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1. Abstract
1. Abstract

PetSource is a decentralized “pet-centric” data platform built on top of Ethereum blockchain with the aim to manage all kind of information relating to pets’ life.

PetSource is even a global decentralized marketplace based on the Ethereum blockchain and smart contracts for trading pets care products.

PetSource enables secure, fast and transparent exchange and usage of data related to pets’ lives, movements and ownership. It introduces the use of blockchain technology to create a universal database for pets to store several records and maintain a single version of the pet’s true data starting from the ID stored in the transponder chip or written in the tattoo.

With PetSource the identification and registration of pets all over the world will become easier than ever before, making a real traceability of pets possible and creating an easy way to reconnect lost Pets with their owners.

PetSource will enable different pets’ healthcare agents such as veterinarians, animal clinics, laboratories, universities, research institutes, pharmacists, pets related industries, insurers and other agents to request permission to access and interact with the PetSource records. Each interaction is auditable, transparent, and secure, and will be recorded as a transaction on the PetSource distributed ledger.

The PetSource network offers furthermore a marketplace where producers of pet’s care products and pet owners will meet and engage, bringing them together for the first time into one crypto-based ecosystem.

As a development project, after the successful launch of PetSource, we will launch the AnimalSource project, that will extend the PetSource platform to livestock animals, for identification, traceability and tracking of animals, for enhancing human security, control disease and improve livestock marketing.
2. Background
2. Background

Nowadays there are no common rules at an international level regarding the storage of pets’ data. The issues related to the identification, registration and traceability of pets have been solved by countries on a national basis in diverse ways.

The lack of standard solution between countries for the identification, registration and traceability of pets, has led to problems for pets’ owners which are difficult to solve, i.e. with regard to demonstration of the certain animal’s property, with regard to the ID/Passport of the pets in case of international travels, with regard to the searches of the owner of lost stolen pets, etc.

Several attempts have been made to find an internationally agreed solution for managing pet data. But none of these managed to provide a valid and shared solution.

A first attempt made in the direction of an adoption of a standard system for a large number of countries is the Pet Travel Scheme (“PETS”), introduced on October 1st, 2001 in several European Union countries in order to allow animals to travel easily between member countries with a pet passport without undergoing quarantine.

With “PETS” animals from any member country could freely travel to any other member country on approved carriers. Over time the scheme has rolled out to other nations such as the United States, Canada, Australia and New Zealand.

Unfortunately, “PETS” has not been uniformly implemented, with the consequence that each country has different requirements, both for export and import of animals, although some features are common to all member States, like the compulsory use of microchip implants that meet the International Society of Pharmacovigilance (SoP) specification.

Another attempt in this field is the so-called EU Pet Passport Regulation, which has brought in the mandatory identification of all dogs, cats and ferrets moving into the EU, but unfortunately no mandatory registration has been brought in. Up to now, therefore, registration has been a national issue, and there is no real EU pet traceability mechanism.

While in some countries a workable national database has been rolled out (e.g. Belgium, France), in some other countries, several non-compatible databases exist, permitting no real traceability (e.g. Spain).
Despite the EU pet registration deficiency, some private initiatives have tried to establish a European database, or more precisely a system enabling access to the data registered at the national level.

It is good to point out that all the existing public or private solutions for the identification, registration and traceability of pets allow to store only limited data regarding pets and/or their owners (like the microchip number, the sex and the birth date of the animal, the breed and color, the lost or stolen status).

The result is a fragmented landscape where each stakeholder keeps their own record of the data with no, or very limited, interoperability with the data from every other stakeholder. It can also happen that different stakeholders collect their own record of the same data, with the consequence that no singular version of the truth exists.

In addition to this, it is important to underline that the use of centralized databases, in which pets data remains largely non-portable, increases the security risk footprint, and requires centralized trust in a single authority.

Moreover, centralized databases cannot ensure security and data integrity, regardless of de-identification and controlled access requirements.

