request. It also includes requirements for segregated management of operational assets and periodic reporting, including monthly and annual audit reports.

(2) European Union (EU)

The European Union enacted the Regulation on Markets in Crypto Assets Act (MiCA) in June 2023, with regulations on digital tokens being implemented from June 30, 2024. Digital tokens are issued by corporations based in EU member states and must be authorized by competent authorities to issue tokens based on assets. For soundness regulation, the minimum equity capital requirements include 350,000 euros, 2% of reserve assets, or 1/42 of the fixed overhead cost from the previous year. Reserve assets are held for user protection. Users can exercise their right to claim reimbursement to the issuer based on the market price and disclose corporate white papers, marketing materials, etc.

(3) Japan

Japan revised the Payment and Settlement Act in June 2022 to regulate digital tokens as electronic payment methods and establish procedures for their issuance and transactions. Article 2 (5) 1 of the Payment and Settlement Act requires that digital tokens be used for the reimbursement of consideration to an unspecified person, be transferable among individuals, and be denominated in currency, electronically recorded and transferred, and not subject to securities. The issuer must clearly define the timing and procedure for transferring digital tokens, ensure proper systems are in place for transaction confirmations, and implement safeguards in case of bankruptcy or technical difficulties.

(4) Republic of Korea

The National Assembly enacted the first phase of legislation in 2023 on the Protection of Virtual Asset Users Act, which focuses on safeguarding virtual asset users' assets and preventing unfair trade practices. When the Virtual Asset User Protection Act was enacted in 2023, the National Assembly mandated the government to establish a regulatory system for digital tokens as part of the next phase of legislation. The Financial Commission has formed a joint task force (TF) with the private sector to advance this initiative.



03

KWT Overview

03. KWT overview

KWT (Korea Won Token) is a utility token linked to the value of the Korean Won (KRW). This white paper outlines KWT’s design principles, technical features, operating mechanisms, legal compliance, and security systems, as well as strategies for positioning KWT as a trusted token in the global digital transaction ecosystem.

KWT is a utility token linked to the value of the Korean Won (KRW) for use in digital transactions and payments. Leveraging blockchain technology, KWT enhances the transparency, efficiency, and security of transactions, enabling fast and seamless payments and remittances. KWT is utilized in the DeCT SuperSave credit transaction system, and supports efficient and secure financial transactions through smart contracts.

KWT will drive innovation in digital payment systems and financial services, both domestically and internationally, positioning itself as a trusted digital token for transactional purposes.

Key Features of KWT

| Features | Description |
|--|--|
| KRW-Referenced Pricing & Settlement | KWT supports KRW-referenced pricing for settlement within supported digital applications and payment-related workflows. |
| Treasury & Operational Risk Management | KWT applies operational risk controls and treasury policies to support reliable settlement operations and platform continuity. |
| Utilize Smart Contracts | KWT leverages blockchain technology to record contracts, preventing forgery and alterations while ensuring transaction transparency. |
| Community driven operations | KWT will be utilized primarily within specific communities and applications, such as those using NFTs, ensuring its use is focused on targeted, secure environments. |

Compare Key Utilities Coins

| Category | KWT (KRW) | USDT (USD) | USDC (USC) |
|---------------------------------|---|---------------------------|---------------------------|
| Issuing entity | KWT Blockchain | Tether | Circles |
| Primary Pricing Reference | Korean Won | Dollar | Dollar |
| Composition of payment reserves | Assets such as bank deposits, government bonds, and other safe assets in South Korea. | Cash and short-term bonds | Cash and short-term bonds |
| Scope of use | Restrict internal community transactions | Global | Global |
| Smart Contract Support | Support | Support | Support |

About KWT

(1) Issuer

- KWT Blockchain(Panama-based corporation)

(2) Korea Managers

- K Impact Corporation

(3) Operational Safeguards for Settlement

- KWT ensures secure transaction processing by following industry-standard guidelines for protecting user funds within its operational framework.
※ KWT operates on a transparent framework, supported by secure assets for ensuring smooth transaction execution.
- The safety of user funds is ensured through secure processes and transparency in KWT's operational structure.

(4) Details of work of SuperTrust Co., Ltd

- KWT sales purchase contract for platform settlement purposes using KRW-referenced pricing under South Korea's management company.
- The Korean management company deposits operational settlement funds associated with customers participating in DeCT SuperSave at a financial institution, with SuperTrust involved in oversight and operational cooperation.
- Transaction details and security measures related to KWT operations, including amounts and operational safeguards, will be disclosed quarterly for transparency.

