

## \$VERTAI White paper - MASTERDOC

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01	Date of notification	2025-06-23
02	Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114	This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The person seeking admission to trading of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

03	Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114	This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.
04	Statements in accordance with Article 6(5), points (a), (b), (c) of Regulation (EU) 2023/1114	The crypto-asset referred to in this white paper may lose its value in part or in full, may not always be transferable and may not be liquid.
05	Statement in accordance with Article 6(5), points (d) of Regulation (EU) 2023/1114	The utility token referred to in this white paper may not be exchangeable against the good or service promised in the crypto-asset white paper, especially in the case of a failure or discontinuation of the crypto-asset project.
06	Statements in accordance with Article 6(5), points (e), and (f) of Regulation (EU) 2023/1114	<p>The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council.</p> <p>The crypto-asset referred to in this white paper is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.</p>
<i>SUMMARY</i>		
07	Warning in accordance with Article 6(7), second paragraph of Regulation (EU) 2023/1114	<p style="text-align: center;">Warning</p> <p>This summary should be read as an introduction to the crypto-asset white paper.</p> <p>The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone.</p> <p>The offer to the public of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law.</p> <p>This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Council or any other offer document pursuant to Union or national law.</p>

08	Characteristics of the crypto-asset	<p>\$VERTAI is as a crypto-asset other than an asset-referenced token or e-money token under the Markets in Crypto-Assets Regulation (MiCAR). \$VERTAI is only intended to provide access to goods and services provided by Vertical Studio B.V. As such, it classifies as a utility token within the meaning of MiCAR.</p> <p>\$VERTAI is a fungible ERC-20 token issued on the Ethereum blockchain. It follows the standard Ethereum token specification, making it compatible with most Ethereum wallets, exchanges, and smart contracts. The token is divisible up to 18 decimals and has a fixed maximum supply of 100,000,000.</p> <p>\$VERTAI holders can exercise their rights by creating an account at <a href="http://www.verticalstudio.ai">www.verticalstudio.ai</a>, accepting applicable terms and conditions and following the indicated steps.</p> <p>\$VERTAI is not intended for investment purposes and includes no features such as company ownership, governance rights, rights to interest or yield.</p>
09	Quality and quantity of goods and services	<p>\$VERTAI can be used to purchase platform credits, to be used on the Vertical AI platform, with a 10% discount. The token amount required is calculated based on the real-time USD value of \$VERTAI at the time of the transaction. \$VERTAI can also be staked to earn platform credits. Staking involves depositing tokens into a smart contract, where they remain locked for a set period. In return, users receive credits that can be spend on the platform. Furthermore, \$VERTAI holders are eligible to partake in an affiliate program to help the Vertical AI platform grow. Affiliates earn a commission based on the revenue they generate, with the potential to unlock higher commission tiers by locking a minimum amount of \$VERTAI.</p>
10	Key information about the admission to trading	<p>Vertical Studio B.V. seeks admission to trading for its \$VERTAI token in the European Union, in addition to its current listing on Uniswap.</p> <p>It is envisaged that \$VERTAI will be admitted to trading at MiCAR compliant centralized trading venues in the European Union. \$VERTAI may also be admitted to trading on other trading venues (outside the European Union). An updated list is available through this <a href="#">link</a>.</p>

		<p>This white paper is drawn up in relation to the admission to trading of the \$VERTAI token. It is not related to an offer to the public of \$VERTAI. There are no subscription goals, subscription fees or subscription phases. The price for purchasing \$VERTAI will depend on market value and the spread or fees applied by the trading venue.</p> <p>There is no placement agreement in place with a crypto-asset service provider offering placement services.</p> <p>Prospective holders are individuals and companies looking for cost effective access to the services offered on the Vertical AI platform as described in this white paper.</p> <p>Total token supply: 100,000,000 \$VERTAI, of which 75% is already in circulation and 25% is retained by Vertical Studio B.V. Vertical Studio B.V. intends to sell part or all of its current and future \$VERTAI holdings over time in support of its operations. A future offer to the public of \$VERTAI is currently not envisaged.</p>
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*Part A - Information about the offeror or the person seeking admission to trading*

A.1	Name	Vertical Studio B.V. ( <b>Vertical Studio</b> ; also trading under the name <b>Vertical AI</b> )
A.2	Legal form	Limited liability company ( <i>besloten vennootschap</i> ), established under the laws of Curaçao.
A.3	Registered address	Julianaplein 36, Willemstad, Curaçao.
A.4	Head office	Julianaplein 36, Willemstad, Curaçao.
A.5	Registration Date	2024-12-10
A.6	Legal entity identifier	98450076CB4863C59422
A.7	Another identifier required pursuant to applicable national law	Not applicable

A.8	Contact telephone number	+59995261982
A.9	E-mail address	help@verticalstudio.ai
A.10	Response Time (Days)	10
A.11	Parent Company	Not applicable
A.12	Members of the Management body	<p>Vertical Studio B.V. operates under a one-tier board structure. Pygg B.V. is the sole director of Vertical Studio B.V. Pygg B.V is a limited liability company incorporated under the laws of Curacao.</p> <p>Pygg B.V. is a trust service provider licensed and regulated by the Central Bank of Curacao and St. Maarten.</p> <p>Mr. M.S. Termaaten is initiator of the \$VERTAI project and majority shareholder and effectively directs the business of Vertical Studio B.V. As such he is also part of the management body within the meaning of the European Markets in Crypto-Assets Regulation (MiCAR).</p> <div> <p><b>Pygg B.V.</b></p> <p>Function: sole director</p> <p>Business Address: 36 Julianaplein, Willemstad, Curaçao</p> <p>In function since: 2024-12-10</p> </div>

		<b>Mr M.S. Termaaten</b> Function: acting CEO Business Address: 36 Julianaplein, Willemstad, Curaçao In function since: 2024-12-10	
A.13	Business Activity	<p>Principal Activities: Vertical Studio B.V. is an early-stage tech startup operating in the rapidly growing AI, Cloud Services and No-Code markets. The company is developing a platform that aims to make AI models accessible to both individuals and businesses at a pay-per-use basis. Its core products and services include:</p> <ul style="list-style-type: none"> <li>• a digital marketplace where users can access and utilize AI models, catering to both consumers and businesses;</li> <li>• a no-code AI studio that allows users to customize and fine-tune AI models without needing programming skills, making advanced AI more user-accessible; and</li> <li>• a cloud service that provides cost-effective computing power for AI fine tuning and hosting, supporting AI developers and businesses with scalable infrastructure.</li> </ul> <p>All these products and services are still under development, with no guarantee of success. At the moment of notification of this white paper, only beta versions of certain functionalities are live while there are no paying users.</p> <p>Principal Markets: Vertical Studio B.V. operates in a global market, targeting both individual AI enthusiasts and businesses looking for cost-effective, scalable AI solutions. The company aims to bridge the gap between complex AI development and everyday users, making AI adoption easier and more efficient across various industries.</p>	
A.14	Parent Company Business Activity	Vertical AI Holding B.V.	

		Principal Activities: Vertical AI Holding B.V. is a private limited liability holding company ( <i>besloten vennootschap</i> ) incorporated under the laws of Curaçao. As the personal holding company of Mr Termaaten, its primary activity is holding a majority share in Vertical Studio B.V.
A.15	Newly Established	No
A.16	Financial condition for the past three years	Not applicable
A.17	Financial condition since registration	<p>Vertical Studio B.V. is an early-stage technology startup. Its financial condition since registration is characterized by the following highlights:</p> <ul style="list-style-type: none"> <li>• Vertical Studio B.V. was incorporated on 10 December 2024. Its initial book year runs to 31 December 2025. Therefore, no financial statements are available.</li> <li>• Between 01/06/2024 and 01/06/2025, Vertical Studio B.V. secured approximately \$4 million: <ul style="list-style-type: none"> <li>○ Ca. \$101K through the sale of \$VERTAI during a strategic pre-sale of the \$VERTAI token; and</li> <li>○ Ca. \$4 million through a 4% buy and sales commission (transaction fee) on the \$VERTAI token on secondary market transactions (also referred to as a ‘tax’ in the market). The 4% tax has been removed since 12/06/2025.</li> </ul> </li> <li>• These funds are used to cover operating expenses, including research and development (R&amp;D), legal &amp; compliance costs, and human capital.</li> <li>• Up 01 June 2025, total operating expenses amounted to approximately EUR 1.6 million.</li> <li>• In the course of 2025, Vertical Studio B.V. aims to start generating revenue from its product offerings.</li> <li>• Despite revenue generation, Vertical Studio B.V. expects to maintain a negative cash flow over 2025 and 2026 as it reinvests in growth, platform development, and market expansion.</li> <li>• At the date of notification of this White Paper, Vertical Studio B.V. has 25 million \$VERTAI on its balance sheet.</li> <li>• At the date of notification of this White Paper, Vertical Studio B.V. has no outstanding loans.</li> </ul>

