World Liberty Financial

MiCAR WHITE PAPER

Version 1.1

October 2025

00 TABLE OF CONTENT

01 DATE OF NOTIFICATION

2025-10-30

COMPLIANCE STATEMENTS

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 of the European Parliament and of the Council, 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 Statement in accordance with Article 6(5), points (a), (b), (c), of Regulation (EU) 2023/1114

The crypto-asset referred to in this crypto-asset 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), point (d), of Regulation (EU) 2023/1114

False

06 Statement in accordance with Article 6(5), points (e) and (f), of Regulation (EU) 2023/1114

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 or the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

SUMMARY

07 Warning in accordance with Article 6(7), second subparagraph, of Regulation (EU) 2023/1114

Warning: This summary should be read as an introduction to the crypto-asset white paper.

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.

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.

This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council or any other offer document pursuant to European Union or national law.

08 Characteristics of the crypto-asset

$WLFI is an ERC-20 compatible token (issued on the Ethereum blockchain) that operates as the governance token of the World Liberty Financial Protocol ("**WLF Protocol**"). The sole utility of holding $WLFI is governance of the WLF Protocol. $WLFI provides no right to any return, dividend, airdrop or other distribution.

$WLFI is used to participate in governance through the WLF Governance Platform. The WLF Protocol is intended initially be used to provide information about and access to decentralized finance applications on a non-custodial basis. The "WLF Token Voting Module" (or community voting module) refers to the automatic system used to tally $WLFI token votes, but such tokens are not equity and do not represent voting rights in respect of or a share of the revenue of World Liberty Financial, Inc. ("**WLF**" or the "**Issuer**").

The WLF Protocol plans to provide users with information and access to third party DeFi applications, including third party digital wallets providers for acquiring, holding and transferring stablecoins and non-security digital assets as well as liquidity pools which enable supplying stablecoins or borrowing funds using non-security digital asset collateral.

Formal proposals for WLF Protocol governance initiatives are made through Snapshot (https://snapshot.org). To participate in Snapshot voting you must both (a) own $WLFI tokens and (b) self-custody those tokens in a fashion which allows you to connect a wallet or similar application to Snapshot. Snapshot voting allows for off-chain voting (to avoid gas fees by voters) with the results stored and verifiable on-chain.

Voting power is determined by the number of tokens owned by a particular address, up to a limit of 5% of the total number of circulating $WLFI tokens per address. Any $WLFI token holder who owns and self-custodies a $WLFI token can create a proposal. WLF screens proposals prior to voting beginning on Snapshot. WLF reserves the right to disallow any proposal which, if implemented, would cause WLF, the WLF Governance Platform or the WLF Protocol to violate any law or regulation, or violate any term of a contract of the World Liberty Financial corporation. These determinations are made at the discretion of WLF and such determinations are final.

The WLF Governance Platform may, through the procedures outlined herein, elect to modify its voting procedures, which could include automated implementation of certain proposals or types of proposals and other features determined by the $WLFI token holder community, but you should assume that no such upgrades will occur.

09 Information about the quality and quantity of goods or services to which the utility tokens give access and restrictions on the transferability.

Not applicable. $WLFI does not qualify as a utility token as defined under Art. 3 (1)(9) MiCAR. This classification for the purposes of MiCAR is without prejudice to the appropriate categorisation of $WLFI under legislation or practice in other jurisdictions.

10 Key information about the offer to the public or admission to trading

Admission to trading	Admission to trading is being sought on the EU trading platforms operated by Payward Global Solutions Limited, t/a Kraken, OK Coin Europe Ltd, t/a OKX, Bitstamp Europe S.A and Bitvavo B.V.

A. PART A - INFORMATION ABOUT THE OFFEROR OR THE PERSON SEEKING ADMISSION TO TRADING

A.1 Name

World Liberty Financial, Inc.

A.2 Legal Form

XTIQ -, a Delaware nonstock corporation

A.3 Registered Address

Corporation Service Company

251 Little Falls Drive

Wilmington, Delaware 19808

United States of America

A.4 Head Office

440 Biscayne Boulevard, Suite 900

Miami

Florida 33137

United States of America

A.5 Registration Date

2024-09-03

A.6 Legal Entity Identifier

Not Applicable

A.7 Another Identifier Required Pursuant to Applicable National Law

4943581

A.8 Contact Telephone Number

+1 (212) 672-4700

A.9 E-mail Address

info@worldlibertyfinancial.com

A.10 Response Time (Days)

7

A.11 Parent Company

WLF Holdco LLC, a Delaware limited liability company

A.12 Members of the Management Body

Full Name	Business Address	Function
Zachary Folkman	4400 Biscayne Blvd, Suite 900 Miami	Co-founder and Executive Director

	Florida 33137United States of America	
Chase Herro	4400 Biscayne Blvd, Suite 900 Miami Florida 33137United States of America	Co-founder and Executive Director

A.13 Business Activity

WLF operates the WLF Protocol, which it plans to provide users with information and access to third-party DeFi applications, including third party digital wallet providers for acquiring, holding and transferring stablecoins, and non-security digital assets, as well as liquidity pools which enable supplying stablecoins, or borrowing funds using non-security digital asset collateral.