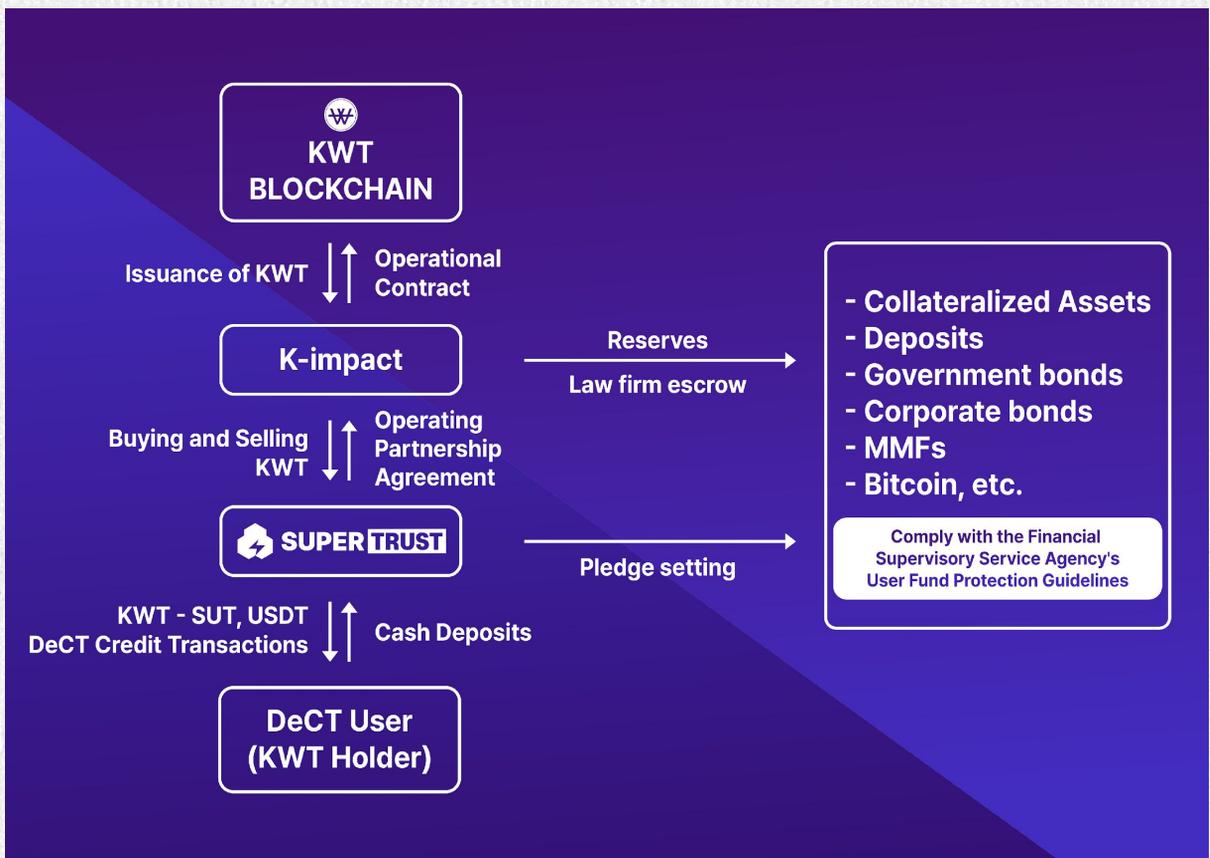
(5) DeCT SuperSave Credit Trading and the Role of KWT

Under the DeCT SuperSave Credit Agreement, KWT facilitates secure and transparent credit transactions and provides a solution for global users who face challenges with traditional banking systems.

By utilizing KWT to build a blockchain-based credit transaction system, global users can bypass traditional banking issues, making DeCT SuperSave credit transactions more efficient and globally accessible.

Through the blockchain smart contract between global participating users, the contract details (credit transaction amount, payment date, contract terms, agreement, etc.) for DeCT SuperSave credit transactions will be recorded in the blockchain smart contract, making it impossible to forge or modify, and creating a safe and transparent transaction system that prevents hacking.

KWT Issuance and Operation Structure Chart





04-05

- KWT Technical Structure
 - Issuance and Repurchase Mechanism
-

04. KWT Technical Structure

KWT operates on a blockchain network utilizing smart contracts. The system ensures transparency, security, and efficiency in digital transactions, automating the issuance and settlement lifecycle of KWT for use in various applications.