The foundation of a new pet-centric IT system lies in the creation of a platform that allows interoperability, safe storage of all the data collected by all involved agents and secure and efficient exchange of that information between stakeholders whilst respecting the privacy of all those whose information is involved. All this can be achieved by using blockchain technology.

Blockchain technology allows for decentralized peer to peer interactions that can be recorded and verified without a central authority. At its core, blockchain are a network of peers that manage a shared database that is distributed among all of its participants called a distributed ledger. They use cryptographic algorithms to keep records of everything that happens on them and ensure the ledger is not tampered with. This makes blockchain phenomenal for processes integral to healthcare, such as auditing information and verifying identities among multiple entities.
Use case of a pet-centric data blockchain technology:

The problem of a missing pet can be solved through a decentralized application based on a blockchain that contains data for the protection of lost animals.

Over the years technology has improved in order to reunite lost animals with their owners thanks to a new technology of a microchip.

These devices, as big as a grain of rice, are the technological equivalent to a pet collar. The microchips transponders are implanted under the animals’ skin, and they use radio-frequency identification (RFID) technology to make the stored information on the animals easier to read than the common tags.

Such devices are not GPS trackers. They simply store an ID number that unlocks pertinent pet information on a country or regional database.

Based on this information who retrieves the ID number can contact the vet or the authority of the country identified by the microchip and query the database system in order to find the confirmation of the ownership, the animal’s name, and few other information like the vet name.

Unfortunately, in most cases, this apparently good technological solution doesn’t work, and the real ownership of a lost animal in country abroad can’t be found.

The impossibility of the retrieving of such crucial information may lead to tragic consequences for the animals and their owners.

However, this issue can be solved through a solution that focuses, inter alia, on protecting lost animals.

However, this potentially heart-breaking problem can be solved through a solution that focuses on protecting lost pets.

All national databases and registries could be put in one secure location: the blockchain.

In this way the chip ID can be retrieved directly from the blockchain, in order to easily find emergency contacts provided by the owner of the animal.

This system can also be very useful in case of animal’s ownership changes.

This process can also easily be applied to trading and tracing livestock. Authorities and Authorized personnel can use the animal ID on the blockchain to track information for the next owner.¹

¹ "Your Pets Are Safer on the Blockchain" – Danielle Meegan – ETH News – June 1st, 2016
(https://www.ethnews.com/your-pets-are-safer-on-the-blockchain)
3. PetSource on Ethereum Blockchain
3. PetSource on Ethereum Blockchain

Introduction to Blockchain, Ethereum & Smart Contracts

Blockchain is a decentralized, distributed and immutable database with potential to revolutionize the way various records are being stored. Blockchain is a perfect solution for pet records storage, as the key features would enable transparent, immutable and trusted real-time data source.

Functionality, features and huge community of developers around the Ethereum blockchain suggests it as the most suitable option for the PetSource. Ethereum introduced new opportunities that Bitcoin and like Bitcoin protocol blockchains do not have. Ethereum enables code execution in a decentralized way. This means that utilizing blockchain technology it is possible to do more than just exchange or store value. It is also possible to implement rules, according to which that value can be moved, and specific data modified. Ethereum users do not need to trust any central server and can simply trust blockchain consensus algorithm and output of the system.

Smart Contract is a piece of code which is stored on the blockchain network (in each full node's database on the network). It defines the conditions on which all parties using the contract agrees and certain actions described in the contract can be executed if required conditions met. As the smart contract is stored on every computer in the network they all must execute it and get to the same result. This way users can be sure that the outcome is correct. Central server and authority can be removed or its impact (e.g. single point of failure) minimized with the help of smart contracts.

PetSource Solution

PetSource involves the implementation of a decentralized “pet-centric” data platform built on top of Ethereum blockchain with the aim to manage all kind of information relating to pets’ life in a secured, transparent and trusted way.

PetSource will be used to store:

- Pet’s identity information;
- Pet’s ownership;
- Pet Owner’s Contact details;
- Pet’s pedigree;
- Pet’s vaccinations;
• Pet’s health information;
• Registration of pet’s presence in a specific location in the world, to facilitate the retrieval of the pet in case of loss;
• PetSource pets’ registry;
• and other relevant information.