		<p>Non-financial performance indicators (per June 2025).</p> <ul style="list-style-type: none"> <li>• 24,000 registered platform users</li> <li>• 14,000 monthly active users</li> <li>• 91,000+ monthly prompts send</li> <li>• 40 AI models live</li> <li>• 12,000+ token holders</li> </ul> <p>Vertical Studio B.V. considers the non-financial indicators promising. However, investors should understand that these numbers were realised during the pre-revenue phase (i.e., at the time, the platform was available for use without charge).</p>
<i>Part B – Information about the issuer, if different from the offeror or person seeking admission to trading (not applicable)</i>		
B.1	Issuer different from offeror or person seeking admission to trading	False (no)
<i>Part C – Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph of Regulation (EU) 2023/1114 (not applicable)</i>		
C	Not applicable	Not applicable
<i>Part D – Information about the crypto-asset project</i>		
D.1	Crypto-asset project name	Vertical AI
D.2	Crypto-assets name	\$VERTAI token
D.3	Abbreviation	\$VERTAI



D.4	Crypto-asset project description	<p>Vertical AI is a platform that democratizes access to advanced artificial intelligence by enabling users to customize, deploy, and monetize AI models—without writing a single line of code. The ecosystem consists of:</p> <ul style="list-style-type: none"> <li>● <b>Vertical Studio:</b> a no-code AI development environment for AI customization and deploying models.</li> <li>● <b>Vertical Stream:</b> a marketplace where users can buy and sell AI models.</li> <li>● <b>Vertical Cloud:</b> a cloud orchestration layer that intelligently allocates workloads across centralized and decentralized compute networks, reducing costs and latency.</li> </ul> <p>Together, these components aim to make advanced AI more accessible, customizable, and monetizable for a broad audience.</p> <p>\$VERTAI holders can:</p> <ul style="list-style-type: none"> <li>● purchase platform credits at a discounted rate using \$VERTAI; and</li> <li>● stake their tokens to receive platform credits.</li> </ul> <p>Platform credits can only be used on the Vertical AI platform, are non-transferable and have an expiry date, as further set out in the terms and conditions.</p> <p>In addition, \$VERTAI holders are eligible to partake in the Vertical AI affiliate program.</p> <p>Target Audience: Vertical AI is designed for:</p> <ul style="list-style-type: none"> <li>● Individuals and companies looking to use AI models at a pay per use base;</li> <li>● AI builders looking to train and deploy AI models easily;</li> <li>● Enterprises seeking scalable, cost-efficient AI infrastructure; and</li> <li>● Crypto-native users engaging with the platform through token-based incentives.</li> </ul>
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		<p>Strategic Collaborations: Vertical AI partners with decentralized compute networks to deliver flexible and cost-effective access to GPU infrastructure, ensuring broad accessibility and scalability.</p> <p>Vertical Studio B.V. is a start-up. At the time of notification of the White Paper, a number of the envisaged functionalities, such as AI model customization and marketplace functionality, are already live in beta (test) modus. Additional features, including deeper integrations within Vertical Cloud and expanded analytics capabilities, are under active development. Vertical AI expects that a first (beta) version of all functionalities (Studio, Stream, Cloud) will go live in 2025.</p>
D.5	Details of all natural or legal persons involved in the implementation of the crypto-asset project	<p>The Vertical AI project is led by initiator Manouk Termaaten and his team at Vertical Studio B.V.</p> <p>At the date of notification of this White Paper, implementation of the project is further supported by the following professional service providers.</p> <p>PYGG Holdings B.V.</p> <p>Role: Statutory Director (Trust Service Provider)</p> <p>Business Address: 36 Julianaplein, Willemstad, Curaçao</p> <p>De Roos Cooperatief U.A.</p> <p>Role: Legal advisory</p> <p>Business Address: Hamerstraat 19 -1, 1021 JT Amsterdam, Netherlands</p> <p>NC Audit &amp; Advisory B.V. (Baker Tilly)</p> <p>Role: Audit and accounting services</p>

		<p>Business Address: 30 Snipweg, Willemstad, Curaçao</p> <p>HBN Law &amp; Tax B.V.</p> <p>Role: Tax advisory</p> <p>Business Address: Leonard B. Smithplein, 3, Willemstad, Curaçao</p> <p>Moonbound Consulting (Tokenomics.net)</p> <p>Role: Token economics advisory</p> <p>Business Address: 333 Wacker Drive, Chicago, IL 60606 U.S.A.</p>
D.6	Utility Token Classification	True
D.7	Key features Utility Token Project	<p>Vertical Studio B.V. offers a set of AI development and monetization tools, accessible through a credit-based payment system. Credits are required to use core services across:</p> <ul style="list-style-type: none"> <li>• Vertical Studio – a no-code platform for customizing and deploying AI models.</li> <li>• Vertical Stream – a marketplace to buy and sell customized models.</li> <li>• Vertical Cloud – a hybrid cloud orchestration layer optimizing compute usage across centralized and decentralized infrastructure.</li> </ul> <p>Credits can be acquired using fiat (USD) or \$VERTAI.</p> <p>1. <b>Purchasing Credits at a Discounted Rate</b>  When users purchase credits using \$VERTAI instead of government issued currency (fiat) they receive a 10% discount at checkout—making token usage a more cost-effective option for active participants. The discount is applied immediately at the time of purchase, offering users a direct incentive to use the token rather than traditional payment methods. The token amount required is calculated based on the real-time USD value of \$VERTAI at the time of the transaction. Once purchased, credits maintain their USD-equivalent value within the platform</p>