- Smart Contracts

KWT leverages blockchain-based smart contracts to enable seamless issuance and settlement of KWT within supported applications, using KRW-referenced pricing for user convenience.

- Technical Audits

KWT's code and smart contracts undergo regular independent security audits, ensuring transparency and security in all operations.

- Technical Features

KWT uses smart contracts and decentralized technology to streamline issuance, redemption, and management, ensuring transparency and operational efficiency.

05. Issuance and Repurchase Mechanism

KWT provides a clear mechanism for issuance and platform settlement, ensuring its efficient use in digital transactions in KRW-referenced environments.

- Issuing Process

Users can acquire KWT through the designated platform under applicable procedures. KWT is used as a settlement unit within supported digital applications.

- Settlement process

Users can use KWT for settlement within the designated platform and supported applications, subject to applicable terms and compliance procedures.

- Adjustment of issue volume

The issuance volume of KWT is managed to support transactional utility, platform demand, and operational stability within KRW-referenced settlement environments.



06

**Value stability of
Utility coins and KWT**

06. Value stability of utility coins and KWT

Utility tokens like KWT are designed for functional use in digital transactions and service settlement, supporting KRW-referenced pricing for usability in payment and remittance-related workflows.

- KWT provides a consistent settlement unit within supported applications, facilitating seamless exchanges and payments across platforms.



07

Whether KWT is securitized under the Korean Capital Markets Act

07. Whether KWT is securitized under the Korean Capital Markets Act

(1) Securities under the Korean Capital Markets Act

The Capital Markets Act defines financial investment products as 'rights acquired by agreeing to pay money or other property value for the purpose of obtaining a profit or avoiding loss.' (the main text of Article 3 (1) of the Capital Markets Act), and its specific types are classified into securities and derivatives (Article 3 (2) 1 of the Capital Markets Act).

The Capital Markets Act defines securities as 'financial investment products that do not bear additional payment obligations, other than money paid by investors at the time of acquisition.' (the main text of Article 4 (1) of the Capital Markets Act), and the specific types of financial instruments are divided into categories, such as debt securities, equity securities, investment contract securities, and derivative-linked securities. (Article 4 (2) of the Capital Markets Act).

The Capital Markets Act describes financial investment instruments as securities and derivatives, and securities as "divided" into six categories, including debt securities and equity securities, which are understood as limited enumeration regulations.

Under the Capital Markets Act, an asset would need to meet the criteria of specific financial instruments to be classified as 'securities.'

07. Whether KWT is securitized under the Korean Capital Markets Act

(2-1) Whether KWT falls under investment contract securities under the Korean Capital Markets Act

The "Investment Contract Securities" is a concept introduced with the enactment of the Capital Markets Act on August 3, 2007 to include securities "determined by the efforts of others" as securities compared to the previous Securities Exchange Act's limited list of securities.

Since the Capital Markets Act was enacted on August 3, 2007 and the concept of investment contract securities was introduced, it is the first time that the financial authorities have reviewed the investment contract securities and presented a certain conclusion in 2022 that it deals with claims related to sculptural investment in Korean beef, art, and music.

In consideration of the specificity of these issues, the financial authorities judged the claim, which Music Cow has been selling to 170,000 customers for about five years, as the first application case for investment contract securities, but also suspended the start of sanctions procedures for violations of recruitment and sales procedures, citing low awareness and intention of illegality.

In particular, in the case of virtual assets, the financial authorities have repeatedly confirmed this position on December 12, 2017 after stating that virtual assets do not correspond to financial investment products, and it seems that they have maintained the same position as they have never shown a separate position contrary to this.

According to this position, it would be natural to conclude that virtual assets are not financial investment products, so they cannot be applicable to securities, which are sub-concepts that presuppose they are financial investment products.

It is true that the definition of investment contract securities introduced under the Capital Markets Act uses Howey standards, but since the two differ sharply, Howey standards cannot be applied in exploring the concept of investment contract securities under the Capital Markets Act, and it should be reviewed based on the text of the Capital Markets Act and the legislative context.

Investment contract securities mean that "a contractual right is indicated in which a specific investor invests money, etc. in a joint business between the investor and another person and mainly attributes profits or losses from the results of the joint business performed by another person" (Article 4, Paragraph 6 of the Capital Markets Act).

In other words, ① a joint project exists, ② an investor must invest money, etc. in the joint project, ③ the joint project must be mainly carried out by others, and ④ a contractual right to receive profits and losses from the results of the joint project must exist.