PetSource Platform Layers

PetSource platform will consist of the following four layers:

1. Ethereum blockchain layer;
2. PetSource protocol (smart contracts) layer;
3. PetSource services (wallet, data storage etc.) layer;
4. PetSource ecosystem layer (third party applications: insurance, research organizations, product manufacturers and distributors, etc.).

PetSource Platform Architecture

The platform shall consist of the following key components:

1. Ethereum blockchain - immutable data storage;
2. PetSource Data Warehouse - business logic and data processing;
3. PetSource Wallet – DAPP - for the pet owner, veterinarian, insurer, wallet service provider;
4. PetSource Gateway - a public access to the registry using Chip ID;
5. PetSource Marketplace – DAPP (to be introduced in later development phase).

**PetSource Data Storage Model**

Data will be divided into two types, public and private:

1. Public data, such as: Pet Chip Number, Pet Breed, Pet Color, Pet Name, Pet DoB, Pet owner's Name;
2. Private data, such as: Pet Owner's details, Pet owner's Emergency Contact Information, Pet's health medical records, travel history, etc.

Public data will be stored directly on the Ethereum blockchain and shall be accessible by anyone knowing the Pet Chip number.

Private data will be stored in the PetSource private database or user device.
The hash of data will be stored on the blockchain, therefore every time the data is received by a third party there will always be a possibility to check its fingerprint (hash record) and thus verify its authenticity.

**PetSource Data Verification Process**

Once the pet owner’s data is submitted via PetSource wallet it is instantly transferred and stored to Ethereum blockchain. However, public data must be verified by PetSource platform representative(s) to avoid fake data entries.

Private data will be verified by PetSource platform veterinarians and marked as valid data. For the verification process separate smart contract is created where pet owner transfers X amount of PTS tokens as a fee for the verification.

Once the pet owner visits the veterinary, the vet can verify the data by creating its hash and send it to the smart contract. The exchange of hash (for the pet owner) and PTS tokens (for the vet) will happen automatically and the user data shall be verified.

**PetSource Data Access Process**

Similarly, when a pet’s data is requested, the Chip number on the blockchain is used to access the public data. If a private data is requested, the data is retrieved using PetSource API and verified against the hash in blockchain for authenticity.

Pet’s owner will be notified every time data is added or accessed.

Moreover, the users will be able to grant or revoke access on multiple levels of their data using the PetSource Wallet.

**PetSource Gas cost**

At the beginning, Pet Owners will be rewarded with PTS tokens for storing the data in PetSource Platform and gas cost will be subsidized by PetSource. Later on, the PTS tokens reward will be removed and once the platform is working at the expected scale, gas cost shall be paid by the Pet Owner.
4. PetSource Wallet Applications
4. PetSource Wallet Applications

Pet’s Identification

PetSource allow pets’ owners to create or update their pets’ basic information using the PetSource Wallet web app or a mobile app.

Multi-level Permissioned Access to PetSource data

PetSource provides the user with full access and control of their data and how this data is shared. The user will have the functionality of providing different access levels to different users. The user will be able to fully control who accesses their data and which information they access.

Pet Passport

PetSource can provide the necessary data requested by countries for international travels with pets such as pet’s identity, pet’s ownership, contact details of pet’s owners, pet’s vaccinations etc.

Information for breeders

PetSource can be used by breeders for recording pedigree and other important information about the genealogy of the pet.

Generation and Storage of Healthcare data by Veterinarians and other Professionals

Veterinarians and other professionals will record their actions on PetSource, including what they are doing and how long they are doing it for. In the case that drugs are being prescribed or used in a procedure, a veterinarian can quickly check what drugs the pet is currently prescribed and identify any potential allergies or conflicts.

Rapid Response by Emergency Services

PetSource can be used for providing critical health information about the pet
in case of the need of emergency services.

**Licensing PetSource data to Universities and Institutes for research purposes**

Users have full access and control over their pet's data on the PetSource platform. This could enable them to grant access to their data to Universities and Institutes for research purposes.