	<p>and are consumed as users access services.</p> <p><b>2. Staking \$VERTAI for Platform Credits</b></p> <p>Users can stake \$VERTAI to earn platform credits. Staking involves depositing tokens into a smart contract, where they remain locked for a set period. In return, users receive credits that can be spend on the platform. Unlike traditional staking models, this mechanism does not offer financial yield or token rewards. Its sole purpose is to encourage active platform use in a non-speculative way. The staked tokens are not consumed but are temporarily unavailable until the staking period ends or is cancelled (depending on contract settings). All transactions are handled via smart contracts to ensure transparency and predictability.</p> <p>Platform credits are non-transferable and can only be used within the Vertical AI ecosystem to access Vertical AI products and services. These credits cannot be traded, withdrawn, or exchanged for any external value.</p> <p>In addition to the above utilities, \$VERTAI token holders are eligible to participate in the affiliate program of Vertical Studio B.V. The affiliate program rewards partners who attract new users to the Vertical AI platform. Affiliates earn a commission based on the revenue they generate, with the potential to unlock higher commission tiers by locking a minimum amount of \$VERTAI. Pay outs under the affiliate program take place monthly (with a USD 20 threshold to minimise on-chain gas costs). Separate terms and conditions apply to participation in the affiliate program, which are available on the company website.</p> <p>Vertical Studio B.V. is a start-up. At the time of notification of the White Paper certain envisaged functionalities are already live in beta (test) modus. Additional features are under active development. It is expected that the optionality to purchase platform credits with \$VERTAI will go live in 2025. \$VERTAI staking and the affiliate program are envisaged to go live later, potentially in 2026.</p>
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D. 8	Plans for the token	<p><i>Milestones:</i></p> <p><b>Initiation phase 1</b></p> <p>Start development of the business model and technical platform</p> <p>Establish foundational partnerships with technology providers</p> <p><b>Initiation phase 2</b></p> <p>Form strategic partnerships to support the \$VERTAI token launch</p> <p>Community-building and content creation on social platforms</p> <p>Build the core team and determine tokenomics</p> <p><b>Initiation phase 3</b></p> <p>Incorporation in Curacao</p> <p>Token strategic pre-sale</p> <p>Token Generation Event (12 November 2024): \$VERTAI token minted, distributed to strategic pre-sale investors, and 50,000,000 \$VERTAI transferred to a Uniswap liquidity pool to facilitate public trading.</p> <p><b>Implementation phase 1</b></p> <p>Beta Launch Vertical stream (free)</p> <p>Ramp up marketing and community engagement through marketing &amp; AMA sessions</p> <p>Platform referral program live</p>
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		<p><b>Implementation phase 2</b></p> <p>Vertical stream V1 live</p> <p>Strengthen community engagement through forums, events, and Q&amp;A sessions</p> <p>Release case studies showcasing models built on Vertical</p> <p>Attend AI &amp; Web3 conferences with the core Vertical team</p> <p><b>Implementation phase 3 (current phase at moment of notification White Paper)</b></p> <p>Vertical Stream becomes paid (Payment system live expected in 2025)</p> <p>Implementation discounted credit purchase using \$VERTAI</p> <p>Establish strategic partnerships with AI and blockchain market leaders</p> <p>CEX listing</p> <p>V1 launch Vertical Studio</p> <p>Beta launch Vertical studio</p> <p><b>Implementation phase 4</b></p> <p>Vertical Cloud Beta live</p> <p>Implementation \$VERTAI staking mechanism for platform credits</p> <p>Start of token burning mechanism</p> <p><b>Fully operational phase</b></p> <p>Software Development Kit (SDK) release of vertical cloud</p>
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		Off-platform marketing tools for creators available Promote Vertical at AI & Web3 conferences with the core Vertical team																				
D.9	Resource Allocation	(Financial) resource allocation up to notification of the White Paper <ul style="list-style-type: none"><li>● Concept development &amp; token launch: \$100K</li><li>● R&amp;D (Development of the Vertical stream, Studio and Cloud): \$551K</li><li>● Marketing: \$475K</li><li>● Operations: \$135K</li><li>● Other: \$473K</li></ul>																				
D.10	Planned Use of Collected Funds or Crypto-Assets	<p><b>Required:</b> <i>Where applicable, planned use of any funds or other crypto-assets collected:</i></p> <table><tr><th colspan="4">A. History of collected funds</th></tr><tr><td colspan="4">Vertical Studio B.V. collected funds both in fiat (\$) (during the strategic pre-sale) as well as crypto-assets in the form of transaction fees (sometimes referred to as a ‘tax’ within the industry). For allocation see Table B.</td></tr><tr><th>Source</th><th>Description</th><th>Frequency</th><th>Amount</th></tr><tr><td>Strategic Sale Tokens</td><td>Tokens allocated for strategic investors.</td><td>Once</td><td>20,000,000 \$VERTAI sold for USD 101,000</td></tr><tr><td>Buy/Sell Tax (4%) (transaction fees at token level)</td><td>Initially, the \$VERTAI smart contract included a 4% buy and 4% sell tax. This tax has been removed since June 2025.</td><td>Limited-Time (from 11-2024 to 12-06-2025)</td><td>Equivalent of USD 3,950,000</td></tr></table>	A. History of collected funds				Vertical Studio B.V. collected funds both in fiat (\$) (during the strategic pre-sale) as well as crypto-assets in the form of transaction fees (sometimes referred to as a ‘tax’ within the industry). For allocation see Table B.				Source	Description	Frequency	Amount	Strategic Sale Tokens	Tokens allocated for strategic investors.	Once	20,000,000 \$VERTAI sold for USD 101,000	Buy/Sell Tax (4%) (transaction fees at token level)	Initially, the \$VERTAI smart contract included a 4% buy and 4% sell tax. This tax has been removed since June 2025.	Limited-Time (from 11-2024 to 12-06-2025)	Equivalent of USD 3,950,000
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		<b>B. Token Allocation Breakdown</b> Vertical Studio B.V. transferred 20% of the total token supply to early investors during the strategic pre-sale. 50% was transferred to a Uniswap liquidity pool at TGE. 5% of the total token supply has been allocated to team incentives. 25% is retained to cover future operating expenses related to marketing and listings (15%) and research & development (10%). If changing business conditions require a different distribution, Vertical Studio B.V. may reallocate allocation of retained \$VERTAI based on evolving needs.			
		<b>Category</b>	<b>Allocation</b>	<b>Description</b>	<b>Vesting</b>
		Liquidity Pool	50% (50,000,000 \$VERTAI)	50% of all \$VERTAI have been transferred to a Uniswap liquidity pool to allow trading as of TGE.	N/A
		Strategic Sale	20% (20,000,000 \$VERTAI)	Sold to early investors to fund core development and strategic growth of the platform.	40% unlocked at Token Generation Event (TGE), 60% linear vesting over 70 days.
		Marketing & Listings	15% (15,000,000 \$VERTAI)	Allocated to marketing activities and exchange listings to support the platform's long-term growth, visibility, and adoption.	25% unlocked at Token Generation Event (TGE), 75% linear vesting over 6 months.



		<table><tr><td>Research &amp; development</td><td>10% (10,000,000 \$VERTAI)</td><td>Designated to fund ongoing innovation and technical advancements, ensuring continuous improvement of the Vertical platform.</td><td>100% linear vesting over 6 months as of TGE.</td></tr><tr><td>Team</td><td>5% (5,000,000 \$VERTAI)</td><td>Allocated to incentivize the team, aligning long-term commitment and performance with the success of the platform.</td><td>3-month cliff and linear vesting over 12 months, as of TGE.</td></tr></table>	Research & development	10% (10,000,000 \$VERTAI)	Designated to fund ongoing innovation and technical advancements, ensuring continuous improvement of the Vertical platform.	100% linear vesting over 6 months as of TGE.	Team	5% (5,000,000 \$VERTAI)	Allocated to incentivize the team, aligning long-term commitment and performance with the success of the platform.	3-month cliff and linear vesting over 12 months, as of TGE.		
Research & development	10% (10,000,000 \$VERTAI)	Designated to fund ongoing innovation and technical advancements, ensuring continuous improvement of the Vertical platform.	100% linear vesting over 6 months as of TGE.									
Team	5% (5,000,000 \$VERTAI)	Allocated to incentivize the team, aligning long-term commitment and performance with the success of the platform.	3-month cliff and linear vesting over 12 months, as of TGE.									
		<div><b>C. Planned use of funds</b> The below allocation indicates how Vertical Studio B.V. envisages to initially use the collected funds. If changing business conditions require a different distribution, Vertical Studio B.V. may reallocate funds based on evolving needs.</div> <table><tr><th>Category</th><th>Planned allocation of cash funds</th><th>Purpose</th></tr><tr><td>R&amp;D (Development of the Vertical stream, Studio and Cloud)</td><td>35%</td><td>Improving Vertical AI products, technical upgrades.</td></tr><tr><td>Marketing &amp; Growth</td><td>30%</td><td>User acquisition, partnerships, brand awareness.</td></tr></table>		Category	Planned allocation of cash funds	Purpose	R&D (Development of the Vertical stream, Studio and Cloud)	35%	Improving Vertical AI products, technical upgrades.	Marketing & Growth	30%	User acquisition, partnerships, brand awareness.
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		Operations & Compliance	20%	Legal fees, team salaries.
		Liquidity & Market Support	10%	Ensuring stable trading conditions, liquidity provisions.
		Reserves & Treasury	5%	Emergency funds, strategic scaling.

*Part E – Information about the offer to the public of crypto-assets or their admission to trading*

E.1	Public Offering and/or Admission to trading	‘ATTR’ - admission to trading
E.2	Reasons for Public Offer and/or Admission to trading	<p>Vertical Studio B.V. will request admission to trading for \$VERTAI at one or more centralised trading venues (also referred to as: centralised exchanges; <b>CEX</b>) to provide increased liquidity for users, enabling easier acquisition, exchange, and use of \$VERTAI. Admission to trading may also benefit awareness of the Vertical AI project and provide transparent pricing.</p> <p>Vertical Studio B.V. currently holds a material number of \$VERTAI on its balance sheet. In addition, it is envisaged that at least part of the credits sold on the platform will be paid in \$VERTAI, further increasing the number of \$VERTAI held by Vertical Studio B.V. Therefore, Vertical Studio B.V. envisages to sell portions of \$VERTAI over time to cover operating expenses, using the services of one or more market makers to avoid disturbance of market conditions. Vertical Studio B.V. does not intend to offer current and future holdings of \$VERTAI directly to the public but in private OTC deals instead.</p>
E.3	Fundraising Target	Not applicable
E.4	Minimum Subscription Goals	Not applicable
E.5	Maximum Subscription Goals	Not applicable