KWT is a utility token designed for use in digital payments and settlement services, facilitating transactions between users within specific blockchain applications.

KWT issued by your company is designed to represent the value of the Korean Won (KRW) for digital transactions. Therefore, it is not considered a financial investment product, as it does not meet the prerequisite of being designed to generate profit or avoid losses.

In other words, KWT users purchase the token to use it as a means of payment, not with the intention of earning profits, further distinguishing it from traditional investment products.

07. Whether KWT is securitized under the Korean Capital Markets Act

(2-2) Whether KWT falls under investment contract securities under the Korean Capital Markets Act

We now evaluate whether KWT falls under the investment contract securities definition under Article 4, Paragraph 6 of the Capital Markets Act.

① Investing money and more

KWT is acquired by users in exchange for legal currency or cryptocurrency for the purpose of using it as a utility token in various applications, not for investment purposes.

② Commonality of business

Since KWT is a utility token, it is not designed to generate profits or losses for holders through market fluctuations. There is no horizontal or vertical business commonality between KWT holders and business operators, as KWT is intended for digital transactions and not for investment purposes.

This is similar to how people within a country using fiat currency do not have a shared financial interest in the value of the currency, nor do they have a vertical business relationship with the central bank.

③ A business primarily conducted by others

The success of the KWT blockchain ecosystem does not rely on the efforts of a specific third party but rather on its functional use in digital applications.

The success of KWT is driven by its adoption and functional use in digital applications. KWT is designed primarily for settlement utility within supported services. Any market price formation is incidental and not a promised feature, and KWT is not offered for investment or profit-generation purposes. This further clarifies that there are no third parties influencing the value or success of KWT in the same way as an investment asset.

This further clarifies that there are no third parties influencing the value or success of KWT in the same way as an investment asset.

④ The right to share in profits and losses resulting from a joint venture

KWT is a utility token, and there is no profit or loss generated by the performance of the business. As such, it is not intended for investment purposes.

KWT holders do not have any contractual rights regarding profits or losses from the performance of the business, as KWT is not a financial investment product.

This is because KWT users do not have any claim against the issuer that would allow them to attribute profits or losses from the business performance to themselves.

KWT users may sell KWT on secondary markets, such as exchanges, but this does not involve profit-sharing or investment agreements between users and the issuer.

In conclusion, KWT is a utility token and not a financial investment product, as it is primarily used for digital transactions rather than for earning profits.

Even if KWT were classified as a financial investment product, it would not meet the criteria for investment contract securities because it is not designed for profit generation and does not involve co-investment or profit-sharing between holders and business operators.

07. Whether KWT is securitized under the Korean Capital Markets Act

(3) Whether KWT belongs to debt securities under the Korean Capital Markets Act

Debt securities are defined as government bonds, local bonds, corporate bonds, and similar instruments (Article 4, Paragraph 3 of the Capital Markets Act). However, KWT is a utility token and does not grant the holder any payment claim to the issuer, as it is used for digital transactions, not as a financial investment product.

As previously seen, the Capital Markets Act defines financial investment products as "rights acquired by agreeing to pay money or other property values (hereinafter referred to as "money lights") at a certain time in the present or future for the purpose of obtaining profits or avoiding losses, and there is a risk that the total amount of money, etc. paid or due to acquire the right will exceed the total amount of money, etc. recovered or recoverable from the right (the main text of Article 3-1 of the Capital Markets Act).

However, KWT users acquire it to use as a utility token for transactions within a specific community, and it is difficult to view the purchase as being for the purpose of generating profit.

(4) Whether KWT belongs to equity securities under the Korean Capital Markets Act

Equity securities refer to stock certificates, shares in corporations, and similar instruments (Article 4-4 of the Capital Markets Act). However, KWT is a utility token and does not provide any stake or ownership rights in the issuing corporation, as it is designed for use in digital transactions.

(5) Whether KWT belongs to beneficiary securities under the Korean Capital Markets Act

Beneficiary securities are defined as securities issued by trust companies, indicating beneficiary rights (Article 4, Paragraph 5 of the Capital Markets Act). KWT does not involve a trust relationship and is not a certificate of beneficiary rights, as it functions as a utility token for digital transactions.

07. Whether KWT is securitized under the Korean Capital Markets Act

(6) Whether KWT belongs to derivative-linked securities under the Korean Capital Markets Act

Derivative-linked securities refer to financial instruments where payment or recovery is tied to changes in the price, interest rate, or other factors of an underlying asset (Article 4, Paragraph 6 of the Capital Markets Act).