Statistical data collected on the PetSource blockchain shall be useful for studying diseases and for localize areas where such diseases are present.

Pet owners will be incentivized to share data, in exchange for PetSource tokens (PTS).

**PetSource as a Platform**

PetSource will allow third party developers to develop and showcase their applications within the eco-system. There have been many scientific advances recently with regards to pet health applications, including and not limited to diet and nutritional advice. Such applications will connect to the PetSource platform directly. Pets' owners will grant access to their health record to app(s) where they can be used in exchange for PetSource tokens (PTS).
5.

PetSource
Decentralized
Marketplace
5. PetSource Decentralized Marketplace

The world Pet-Care markets are all growing at a high rate, with a number of countries witnessing higher than ever pet ownership and spending.

The worldwide sales of pet-related products reached $103.6 billions in 2016, with constant value CAGR of 3% from 2011 to 2016 and is expected to reach $128 billions in 2022 (source: Euromonitor international).

The growing is driven by several well-known factors:

- humanization of pets, regarded as beloved family members;
- objectification of pets, considered as accessories;
- growing number of households with disposable income above $25,000;
- growing number of single persons households (27.9% North America, 33.4% Western Europe).

The retail shopping channels for pet products includes: specialized retail chains, supermarkets, discounts, veterinarian, small pet shops, other minor channels and online shopping.

While, in the US, the specialized retail chains are still dominating the market with 46.8% of the total sales, the online shopping, being the target segment for the PetSource Marketplace, has constantly grown to 11.3% on 2016 and is expected to be the most dynamic channel in the next years (source: Packaged Facts, U.S. Pet Market Outlook, 2017-2018, April 2017; Simmons Market Research National Consumer Surveys).

Despite the healthy growth, the pet care online market has one big problem: the dominant position of the online shopping giant Amazon.com, dominating the market with the market share of 54%.

With such a big market share, no manufacturer, large or small, has enough power to negotiate effectively and the small or new brands have very difficult time to enter the global markets.

On the pet owners side, the primary reasons for buying online are convenience, competitive pricing and good value given by free shipping (source: American Pet Products Association’s (APPA) 2017-2018 National Pet Owners Survey).
All fit Amazon.com’s model, and in particular its practice of dynamic pricing, in which it constantly changes the prices of some items based on demand and popularity, making it very difficult for retailers to compete.

In this scenario, dominated by a single online retailer, the pet owners are not able reach independent manufacturer of pet products and innovative pet food suppliers, and their spending habit is heavily influenced and focused on pet industry giants, for a very limited saving, not even comparable to marketing budget invested to influence their buying decisions.

In very short time the online shopping will be the most important channel used by pet owners and having no competition on retail will lead to higher prices for the customers and to small margins for the manufacturer.

PetSource wants to change the status quo and pursue the large opportunity to disrupt the global pet care retail market, by establishing a decentralized and fair ecosystem that directly connects manufacturers and consumers: the PetSource Decentralized Marketplace.

**The PetSource Decentralized Marketplace Ecosystem**

PetSource will be the first global decentralized pet care products marketplace where consumers will buy products directly from manufacturers, enjoying low transparent prices for a wide range of high quality products and foods, and saving with direct promotions.

Within PetSource Decentralized Marketplace manufacturers will compete for consumers and interact with them directly.

PetSource will enable consumers to buy high-quality products at cheaper prices, receiving direct rewards from manufacturers, thus driving consumers to buy more pet products online with convenience.

The PetSource Decentralized Marketplace will create an ecosystem with the following participants:

- Pet owners (consumers);
- Manufactures (suppliers);
- Fulfilment operators (fulfilment);
- PetSource Decentralized Marketplace Platform.
The following diagram describe the economic interaction between the participants.

**PetSource Decentralized Marketplace Platform**

The PetSource platform is a decentralized marketplace that allows manufacturers to join, publish their products for sale, carry out promotion and loyalty campaigns, and get feedback from consumers. It enables consumers to order those products and facilitates the order fulfillment process.