E.6	Oversubscription Acceptance	Not applicable
E.7	Oversubscription Acceptance	Not applicable
E.8	Issue Price	Not applicable
E.9	Official currency or any other crypto-assets determining the issue price	USD
E.10	Subscription fee	Not applicable
E.11	Offer Price Determination Method	Not applicable
E.12	Total Number of Offered/Traded Crypto-Assets	A total of 100,000,000 \$VERTAI are created. Currently 75% of all \$VERTAI is in circulation (including the \$VERTAI in the Uniswap liquidity pool) while 25% of all \$VERTAI are retained by Vertical Studio B.V. Vertical Studio B.V. envisages to reduce its \$VERTAI holdings over time.
E.13	Targeted Holders	ALL
E.14	Holder restrictions	<p>Holding \$VERTAI tokens is restricted for US residents and all other persons classifying as U.S. person under any laws of the United States of America.</p> <p>Persons appearing on the OFAC, UN, EU or Local EU Sanction lists are restricted from holding \$VERTAI.</p> <p>Investors should be aware that holding, trading or otherwise engaging with crypto-assets is prohibited or restricted in certain jurisdictions. Each (prospective) token holder should verify whether it is allowed to hold \$VERTAI in its jurisdiction of residence.</p>
E.15	Reimbursement Notice	Not applicable
E.16	Refund Mechanism	Not applicable

E.17	Refund Timeline	Not applicable
E.18	Offer Phases	<p><b>Strategic pre-sale (pre-public sale)</b></p> <p>Between July and September 2024 20,000,000 \$VERTAI tokens (out of 100,000,000 \$VERTAI total supply) were sold to 35 strategic investors for in total \$101,000. The distribution followed a structured vesting schedule:</p> <ul style="list-style-type: none"> <li>• 40% unlocked at the Token Generation Event (TGE) on 12 November 2024.</li> <li>• 60% vested over 2.5 months (ending 23 January 2025).</li> </ul> <p><b>Phase 2: Token Generation Event (TGE) and Uniswap launch – November 12, 2024</b></p> <p>At TGE, \$VERTAI was officially launched. Vertical Studio B.V. transferred 50,000,000 \$VERTAI and 10 ETH to a Uniswap liquidity pool to allow the public to trade \$VERTAI against the pool. Based on the initial ratio of 50,000,000 \$VERTAI against 10 ETH in the Uniswap liquidity pool, initial trading at Uniswap took place at a ca. USD 60,000 valuation on a fully diluted basis.</p>
E.19	Early Purchase Discount	<p>Investors participating in the strategic pre-sale paid a higher price than investors that traded against the Uniswap liquidity pool at TGE:</p> <ul style="list-style-type: none"> <li>• Between July and September 2024 20,000,000 \$VERTAI tokens were sold to 35 strategic holders for USD 101,000 (avg. ~\$2,857 per person). I.e., a ca. USD500,000 valuation.</li> <li>• At TGE, \$VERTAI was available for trading in a Uniswap liquidity pool against a ca. USD 60K valuation.</li> </ul> <p>As such, early investors did not receive a discount.</p>
E.20	Time-limited offer	False
E.21	Subscription period beginning	Not applicable
E.22	Subscription period end	Not applicable

E.23	Safeguarding Arrangements for Offered Funds/Crypto-Assets	Not applicable
E.24	Payment Methods for Crypto-Asset Purchase	Not applicable
E.25	Value Transfer Methods for Reimbursement	Not applicable
E.26	Right of Withdrawal	Not applicable
E.27	Transfer of Purchased Crypto-Assets	Not applicable
E.28	Transfer Time Schedule	Not applicable
E.29	Purchaser's Technical Requirements	Not applicable
E.30	CASP name	Not applicable
E.31	CASP Identifier	Not applicable
E.32	Placement form	Not applicable
E.33	Trading Platforms name	<p><b>European Union (EU)</b> At the date of notification, Vertical Studio B.V. is in negotiations around the admission to trading of \$VERTAI in the EU. An up-to-date list of centralised trading venues where \$VERTAI is admitted to trading can be found <a href="#">here</a>.</p> <p><b>NON-EU</b> \$VERTAI is listed on decentralised exchange (DEX) Uniswap. Investors should be aware that Uniswap is not regulated under MiCAR as a result of which its users may benefit less protection.</p>
E.34	Trading Platform Market Identifier Code (MIC)	At the date of notification of this White Paper, Vertical Studio B.V. is negotiating the admission to trading of the \$VERTAI token. An up-to-date list of centralised trading venues, including their Market Identifier Code (MIC), for trading \$VERTAI can be found <a href="#">here</a> .

E.35	Trading Platforms Access	<p><b>CEX</b> Centralised trading venues have their own acceptance criteria and onboarding procedure, outside of the control of Vertical Studio B.V. Please refer to such CEX for more information.</p> <p><b>DEX: Uniswap</b> Uniswap can be reached at: <a href="https://app.uniswap.org/explore/tokens/ethereum/0xcdbddbdefb0ee3ef03a89afcd714aa4ef310d567">https://app.uniswap.org/explore/tokens/ethereum/0xcdbddbdefb0ee3ef03a89afcd714aa4ef310d567</a>.</p> <p>Access to DEXs like Uniswap is open to any user with a compatible Web3 wallet.</p>
E.36	Involved costs	<p><b>CEX</b> Centralised trading venues may charge costs, such as transaction fees, in accordance with the rules of their platform.</p> <p><b>DEX</b> On chain transactions incur transaction fees on the respective blockchains. These fees are determined by the current network conditions and are standard for transactions on the relevant networks.</p> <p>Vertical Studio B.V. does not impose any extra purchase or subscription fees.</p>
E.37	Offer Expenses	Not applicable.
E.38	Conflicts of Interest	<p><b>Team Token Allocation</b> The core team members at Vertical Studio B.V. hold token allocations, which may create alignment but also potential conflicts of interest if personal interests diverge from those of Vertical Studio B.V., other token holders, or other stake holders.</p> <p><b>Key Opinion Leaders</b> A total of 53 Key Opinion Leaders (<b>KOLs</b>) were engaged by Vertical Studio B.V. They purchased tokens at a discount in exchange for promoting the project. KOLs are subject to a vesting schedule to</p>

		promote responsible selling. Additionally, the KOLs have signed agreements prohibiting irresponsible sales (i.e., the sale of large numbers of \$VERTAI at once (dumping), potentially materially affecting the market price).
E.39	Applicable law	The law applicable to \$VERTAI is the law of Curaçao. If a participant in the offer qualifies as a consumer within the meaning of Article 6 of Regulation (EC) No 593/2008 (Rome I), the consumer will retain the protection afforded to them by provisions that cannot be derogated from by agreement by virtue of the law which, in the absence of choice, would have been applicable in the country where the consumer has his habitual residence.
E.40	Competent court	The competent court for any disputes related to \$VERTAI is the court of Curaçao If the agreement between TRLBLZR and a participant in the offer qualifies as a consumer contract within the meaning of Article 17 of Regulation (EU) 1215/2012, the jurisdiction rules set out in Articles 18 and 19 of such regulation apply.
<i>Part F – Information about the crypto-assets</i>		
F.1	Crypto-Asset Type	<p>The \$VERTAI token is as a crypto-asset other than an asset-referenced token or e-money token under the Markets in Crypto-Assets Regulation (MiCAR).</p> <p>\$VERTAI is only intended to provide access to goods and services provided by Vertical Studio B.V. As such, it classifies as a utility token within the meaning of MiCAR.</p>
F.2	Crypto-Asset Functionality	<p>The Vertical AI platform offers users a variety of AI related services. Users require platform credits to use these services. Users can purchase platform credits with fiat currency (USD) or \$VERTAI. \$VERTAI holders can use their tokens to:</p> <ul style="list-style-type: none"> <li>• purchase platform credits at a discounted rate using \$VERTAI.</li> <li>• stake \$VERTAI to receive platform credits.</li> </ul> <p>In addition, \$VERTAI holders are eligible to partake in Vertical AI affiliate program to earn rewards for bringing in new registered users.</p> <p>Platform credits are non-transferable and can only be used within the platform.</p>

F.3	Planned Application of Functionalities	It is the ambition of Vertical Studio B.V. that the functionalities of \$VERTAI will go live in 2025. First, payment for platform credits with \$VERTAI will go live. The affiliate program and staking will follow later, potentially in 2026.
F.4	Type of white paper	OTHR
F.5	Type of submission	NEWT
F.6	Crypto-Asset Characteristics	<p>\$VERTAI is a fungible ERC-20 token issued on the Ethereum blockchain. It follows the standard Ethereum token specification, making it compatible with most Ethereum wallets, exchanges, and smart contracts. The token is divisible up to 18 decimals and has a fixed maximum supply of 100,000,000.</p> <p>\$VERTAI is not intended for investment purposes and includes no features such as interest, profit-sharing, or yield.</p>
F.7	Commercial or trading name	VERTAI
F.8	Website of the issuer	<a href="http://www.verticalstudio.ai">www.verticalstudio.ai</a>
F.9	Starting date of admission to trading	Currently unknown. It is the ambition of Vertical Studio B.V. to have the \$VERTAI admitted to trading in 2025. Updates will be provided via the website.
F.10	Intended publication date of the white paper	2025-07-22
F. 11	Any other services provided by the issuer	Vertical Studio B.V. operates the Vertical AI platform.
F.12	Identifier of operator of the trading platform	Currently unknown. Updates will be provided via the company website.
F.13	Language of the white paper	English