In the case of KWT, there are no underlying assets tied to its price. Even if reserves are involved, they do not directly affect the value of KWT, and any impact on price is indirect. KWT supports KRW-referenced settlement for transactional use within digital applications, and it does not qualify as a derivative-linked security.

(7) Whether KWT belongs to securities deposit securities under the Korean Capital Markets Act

Securities deposit securities are issued by entities that hold other financial securities, and rights related to the deposited securities are represented (Article 4, Paragraph 8 of the Capital Markets Act).

KWT does not involve securities deposits or rights related to deposited securities, and as such, it cannot be considered securities deposit securities.



08-09

**- Governance and
Transparency
- Legal compliance and
regulation**

08. Governance and Transparency

KWT operates through a decentralized governance system, where decisions are transparently made and disclosed, allowing KWT holders to actively participate in the ecosystem.

- Transparent Audit

KWT's operations undergo regular independent audits, and all transaction records are publicly available on the blockchain, ensuring transparency and security for all users.

09. Legal compliance and Regulation in South Korea

KWT adheres to Korean and global regulatory standards and strictly enforces anti-money laundering (AML) and customer verification (KYC) procedures to ensure secure digital transactions.

- AML/KYC procedures

KWT enforces AML and KYC procedures for all users engaging with the platform, ensuring compliance with regulatory requirements and preventing illegal activities.

- Global Regulatory Compliance

KWT operates in full compliance with global digital asset regulations and works closely with regulatory agencies to ensure secure, compliant transactions.



10-11

- Security and Risk
Management
- Roadmap

10. Security and Risk Management

KWT uses advanced security technologies to ensure the protection of user assets and maintain the security of the system, supporting safe digital transactions.

- Encryption Technologies

KWT safeguards user data using state-of-the-art encryption technologies. Blockchain technology ensures that all transactions are immutable and recorded transparently for enhanced security and trust.

- Risk Management

KWT employs a robust risk management system to secure its platform, utilizing multiple security protocols to defend against external threats and ensure safe digital transactions.

11. Roadmap

KWT plans to set phased targets, thereby expanding its presence in the global market.

- Step 1

Launch of KWT platform, enabling digital transactions and service settlement with KRW-referenced pricing.

- Step 2

Expand the global payment system, increasing the adoption and use of KWT for digital transactions worldwide.

- Step 3

Establish strategic partnerships to expand the KWT ecosystem and increase adoption of KWT in digital payment systems.

2025

Korea's WON (KRW)based token issuance (KWT)

2026

Issuing a VND (Vietnam Dong) based token in Vietnam

2027

Issuing a Baht based token in Thailand



12-13

- Economic model and financial planning
 - Teams and Developers
-

12. Economic model and financial planning

KWT's economic model ensures sustainable growth and value through adjustment of issuance volumes, transaction fees, and liquidity management.

- Financial plan

KWT has a transparent fund management policy for sustainable development and is managed by external audit team.

13. Teams and Developers



CEO

**CARLOS ALBERTO
WEAND ORTIZ**



CTO

**CRISTINO GUEVARA
SALAZAR**



CFO

**GRACIEILI MARIANA
MORALES**

KWT's development team is made up of experts in blockchain and finance, working on a successful launch in the global market.

- Key Team

KWT's core team consists of experts responsible for blockchain development, financial regulation, security, and business strategy.

- Partner

KWT works with global partners to expand the ecosystem and build a sustainable model.



14-15

Planning and operation of KWT issuance - Conclusion

14. Planning and operation of KWT issuance

KWT issued by KWT Blockchain Inc is designed for KRW-referenced settlement utility within supported applications, and the distribution of KWT is managed under an operational treasury policy and compliance controls to support secure and transparent transactions.

| | |
|------------------------------|--|
| Token Name | Korean Won Token(KWT) |
| Token Type | Polygon |
| Total amount of issue | 100,000,000,000 KWT |
| Circulation Volume | Changes depending on payment reserves (disclosure on website) |

15. Conclusion

KWT is a utility token designed for use in digital transactions and service settlement within supported applications, using KRW-referenced pricing for usability. KWT supports transparency and security in its operational processes, with operational safeguards supporting settlement reliability. There is no commonality of business between KWT holders and the issuer, and holders do not have the right to share in profits or losses from the performance of KWT. KWT enhances efficiency, transparency, and security in the digital asset market.