**PetSource platform role:**

- Creation of the pet owners ecommerce website and smartphone App;
- Creation of the web applications for manufacturers/vendors and for fulfilment centers;
- Establishment of a decentralized, fair and secure model for order execution;
- Adopt the PetSource Token (PTS) smart contracts to run the order payment and fulfilment process;
- Creation of an effective incentive model for all parties to join the PetSource ecosystem;
- Development of an active marketing campaigns to ignite initial traction;
- Elaboration of the ecosystem’s regulatory aspects.
Manufacturers

Manufacturers are companies or individuals in the business of pet care goods, including food and pet products. They could range from local manufacturers to large multinationals.

Manufacturer roles include:

- Publish products;
- Deliver products ordered by consumers to fulfillment centers;
- Promote the PetSource Decentralized Marketplace by bringing traffic via promotions of derived apps.

Pet Owners/Consumers

Pet Owners, in their role of consumers, are individuals that want to buy online high-quality pet care products at cheaper prices. Orders can be placed via the PetSource Marketplace website or App.

Consumer roles include:

- Search products listed by manufacturers, make orders and pay for them;
- Participate in feedback requests;
- Receive promotion, loyalty, referral and feedback rewards.

Fulfilment Operators

Fulfilment operators are external logistic service providers, including warehouses and delivery. They provide the logistic services required to deliver the orders of manufacturers goods to the customers. PetSource will engage independent fulfillment center operators to join the ecosystem to ignite fast geographical expansion.

Token-back bonus

PetSource will offer a 5% token-back bonus for verified purchases with PTS Tokens on the PetSource Marketplace, stimulating the use of PTS Tokens within the PetSource Ecosystem.
Project Roadmap
6. Project Roadmap

2015 January
PetSource company (Devarana SA) enter Pet Products Business

2016 December
Project Concept

2017 June
Project Development

2018 February
Private Pre-ICO Fund Raising

2018 May
Public Token Sales - ICO Opening

2018 June
ICO Closing and Token Distribution

2018 July
PetSource Token (PTS) tradable on Exchange

2018 October
PetSource Wallet - Available for Public Testing (public beta)

2019 April
PetSource Marketplace - Available for Public Testing (public beta)

2019 December
First PetSource Milestone 1 M Pet Registered
7.

PetSource (PTS) Token Ecosystem
7. PetSource (PTS) Token Ecosystem

Technology

A PTS Token, an ERC20 utility token, will be issued to create a “pet-centric” ecosystem consisting in a data platform built on top of Ethereum blockchain and a global marketplace based on the Ethereum blockchain and smart contracts for trading goods and items for pets.

The ERC20 protocol is based on Ethereum, a technical and market standard, which defines an interface for smart contracts that need to execute token emission.

The most crucial technical component of PTS Tokens is the Ethereum Virtual Machine smart contract, which regulates token distribution, transactions, and rewards securely and transparently.

Using dedicated token (PTS) to facilitate transactions in the PetSource Ecosystem provides many advantages, including:

- it can be used across any number of jurisdictions, retaining a single uniform method of settlement;
- using a blockchain based token makes it possible to perform settlements automatically and irrefutably within smart contracts;
- it makes it possible to manage incentives in a way that drives Ecosystem effects for the benefit of all participants in the PetSource Ecosystem.

Tokens use

According to the PetSource project purposes, PTS Tokens will be used for:

- payment of verified Vet for verification and storing data on PetSource blockchain. New data points entered into the PetSource platform blockchain by verified vets generate certain amount of tokens from the mining token pool. It is expected this will help to kickstart the PetSource platform and to fill needed data at the beginning. Once the data is added and verified by vet 50% of mined tokens goes to the vet and 50% of tokens goes to the pet owner;
- payment of goods in PetSource Marketplace, with 5% token back benefit;
- proof of stake. The longer you hold PTS tokens the bigger discounts you get for various pet products in the PetSource marketplace as well as
for other services within the platform (e.g. insurance). The discount is calculated based on the formula by maximum discount available for a certain product or service, the amount of tokens you hold and the time you hold it for.