F.14	Digital Token Identifier Code used to uniquely identify the crypto-asset to which the white paper relates, where available	Not applicable
F.15	Functionally Fungible Group Digital Token Identifier, where available	Not applicable
F.16	Voluntary data flag	'false' – mandatory
F.17	Personal data flag	'true' – Yes
F.18	LEI eligibility	'true' – eligible
F.19	Home Member State	The Netherlands
F.20	Host Member State	Austria Belgium Bulgaria Croatia Cyprus Czech Republic Denmark Estonia Finland France Germany Greece Hungary Ireland Italy Latvia

		Lithuania Luxembourg Malta Poland Portugal Romania Slovakia Slovenia Spain Sweden
<i>Part G – Information on the rights and obligations attached to the crypto-assets</i>		
G.1	Purchaser Rights and Obligations	<p><b>Rights</b></p> <p>\$VERTAI holders, subject to accepting the applicable terms and conditions available on the Vertical AI Platform, have the right to:</p> <ul style="list-style-type: none"> <li>● obtain platform credits at a discount by paying with \$VERTAI;</li> <li>● earn platform credits by staking their \$VERTAI;</li> <li>● participate in the Vertical AI affiliate program.</li> </ul> <p>\$VERTAI holders do not have any ownership or equity interest in Vertical Studio B.V. or its affiliated entities. \$VERTAI holders do not have any governance rights related to Vertical Studio B.V. or its affiliated entities.</p> <p><b>Obligations</b></p> <p>Holders of \$VERTAI have the following obligations and by holding \$VERTAI they represent that</p> <ul style="list-style-type: none"> <li>● they will hold and use \$VERTAI in compliance with this white paper and applicable laws and regulations;</li> <li>● they are not a restricted person, appearing on the OFAC, UN, EU or Dutch Sanction Lists and are not holding \$VERTAI on behalf of a restricted person;</li> <li>● they will not offer, sell, trade, pledge, convert, transfer, or deliver, either directly or indirectly, \$VERTAI, at any time within the United States;</li> </ul>

		<ul style="list-style-type: none"> <li>• they are not a U.S. resident or a U.S. Person under any US law or regulation;</li> <li>• they will not use \$VERTAI tokens for speculative purposes or with the expectation of profit;</li> <li>• Risk acknowledgment: purchasers accept the inherent risks associated with crypto assets, including volatility, loss of value, and technological failures;</li> <li>• Responsibility for transactions: purchasers are solely responsible for managing their crypto assets, wallet addresses, and transactions.</li> </ul> <p>\$VERTAI transactions are irreversible. Once a holder transfers \$VERTAI to a specific address, they accept the risk of permanently or indefinitely losing access to or any claim on that \$VERTAI. Vertical Studio B.V. has no obligation to track, recover or replace any \$VERTAI.</p>
G.2	Exercise of Rights and Obligations	<ul style="list-style-type: none"> <li>• <b>Purchase credits at a discount</b></li> </ul> <p>\$VERTAI holders can purchase platform credits at a 10% discount following a specific procedure:</p> <ul style="list-style-type: none"> <li>• Create an account on verticalstudio.ai and accept the applicable terms and conditions.</li> <li>• Go to the credit purchase screen at verticalstudio.ai and accept the applicable terms and conditions.</li> <li>• Select \$VERTAI as your payment method</li> <li>• The 10% discount will automatically be applied to your credit purchase at checkout.</li> <li>• The amount of \$VERTAI required will be calculated based on the real-time exchange rate.</li> <li>• Upon completion of the transaction, the credits will be available in your account and can be used immediately across on the vertical platform.</li> </ul> <ul style="list-style-type: none"> <li>• <b>Stake \$VERTAI to receive credits</b></li> </ul> <p>\$VERTAI holders can stake \$VERTAI to receive credits following a specific procedure:</p> <ul style="list-style-type: none"> <li>• Create an account on verticalstudio.ai and accept the applicable terms and conditions.</li> <li>• Navigate to the staking dashboard in your Vertical AI account.</li> <li>• Choose the amount of \$VERTAI you want to stake and the desired lock-up period.</li> <li>• Confirm the transaction to deposit your tokens into the staking smart contract.</li> <li>• You will receive platform credits on a monthly basis.</li> <li>• The staking reward can vary and will be set when the tokens are locked in the staking contract</li> </ul>

		<ul style="list-style-type: none"> <li>• Your staked tokens will be locked and will become available again once the staking period ends (or earlier, depending on the contract settings).</li> <li>• Staked tokens can be unstaked at any time before the end of the staking period; however, doing so may result in reduced or forfeited rewards.</li> </ul> <ul style="list-style-type: none"> <li>• <b>Affiliate program</b></li> </ul> <p>\$VERTAI holders are eligible to participate in the Vertical AI affiliate program and earn commissions by following a specific procedure:</p> <ul style="list-style-type: none"> <li>• Create an account on verticalstudio.ai and accept the applicable terms and conditions.</li> <li>• Navigate to the affiliate dashboard in your Vertical AI account.</li> <li>• Lock a minimum of \$VERTAI to activate your affiliate status.</li> <li>• Share your unique referral link with your network.</li> <li>• Earn a commission based on the total spending of referred users over their first two years.</li> <li>• Commissions are paid out monthly in USDC or \$VERTAI (with a USD 20 minimum per payout to minimise transaction costs).</li> </ul> <p>As per the applicable terms and conditions, platform credits can only be used on the Vertical AI platform. Platform credits are non-transferable, meaning that users cannot transfer credits to other users or third parties. Platform credits have an expiry rate as set out in the terms and conditions.</p> <p>For more information please visit: <a href="https://www.verticalstudio.ai/web3">https://www.verticalstudio.ai/web3</a></p>
G.3	Conditions for modifications of rights and obligations	<p>Vertical AI reserves the right to amend the rights and obligations attached to the \$VERTAI token from time to time. Such amendments may, for example, be necessary due to regulatory changes, technological updates, organizational decisions, or ecosystem growth. Token holders will be informed of any modifications through updates to the Vertical AI white paper, published on the official website, or announcements via official communication channels.</p> <p>In case of significant new factors, material mistakes, or material inaccuracies an updated version of this white paper will be published on the official website.</p>
G.4	Future Public Offers	Not applicable

G.5	Issuer Retained Crypto-Assets	25.000.000 \$VERTAI tokens (25%)
G.6	Utility Token Classification	‘true’ – Yes, the crypto-asset qualifies as utility token within the meaning of MiCAR
G.7	Key Features of Goods/Services of Utility Tokens	<p>\$VERTAI tokens can be used:</p> <ul style="list-style-type: none"> <li>• to obtain platform credits at a discount by paying with \$VERTAI instead of fiat (USD)</li> <li>• to earn credits by staking their \$VERTAI</li> </ul> <p>In addition, token holders are eligible to partake in the Issuer’s affiliate program.</p>
G.8	Utility Tokens Redemption	The \$VERTAI utility token can be redeemed by connecting a wallet containing \$VERTAI to the Vertical AI platform and following the procedure set out in G.2 as further explained on the website.
G.9	Non-Trading request	‘true’ – Yes, admission to trading is sought
G.10	Crypto-Assets purchase or sale modalities	Not applicable
G.11	Crypto-Assets Transfer Restrictions	<p>\$VERTAI is an ERC-20 token. Vertical Studio B.V. did not implement technical restrictions to the transferability VERTAI token. The transferability of \$VERTAI tokens may be restricted in certain jurisdictions due to local laws and regulations. Purchasers are responsible for ensuring compliance with their local legal requirements before acquiring, holding, or transferring \$VERTAI tokens.</p> <p>5% of \$VERTAI tokens have been allocated to team members. These tokens are subject to a linear vesting period ending 1 January 2026.</p> <p>Additionally, the aforementioned Key Opinion Leaders (<b>KOLs</b>) that promoted Vertical Studio B.V. are subject to a vesting schedule to promote responsible selling.</p>
G.12	Supply Adjustment Protocols	‘false’ – No, protocols are not in place