Therefore, pets’ owners, veterinarians and other professionals will use PTS Tokens to pay for the verification of pet’s records on the PetSource blockchain once the platform is working at scale.

PTS Tokens will be used to pay PetSource to request and populate users record for them.

Universities and research institutes, as well as other pet related industries will reward pets’ owners in PTS Tokens by having time limited access to their health record for research & educational purposes.

Trusted users in the community will have the option to verify the identity, contact details and credentials of veterinarians and other professionals that are added to the PetSource system in exchange for PTS Tokens.

Finally, PTS Tokens will be used in the PetSource marketplace for purchasing goods and items for pets.

A 5% token-back bonus will be offered to verified purchases with PTS Tokens on the PetSource Marketplace, stimulating the use of PTS Tokens within the PetSource Ecosystem.

For the using of the above-mentioned services, a fee (service fee) will be collected directly in PTS Tokens.

These service fees will be separated from the network transaction fees required by the underlying network and will be sent to a publicly auditable smart contract address to enforce the PetSource business model.

The prices for the final users of the PetSource Ecosystem (PetSource Wallet, PetSource Marketplace) will be expressed in fiat currency locked to the PTS price at the moment of the purchase.

**Token Business model**

The net revenue from all the services linked to the PetSource Ecosystem will
be collected in PTS Tokens by a public auditable smart contract which will divide it as follows:

- 50% of the Token collected by the system will be PetSource revenues;
- 50% will be erased from the blockchain after its use, by forwarding these tokens to a burn address which doesn’t have a private key to move funds from.

Once the PTS tokens will be completely used, the services for the PetSource Ecosystem will be paid in other cryptocurrencies (BTC, ETH).

This tokens-burning system shall help PetSource to decrease the total supply of circulating tokens, with the consequence that the number of tokens available on the market will decrease.

The more the service will be used, the more tokens will be destroyed. This will conduct to an increase of value of the circulating tokens, with a positive cycle of appreciation for the investors.

PetSource PTS tokens can be traded, exchanged, bought and sold between users but Devarana SA has no obligation to redeem them.
8. PetSource (PTS) Token Distribution
8. PetSource (PTS) Token Distribution

Token distribution

**Total token supply**: 1.000.000.000 (one billion) tokens

**Token Divisibility**: 18 decimal places

**Initial Distribution**: 250.000.000 (two hundred fifty million) tokens (25% of total supply)

**Private presale**: 50.000.000 (fifty million) tokens

**Public Token Sale Distribution**: 200.000.000 (two hundred million) tokens

**Price**: USD 0.12 per token, locked to ETH price at start of sale

**Accepted currency**: ETH

**Token Presale Dates**: 19 Feb 2018 - 19 Mar 2018

**Token Sale Dates**: 01 May 2018 - 15 June 2018

**Unsold tokens**: Unsold tokens during the sale will be burned
After the initial distribution, additional tokens will be released by the smart contract gradually over time, increasing token supply and distributing token-back rewards to PTS Tokens users as necessary, with an upper limit of 1 billion lifetime total tokens.

The fact that tokens in the availability of the founder, the team and the advisors will remain locked over a period of 4 years after that the token sale will be over, guarantees a strong commitment for the conclusion of the project.
9.

PetSource Token Sale (ICO)
9. PetSource Token Sale (ICO)

The PetSource Token Sale uses ERC20 (Ethereum smart contract) compliant utility tokens, designated as PTS.

Proceeds raised during the PetSource token sale will be used to support marketing, business development, operations and R&D for the PetSource project.

PTS tokens are designed to be used within the PetSource Ecosystem (PetSource Blockchain, PetSource Marketplace).

Unsold tokens during the sale will be burned.

**Token distribution**

The PetSource Token Sale begins with a private presale of 50,000,000 (fifty million) tokens.

The public token sale of 200,000,000 (two hundred million) tokens will start on 01 May 2018 and run until 15 June 2018 or until all 200 million tokens are sold (whichever comes first).

The price-per-token will be locked to the equivalent of USD 0.06 in ETH for the presale, and to the equivalent of USD 0.12 in ETH for the token sale.