G.13	Supply Adjustment Mechanisms	<p>The \$VERTAI token does not have a protocol for automatically increasing or decreasing its supply in response to market demand. The total supply of \$VERTAI is fixed at 100,000,000 tokens, as defined in the token contract's constructor.</p> <p>However, Vertical Studio B.V. may, at its sole discretion, decide to manually burn \$VERTAI tokens to gradually reduce supply over time. The following burning mechanism is envisaged.</p> <ul style="list-style-type: none"> <li>• Vertical Studio B.V. holds 25% of the total token supply on its balance sheet, at the date of notification of this white paper, and is expecting to receive \$VERTAI on an ongoing basis from users purchasing platform credits once the paid version of the Vertical AI platform goes live.</li> <li>• Vertical Studio B.V. will sell \$VERTAI on an ongoing basis to fund operating expenses.</li> <li>• Each quarter Vertical Studio B.V. will burn a number of \$VERTAI tokens equivalent to 10% of the net profit generated from services paid in \$VERTAI over the previous quarter. This means that Vertical Studio B.V. will transfer such tokens to an external smart contract wallet from where they cannot be retrieved, with the aim of achieving a deflationary effect by reducing the total supply of \$VERTAI in circulation (i.e., taking such tokens out of circulation by locking them in a smart contract).</li> <li>• Vertical Studio B.V. envisages to continue burning \$VERTAI each quarter (assuming profitability) until a maximum of 25% of the total token supply at token generation event (25.000.000 \$VERTAI tokens) are burned, or 5 years have passed.</li> <li>• Vertical Studio B.V. will update stakeholders on its burning mechanism, including material changes thereto via its website.</li> </ul>
G.14	Token Value Protection Schemes	No
G.15	Token Value Protection Schemes Description	Not applicable
G.16	Compensation Schemes	'false' – No
G.17	Compensation Schemes Description	Not applicable

G.18	Applicable law	Laws of Curaçao. Any matters relating to the legal status, rights, and obligations associated with \$VERTAI will be subject to the applicable law of Curaçao. If an investor qualifies as a consumer within the meaning of Article 6 of Regulation (EC) No 593/2008 (Rome I), the consumer will retain the protection afforded to them by provisions that cannot be derogated from by agreement by virtue of the law which, in the absence of choice, would have been applicable in the country where the consumer has their habitual residence.
G.19	Competent court	The competent court for any disputes related to the legal status, rights, and obligations associated with \$VERTAI is the court of Curaçao. Any disputes arising in connection with \$VERTAI will be subject to the jurisdiction of the courts in Curaçao, in accordance with applicable law. If the agreement between Vertical Studio B.V. and a participant in the offer qualifies as a consumer contract within the meaning of Article 17 of Regulation (EU) 1215/2012, the jurisdiction rules set out in Articles 18 and 19 of such regulation apply.
<i>Part H – Information on the underlying technology</i>		
H.1	Distributed ledger technology	The \$VERTAI token is built on the Ethereum blockchain, utilizing the ERC-20 token standard. Key advantages of Ethereum include its smart contract functionality, which automates processes such as token transfers and fee collection, as well as its interoperability with a wide range of Ethereum compatible wallets and decentralized applications. Ethereum's established infrastructure provides a reliable foundation for the \$VERTAI token, supporting long-term operation and integration within the Vertical AI ecosystem.
H.2	Protocols and technical standards	<ol style="list-style-type: none"> <li>1. Blockchain Protocol The \$VERTAI token is built on the Ethereum blockchain, which is a decentralized, open-source blockchain platform with a widespread adoption.</li> <li>2. Token Standard The token follows the ERC-20 standard, which is the most widely used technical standard for fungible tokens on the Ethereum blockchain.</li> <li>3. Smart Contract Standards</li> </ol>

		<p>The \$VERTAI token's smart contract adheres to the ERC-20 standard, which defines a set of functions (e.g., transfer, approve, balance) that enable seamless interaction with other Ethereum-based systems.</p> <p>4. Interoperability By adhering to the ERC-20 standard, the \$VERTAI token is interoperable with a wide range of Ethereum-based tools, including wallets (e.g., MetaMask), decentralized exchanges (e.g., Uniswap), and other decentralized applications.</p> <p>5. Security The smart contract leverages Ethereum's cryptographic protocols and decentralized validation to ensure secure and tamper-proof transactions. The use of established standards like ERC-20 minimizes the risk of vulnerabilities and ensures compatibility with industry best practices.</p>
H.3	Technology Used	\$VERTAI is an ERC-20 token that runs on the Ethereum blockchain for secure receiving, holding and transferring \$VERTAI tokens.
H.4	Consensus Mechanism	<p>The Ethereum blockchain uses a Proof of Stake (PoS) consensus mechanism.</p> <p>In PoS, validators are selected to create and validate new blocks based on the amount of cryptocurrency they have staked as collateral. Validators are incentivized to act honestly, as malicious behaviour can result in the loss of their staked funds.</p> <p>This mechanism supports energy efficiency, security, and scalability, providing a reliable foundation for \$VERTAI transactions.</p>
H.5	Incentive Mechanisms and Applicable Fees	<p>Ethereum Incentive Mechanisms:</p> <p>The Ethereum blockchain, on which \$VERTAI operates, uses a Proof of Stake (PoS) consensus mechanism. Validators are incentivized to secure transactions by earning rewards for proposing and validating blocks. These rewards are funded through transaction fees and newly minted ETH (staking rewards).</p> <p>Ethereum Applicable Fees (Gas Fees):</p>



		<p>Users pay Ethereum gas fees for transferring \$VERTAI tokens. These fees compensate validators for processing transactions and securing the network.</p> <p>Vertical Studio B.V. does not charge transaction fees.</p>
H.6	Use of own Distributed Ledger Technology	'false' – No, DLT that is operated by the issuer, the offeror, or a third-party acting on their behalf is not used
H.7	DLT Functionality Description	Not applicable
H.8	Audit	'true' – Yes, an audit of the technology used was conducted
H.9	Audit outcome	<p>The technology used for the \$VERTAI token underwent a security audit at 12/11/2024 conducted by SolidProof.io, a blockchain technology audit firm, to assess the integrity and robustness of the token smart contract. The audit evaluated key security aspects, including vulnerabilities, ownership privileges, and compliance with industry best practices.</p> <p><b>A. Scope of the Audit:</b> The audit process followed a structured methodology, including:</p> <ol style="list-style-type: none"> <li>1. Specification Review: examination of the smart contract's intended functionality, including a review of provided specifications and implementation.</li> <li>2. Manual Code Examination: line-by-line inspection of the smart contract's source code to identify potential security risks and areas for optimization.</li> <li>3. Specification Alignment: Validation that the smart contract's functionality aligns with the intended design.</li> <li>4. Test Coverage Assessment: Evaluation of test cases to ensure comprehensive coverage and identify any gaps.</li> <li>5. Symbolic Execution: Analysis of execution paths to identify edge cases or potential vulnerabilities.</li> </ol>

		<div>6. Best Practices Evaluation: Assessment of compliance with security standards and industry best practices.</div> <div>7. Actionable Recommendations: Identification of potential optimizations and security enhancements. As the audit did not identify material risks, Vertical Studio B.V. decided not to pursue action on the recommendations.</div> <div><div><b>B. Key Findings and Outcome:</b></div><div>The audit report concluded that no critical or high-severity issues were found within the \$VERTAI smart contract. The key observations are as follows:</div><div><div>1. Security Findings:<ul style="list-style-type: none"><li>● No high or medium severity vulnerabilities detected.</li><li>● One low-severity issue was identified in relation to a token utility that has since been removed.</li><li>● No vulnerabilities found that allow minting, blacklisting, or locking of user funds.</li><li>● The contract is upgradeable, which introduces potential risks if not properly managed. Best practices for upgradeability should be followed to mitigate such risks.</li></ul></div><div>2. Ownership and Control:<ul style="list-style-type: none"><li>● Vertical Studio B.V. has privileges related to a token utility that has since been removed.</li><li>● The contract is not renounced, meaning administrative control remains with the project team.</li><li>● The owner cannot arbitrarily mint tokens, set excessive fees, or blacklist users, ensuring security against abusive controls.</li></ul></div><div>3. Performance and Reliability:<ul style="list-style-type: none"><li>● The audit confirmed that the contract aligns with Solidity best practices.</li><li>● No performance concerns were highlighted in the audit.</li></ul></div><div>4. Open-Source and Bug Bounty Programs:</div></div></div>
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		<ul style="list-style-type: none"> <li>• The smart contracts are open-source, allowing for public scrutiny.</li> <li>• Currently, no public bug bounty program is in place, but future security initiatives may include such programs to enhance security further.</li> </ul> <p><b>C. Audit Report Accessibility</b></p> <p>The full audit results, including a detailed breakdown of findings, can be accessed at:  <a href="https://app.solidproof.io/projects/verticalai">https://app.solidproof.io/projects/verticalai</a></p> <p>Vertical Studio B.V. is a tech startup. It is still determining the optimum business case, market and tech stack for its products and services, which will likely lead to many more iterations to all components of its business, including \$VERTAI. However, since the date of the audit up to the date of notification of this white paper, the underlying technology as audited by SolidProof.io has not materially changed.</p>
<i>Part I - Information on risks</i>		
I.1	Admission to trading – Risks	<p>Vertical Studio B.V. publishes this white paper in relation to the admission to trading of the \$VERTAI token on centralised trading venues in the European Union. The admission to trading of crypto-assets by a start-up developing a platform for artificial intelligence comes with many risks. Vertical Studio B.V. identified the below risks as most material and most likely to occur given the current phase of its development. Additional risks may also materialize as unanticipated variations or combinations of the risks discussed within this section.</p> <p><b>Regulatory compliance risks</b></p> <p>Crypto-assets and the markets in crypto-assets are relatively new and subject to many uncertainties including in terms of public perception, regulatory perception and regulations. Failure to meet regulatory requirements can result in legal penalties, fines, and potential market bans. Vertical Studio B.V. aims to serve a global audience. Legal uncertainty around the treatment and classification of crypto-assets in many jurisdictions may impact investor appetite in the project, which may negatively impact the value of \$VERTAI as well as the possibility to trade \$VERTAI, which in turn may lead to extreme volatility. At the same time, regulation of artificial intelligence (AI) is also still nascent</p>

	<p>or being developed in most jurisdictions worldwide, which also brings uncertainties to businesses active in AI and services around AI. Legal and regulatory limitations to the use of AI can impact the business model of Vertical Studio B.V. which in turn can impact the utility and therefore value of \$VERTAI.</p> <p><b>Vertical AI project risks</b></p> <p>\$VERTAI is a utility token which can be used on the Vertical AI platform. As such, the value of \$VERTAI is fully related to the success or failure of the Vertical AI project. The Vertical AI project is in the early stages of development, based on nascent technology and an innovative business case. There is no guarantee of success. If the Vertical AI project fails, \$VERTAI will lose its utility and therefore likely also its value.</p> <p><b>Nascent company risks</b></p> <p>Vertical Studio B.V. is an early-stage start-up. Typical start-up related risks apply, such as those related to a limited operational history, unproven business model, and potential challenges in scaling operations. Start-ups face higher failure rates, and any inability of Vertical Studio B.V. to execute its business plan, secure additional funding, or achieve milestones could adversely impact the utility of \$VERTAI and its value.</p> <p><b>Risks related to the financial situation of Vertical Studio B.V.</b></p> <p>The Vertical AI platform is still under development and has not yet generated profit. Vertical Studio B.V. expects to maintain a negative cash flow over 2025 and 2026. This means that Vertical Studio B.V. is currently dependent on its cash on the bank and potentially external financing if it fails to generate sufficient profit before its cash reserves are depleted. However, there is no guarantee that external financing will be available to Vertical Studio B.V. or under which conditions. If Vertical Studio B.V. runs out of cash, it is likely to fail as a result of which \$VERTAI would lose its utility and therefore its value.</p> <p><b>Market volatility</b></p>
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	<p>The market prices of crypto-assets in general are highly volatile in nature, which can result in significant fluctuations in value that in turn can impact investor confidence. The market value of \$VERTAI is based on supply and demand on the market, whereby demand is driven by the use of \$VERTAI (adoption) and the supply is limited to the total supply of \$VERTAI. The price of \$VERTAI can change quickly and may be affected by a variety of factors. If the Vertical AI project fails to attract sustainable adoption or if token holders no longer believe in its long-term success usage and/or market demand will drop as a result of which the price could drop sharply and permanently.</p> <p><b>Liquidity risk</b></p> <p>Vertical Studio B.V. aims to work with reputable exchanges and market makers, but there is always a risk of delisting or market maker failure, impacting liquidity. Limited market liquidity could make it difficult for investors to buy or sell tokens without impacting the token's price.</p> <p><b>Vertical Studio holds a material portion of \$VERTAI tokens, potentially being able to exert significant influence pricing</b></p> <p>At the date of notification of this white paper, Vertical Studio B.V. holds ca. 25% of all \$VERTAI tokens. In addition, it is expected that Vertical Studio B.V. will receive \$VERTAI on an ongoing basis as payment for platform credits. Therefore, if Vertical Studio would sell large numbers of \$VERTAI tokens in a relatively short time frame, this could negatively impact the market value of \$VERTAI due to a relative increase of supply compared to demand.</p> <p><b>Trading venue risk</b></p> <p>Vertical Studio B.V. publishes this white paper in relation to the admission to trading of \$VERTAI at regulated centralised trading venues in the European Union. Being regulated by MiCAR (or otherwise) is no guarantee against fraud, hacks, insolvency, technical problems or otherwise. Vertical Studio B.V. neither operates nor controls, oversees or manages the functioning of trading venues where \$VERTAI is admitted to trading. Trading venues may encounter technical, financial, fraud and other issues, including insolvency. Vertical Studio B.V. cannot guarantee that \$VERTAI will remain listed or tradeable on any trading venue. Delisting could significantly hinder the ability to trade \$VERTAI and increase volatility.</p>
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		<p><b>Business environment risk</b> Vertical Studio B.V. develops a business model around a platform for the use of AI models. AI is a fast-evolving combination of technologies that is rapidly changing, with fierce competition globally. The Vertical AI platform may fall behind in terms of technology, ease of use, or otherwise as a result of which competitors may win over its user base, devaluating the platform and therefore the \$VERTAI token.</p> <p><b>Environmental, social and governance risks</b> While Ethereum's transition to Proof of Stake reduces energy consumption, ESG concerns related to blockchain technology could still arise, negatively affecting market perception of crypto-assets or of crypto-assets on a specific blockchain such as Ethereum. ESG concerns in relation to the energy consumption of AI may also negatively affect the perception of the Vertical AI platform and \$VERTAI.</p>
I.2	Issuer-Related Risks	Not applicable.
I.3	Crypto-Assets-related Risks	<p><b>Regulatory risks</b> Legal treatment of crypto-assets is unclear in various jurisdictions. In some countries, such as the United States, different government agencies define crypto-assets differently, leading to regulatory conflict and uncertainty. This uncertainty is exacerbated by the rapid evolution of regulations. It is clearly difficult to predict how the regulatory outlook and policies regarding crypto-assets may change. A shift to a generally more negative view could lead to risks for investors as tightening regulations may restrict access for token holders as well as hinder development of the Vertical AI project.</p> <p><b>Market volatility risks</b> Crypto-assets are notoriously volatile. \$VERTAI may be subject to extreme price volatility, which can lead to significant financial losses for investors.</p> <p><b>Liquidity risks</b></p>

		<p>In the case \$VERTAI would no longer be traded on crypto trading venues, this would materially impair the possibilities for investors to buy, sell or trade \$VERTAI. In such case, liquidity may drop which in turn may result in higher volatility of valuations.</p> <p><b>Security risks</b> Crypto-assets are susceptible to hacking, fraud, and other cyber threats, potentially resulting in the loss of funds or sensitive information.</p> <p><b>Use case risks</b> If the popularity of the Vertical AI project and demand for its products and services decrease, a decrease in demand for \$VERTAI may be expected. As a result, \$VERTAI may no longer have any use case, and its value will drop to zero.</p> <p><b>Dependence on Ethereum network</b> As \$VERTAI operates on the Ethereum blockchain, its performance and costs are directly influenced by Ethereum's network conditions. High gas fees, congestion, or fundamental issues with Ethereum could impact \$VERTAI transactions.</p> <p><b>Counterparty risks</b> \$VERTAI's interoperability with Ethereum compatible wallets and decentralized applications (e.g., exchanges, wallets, service providers) makes it vulnerable for failures or breaches of such third parties which could expose holders to losses.</p> <p><b>Adoption risks</b> If the broader adoption of AI, decentralized technologies, or Web3 services slows down, the demand for Vertical AI and \$VERTAI might be adversely affected. If the adoption of the Vertical AI platform diminishes, the value of \$VERTAI will go down due to less demand.</p> <p><b>Legal and regulatory risks</b></p>
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I.5	Project Implementation-Related Risks	<p><b>Reputational risks</b> For new platforms and companies, reputation is important to attract funding and traction. Mismanagement or issues with \$VERTAI can damage the company's reputation, affecting trust of users and investors as well as future business opportunities. Artificial intelligence gets a lot of media attention, including the ethical aspects thereof. Issues with the platform or artificial intelligence itself may negatively impact the reputation of the project resulting in lower adoption and difficulties to attract funding.</p> <p><b>Technology risks</b> Vertical Studio B.V. is a start-up which is heavily reliant on technology. It uses blockchain technology for its crypto-asset and develops a platform for AI applications, including decentralised cloud computing solutions. The technology used is both highly complex and nascent which increases the risk of technological failures and disruptions. Moreover, Vertical Studio B.V. is highly dependent on third parties for the functioning of its solutions. For example, the blockchain on which \$VERTAI runs and the large language models (LLM) that platform users can access via its platform are not developed, owned, or otherwise controlled by Vertical Studio B.V.</p> <p><b>Adoption risks</b> Platform business cases require mass adoption to become profitable. Vertical Studio B.V. requires a large number of frequent users to become profitable and maintain operations. As a nascent project,</p>