The exact per-token price will vary based on the price of ETH at the time of purchase.

Following the completion of the token sale, all tokens will be released to purchasers.

The purchase of the PTS Tokens by the participants of the token sale is final, and, thus, there are no refunds and/or cancellations.
Crowdsale overview

Crowdsale Distribution: 250,000,000 (two hundred fifty million) tokens (25% of total supply)

Private presale: 50,000,000 (fifty million) tokens

Public Token Sale Distribution: 200,000,000 (two hundred million) tokens

Presale details:

Private presale: 50,000,000 (fifty million) tokens

Price: USD 0.06 per token, locked to ETH price at start of sale

Bonus: 50%

Minimum purchase presale: USD 5,000 locked to ETH price at start of sale

Accepted currency: ETH

Hard cap: USD 3,000,000

Public Token Sale:

Public Token Sale Distribution: 200,000,000 (two hundred million) tokens

Price: USD 0.12 per token, locked to ETH price at start of sale

Accepted currency: ETH

Hard cap: USD 24,000,000

Token utility

PTS is the final token that will be used within the PetSource ecosystem (PetSource Blockchain, PetSource Marketplace).
Security

The PetSource ICO smart contract is externally audited, using ERC20 compliant utility tokens, and is compliant with Swiss regulations, which are among the most stringent in the world.

All participants in the PetSource ICO must pass KYC identity screening, which will be integrated into the ICO registration process and conducted by an external SOC 2 compliant verification company.

Use of funds raised with the Token sale (ICO)

Proceeds from the PTS Token Sale will be utilized by Devarana SA at its sole discretion. Devarana SA intends to use a majority of funds raised for marketing and business development in order to get its products to market. A portion of the funds will also be used to support the testing and launch of the PetSource Marketplace platform, as well as general operational and administrative expenditures.

Proceeds from the PTS Token Sale may also be used to develop future product updates and releases, as well as future business ventures using the PTS token.

*Figures are estimates and subject to change at Devarana SA’s discretion
Best Practices for Participating in an ICO/Token Sale

- make sure you avoid mirror site scams by trusting only the https://petsource.io domain. The best practice to avoid mirror site scams is to manually type the https://petsource.io domain into your browser, then bookmark the page for when you want to come back to the site on the day of the sale/presale. This helps you avoid clicking on lookalike links that may send you to malicious phishing websites;

- only send ETH to the wallet address listed on the petsource.io website;

- never send ETH from an exchange, only from an ether wallet such as the following:
  - Ethereum Wallet (from the Ethereum Project – thereum.org);
  - MetaMask (Chrome browser add-on);
  - MyEtherWallet (in-browser version available, download recommended).

- for extra security, double check that you have the correct smart contract wallet address before you send ETH by using a tool like EtherAddressLookup;

- a detailed guide to participating in the PetSource token sale will be provided prior to the sale start date.
10. The PetSource Token, Legal and Crowdsale
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General Information

The PTS token does not have the legal qualification of a security, since it does not give any rights to dividends or interests. The sale of PTS tokens is final and non-refundable. PTS tokens are not shares and do not give any right to participate to the general meeting of Devarana SA. PTS tokens cannot have a performance or a particular value outside the PetSource platform. PTS tokens shall therefore not be used or purchased for speculative or investment purposes. The purchaser of PTS tokens is aware that national securities laws, which ensure that investors are sold investments that include all the proper disclosures and are subject to regulatory scrutiny for the investors' protection, are not applicable.

Anyone purchasing PTS tokens expressly acknowledges and represents that she/he has carefully reviewed this white paper and fully understands the risks, costs and benefits associated with the purchase of PTS tokens.

Knowledge required

The purchaser of PTS tokens undertakes that she/he understands and has significant experience of cryptocurrencies, blockchain systems and services, and that she/he fully understands the risks associated with the crowdsale as well as the mechanism related to the use of cryptocurrencies (incl. storage).

Devarana SA shall not be responsible for any loss of PTS tokens or situations making it impossible to access PTS tokens, which may result from any actions or omissions of the user or any person undertaking to acquire PTS tokens, as well as in case of hacker attacks.