	<p>there is a material risk that the Vertical AI project does not achieve broad market acceptance or sufficient demand, as a result of which the Vertical AI platform is not sustainable.</p> <p><b>Internal control risks</b></p> <p>As a start-up, Vertical Studio B.V. is still highly dependent on its founder team. The loss of key personnel could materially disrupt the operations and have a material adverse effect on the business and the project. Because the Vertical AI project operates in a relatively new industry that requires highly skilled and technical personnel, future success is highly dependent on the talents and contributions of senior management and other key personnel. The loss of any such key personnel could disrupt operations and have a material adverse effect on business. As such, token holders are exposed to material and unpredictable “key (wo)man” risk. In particular, the Vertical AI project is highly dependent on the services of founder Mr. Termaaten. Key personnel could engage in other activities in favour of other pursuits. Neither the founders nor any other key personnel are contractually required to continue to provide services to Vertical Studio B.V. While all key personnel have entered into employment agreements which contain covenants that they will not compete with Vertical Studio B.V. and applicable laws may prevent such personnel from engaging in certain directly competitive activities, such laws will not guarantee to token holders that such personnel will devote their full time, attention or efforts to the Vertical AI Project. This risk is partly mitigated by the fact that Mr. Termaaten is also majority shareholder of Vertical Studio B.V. Other key staff members also have (minor) equity interests in the company.</p> <p><b>Funding risks</b></p> <p>Vertical Studio B.V. may attract insufficient funding to realise implementation. The Vertical AI project may run out of resources before becoming profitable. In such case, the entire project may fail. Vertical Studio B.V. has budgeted initial operating costs – in the pre-profitability period – to be covered by a combination of funds and crypto-assets collected during the strategic pre-sale and as transaction fees (‘tax’) applied to \$VERTAI in the first months (tax was removed on 12/06/2025) of operation, as well as selling (part of) its 25% retained \$VERTAI. If the value of \$VERTAI would drop materially, this could impair the companies’ implementation efforts, as the sale of \$VERTAI would raise less or even zero, leaving the company with insufficient cash to pay for operating costs.</p>
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		<p><b>Financial risks</b></p> <p>Vertical Studio B.V.'s ability to cover operational expenses partially depends on the market value of \$VERTAI, as the company intends to sell part of its retained \$VERTAI to cover costs. Volatility in token markets or poor conversion timing may reduce the available operating budget. In addition, the company's current and future revenue is tied to adoption of the platform's services; if monetization underperforms while fixed infrastructure costs persist, it may lead to cash flow challenges. There is also a risk that the company may require future funding to sustain or scale operations, which may not be available on favourable terms or at all.</p> <p><b>Governance risks</b></p> <p>Vertical Studio B.V. is a start-up with a relatively young and inexperienced team. This imposes additional risks of ineffective decision-making processes or other forms of mismanagement that impact project delivery. In addition, the acting CEO is also the founder and majority shareholder which may lead to unbalanced decision making and other governance issues in case of insufficient checks and balances. In addition, the sole director of Vertical Studio B.V. is a trust office, which may also present governance related challenges, for example due to the fact that the formal director is not running the day-to-day business of the company.</p> <p><b>Partnership dependency risks</b></p> <p>As a platform business, the Vertical AI project relies on strategic partnerships and service providers. Failure or withdrawal of key partners could disrupt project progress and result in late or no implementation at all. For example, LLM providers such as Open.AI, LLaMA, Deepseek, could limit or prevent Vertical Studio B.V. from accessing their services, which would materially impair the platforms service offering. Although Vertical Studio B.V. does not expect such limitations, it cannot prevent them from happening.</p>
I.6	Technology-Related Risks	<p><b>Nascent technology risks</b></p> <p>The Vertical AI project encompasses a platform that brings together multiple relatively young and complex technologies, including blockchain and AI. These technologies are still in development and are error prone, also because of the many and regular updates.</p>

		<p><b>Security Risks</b> Tokens and the platforms on which they are traded can be vulnerable to hacking, fraud, and other security breaches, leading to potential loss of assets. This also applies to \$VERTAI and the Vertical AI platform.</p> <p><b>Technical Failures</b> Infrastructure or software failures, including outages or bugs, can disrupt the functioning of the Vertical AI platform as well as trading and management of \$VERTAI. Such disruptions may affect access to core services like AI customizing, inference, and model hosting, limit the use of credits purchased using \$VERTAI, and hinder development of the platform. These failures could result in financial setbacks, loss of user trust, and reputational damage due to degraded platform experience.</p> <p><b>Innovation Pace</b> Rapid technological advancements may render current solutions obsolete or less competitive, necessitating ongoing updates and potentially significant investments. This requires constant investments in research and development. As a start-up with limited resources, Vertical Studio B.V. may not be able to keep up with competition.</p> <p><b>Third-party dependency risks</b> Dependence on external infrastructure (such as oracles, APIs, or external smart contracts) could introduce vulnerabilities or service disruptions. Such external infrastructure is outside the control of Vertical Studio B.V., limiting its mitigation options against exposure to their failure.</p> <p><b>Upgrade risks</b> Future updates to Ethereum or the Vertical AI platform may introduce unexpected issues, incompatibilities, or downtime. This could result in, amongst others, bad user experience, reputational damage, and loss of funds or crypto-assets.</p>
I.7	Mitigation measures	Vertical Studio B.V., amongst others, applies the following measures to mitigate the risks associated with the technology.

		<p><b>Security and cyber risk</b> Our deployed smart contract has undergone external auditing to identify vulnerabilities. Vertical Studio's core systems use TLS encryption as standard. In addition, OIDC-based authentication and VPN access are being used to enhance identity security and protect internal operations.</p> <p><b>Technology scalability and resilience</b> Vertical Studio B.V. develops a modular platform to enable scaling. This means that various components of the platform can be replaced by other components and/or vendors. Vertical Studio B.V. partially uses technology provided by major industry players, to minimise the risk of technological failures or disruptions.</p>
<i>Part J – Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts</i>		
J.1	Adverse impacts on climate and other environment-related adverse impacts.	
<b>General information</b>		
S.1	Name	Vertical Studio B.V.
S.2	Relevant legal entity identifier	98450076CB4863C59422
S.3	Name of the crypto-asset	\$VERTAI
S.4	Consensus Mechanism	Token / No Consensus Algorithm
S.5	Incentive Mechanisms and Applicable Fees	Tokens do not have an own consensus mechanism but rely on the consensus mechanism of one or multiple underlying crypto-asset networks. Depending on the token design, incentive mechanisms arise from the utility, scarcity, or governance rights.

S.6	Beginning of the period to which the disclosure relates	2025-03-21
S.7	End of the period to which the disclosure relates	2025-04-03
<b>Mandatory key indicator on energy consumption</b>		
S.8	Energy consumption (per year) in kWh	8.73456
<b>Sources and methodologies</b>		
S.9	Energy consumption sources and methodologies	Data provided by CCRI; all indicators are based on a set of assumptions and thus represent estimates; methodology description and overview of input data, external datasets and underlying assumptions available at: <a href="https://carbon-ratings.com/dl/whitepaper-mica-methods-vertai">https://carbon-ratings.com/dl/whitepaper-mica-methods-vertai</a> and <a href="https://docs.mica.api.carbon-ratings.com">https://docs.mica.api.carbon-ratings.com</a> . We do not account for any offsetting of energy consumption or other market-based mechanism as of today.