Risks

Acquiring PTS tokens and storing them involves various risks, in particular the risk that Devarana SA may not be able to launch its operations and develop its blockchain and provide the services promised.

Therefore, and prior to acquiring PTS tokens, any user should carefully consider the risks, costs and benefits of acquiring PTS tokens in the context of the crowdsale and, if necessary, obtain any independent advice in this regard. Any
interested person who is not in the position to accept or to understand the risks associated with the activity (incl. the risks related to the non-development of the PTS platform) or any other risks as indicated in the Terms & Conditions of the crowdsale should not acquire PTS tokens.

**Important disclaimer**

This white paper shall not and cannot be considered as an invitation to enter into an investment. It does not constitute or relate in any way nor should it be considered as an offering of securities in any jurisdiction. This white paper does not include or contain any information or indication that might be considered as a recommendation or that might be used as a basis for any investment decision. PTS tokens are just utility tokens which can be used only on the PTS platform and are not intended to be used as an investment.

The offering of PTS tokens on a trading platform is done in order to allow the use of the PetSource platform and not for speculative purposes. The offering of PTS tokens on a trading platform does not change the legal qualification of the tokens, which remain a simple means for the use of the PetSource platform and are not a security.

Devarana SA is not to be considered as an advisor in any legal, tax or financial matters. Any information in the white paper is provided for general information purposes only and Devarana SA does not provide any warranty as to the accuracy and completeness of this information.

Devarana SA is not a financial intermediary according to Swiss law and is not required to obtain any authorization for Anti Money Laundering purposes.

Acquiring PTS tokens shall not grant any right or influence over Devarana SA’s organization and governance to the Purchasers.

Regulatory authorities are carefully scrutinizing businesses and operations associated to cryptocurrencies in the world. In that respect, regulatory measures, investigations or actions may impact Devarana SA’s business and even limit or prevent it from developing its operations in the future. Any person undertaking to acquire PTS tokens must be aware of the Devarana SA business model, the white paper or terms and conditions may change or need to be modified because of new regulatory and compliance requirements from any applicable laws in any jurisdictions. In such a case, purchasers and anyone undertaking to acquire PTS tokens acknowledge and understand that neither Devarana SA nor any of its affiliates shall be held liable for any direct or indirect loss or damage caused by such changes.
Devarana SA will do its utmost to launch its operations and develop the PetSource platform. Anyone undertaking to acquire PTS tokens acknowledges and understands that Devarana SA does not provide any guarantee that it will manage to achieve it. They acknowledge and understand therefore that Devarana SA (incl. its bodies and employees) assumes no liability or responsibility for any loss or damage that would result from or relate to the incapacity to use PTS tokens, except in case of intentional misconduct or gross negligence.

**Representation and warranties**

By participating in the crowdsale, the purchaser agrees to the above and in particular, they represent and warrant that they:

- have read carefully the terms and conditions attached to the white paper; agree to their full contents and accept to be legally bound by them;
- are authorized and have full power to purchase PTS tokens according to the laws that apply in their jurisdiction of domicile;
- are not a citizen or tax subject of China;
- live in a jurisdiction which allows Devarana SA to sell PTS tokens through a crowdsale without requiring any local authorization;
- are familiar with all related regulations in the specific jurisdiction in which they are based and that purchasing cryptographic tokens in that jurisdiction is not prohibited, restricted or subject to additional conditions of any kind;
- will not use the crowdsale for any illegal activity, including but not limited to money laundering and the financing of terrorism;
- have sufficient knowledge about the nature of the cryptographic tokens and have significant experience with, and functional understanding of, the usage and intricacies of dealing with cryptographic tokens and currencies and blockchain-based systems and services.

**Governing law and arbitration**

Any dispute or controversy arising from or under the crowdsale shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chamber of Commerce in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The arbitration panel shall consist of one arbitrator only. The seat of the arbitration shall be Lugano, Switzerland. The arbitral proceedings shall be conducted in English.