WLF seeks to generate protocol revenues from, without limitation, platform use fees and advertising.

A.14 Parent Company Business Activity

WLF Holdco LLC, a Delaware limited liability company, is the sole member of WLF. The sole business activity of WLF Holdco LLC is to act as a holding company for this membership interest.

A.15 Newly Established

true

A.16 Financial Condition for the past three Years

Not Applicable

A.17 Financial Condition Since Registration

From its inception in 2024, WLF has maintained a stable financial condition consistent with its early stage of development. It has not incurred any long-term debt.

Revenues have primarily been from the sale of governance tokens and have been sufficient for WLF to continue to support WLFI operations and the ecosystem.

WLF has raised more than US$550 million in token sales in concurrent U.S. and non-U.S. offerings. In the first set of token sales, $300 million USD of WLFI tokens were sold between the offerings, and in the second set of token sales, $250 million USD of WLFI tokens were sold between the offerings.

Of this initial net protocol revenue, US$15 million has been retained in a reserve to cover operating expenses, indemnities and obligations.

B. PART B - INFORMATION ABOUT THE ISSUER, IF DIFFERENT FROM THE OFFEROR OR PERSON SEEKING ADMISSION TO TRADING

B.1 Issuer different from offeror or person seeking admission to trading

false

B.2 Name

Omitted – not applicable

B.3 Legal Form

Omitted – not applicable

B.4 Registered Address

Omitted – not applicable

B.5 Head Office

Omitted – not applicable

B.6 Registration Date

Omitted – not applicable

B.7 Legal Entity Identifier

Omitted – not applicable

B.8 Another Identifier Required Pursuant to Applicable National Law

Omitted – not applicable

B.9 Parent Company

Omitted – not applicable

B.10 Members of the Management Body

Omitted – not applicable

B.11 Business Activity

Omitted – not applicable

B.12 Parent Company Business Activity

Omitted – not applicable

C. 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

C.1 Name

Omitted – not applicable

C.2 Legal Form

Omitted – not applicable

C.3 Registered Address

Omitted – not applicable

C.4 Head Office

Omitted – not applicable

C.5 Registration Date

Omitted – not applicable

C.6 Legal Entity Identifier

Omitted – not applicable

C.7 Another Identifier Required Pursuant to Applicable National Law

Omitted – not applicable

C.8 Parent Company

Omitted – not applicable

C.9 Reason for Crypto-Asset White Paper Preparation

Omitted – not applicable

C.10 Members of the Management Body

Omitted – not applicable

C.11 Operator Business Activity

Omitted – not applicable

C.12 Parent Company Business Activity

Omitted – not applicable

C.13 Other persons drawing up the white paper under Article 6 (1) second subparagraph MiCA

Omitted – not applicable

C.14 Reason for drawing up the white paper under Article 6 (1) second subparagraph MiCA

Omitted – not applicable

D. PART D - INFORMATION ABOUT THE CRYPTO-ASSET PROJECT

D.1 Crypto-Asset Project Name

World Liberty Financial

D.2 Crypto-Assets Name

$WLFI

D.3 Abbreviation

WLFI

D.4 Crypto-Asset Project Description

The WLF Protocol plans to provide users with information and access to third-party DeFi applications, including third party digital wallet providers for acquiring, holding and transferring stablecoins, and non-security digital assets, as well as liquidity pools which enable supplying stablecoins, or borrowing funds using non-security digital asset collateral.

WLF operates the WLF Protocol, with $WLFI tokens representing a right to vote on certain WLF Protocol matters. The WLF Protocol is intended initially to be used to provide information about and access to decentralized finance applications on a non-custodial basis.

D.5 Details of all natural or legal persons involved in the implementation of the crypto-asset project

Full Name	Business Address	Function
Zachary Folkman	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Co-founder and Director
Chase Herro	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Co-founder and Director
Donald J. Trump	115 Eagle Tree Terrace Jupiter Florida 33477 United States of America	Co-founder Emeritus (Removed upon taking office)
Donald J. Trump Jr.	115 Eagle Tree Terrace Jupiter Florida 33477 United States of America	Co-founder
Eric Trump	115 Eagle Tree Terrace Jupiter Florida 33477 United States of America	Co-founder

Barron Trump	115 Eagle Tree Terrace Jupiter Florida 33477 United States of America	Co-founder
Steven Witkoff	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Co-founder Emeritus (Removed upon taking office)
Zachary Witkoff	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Co-founder
Alex Witkoff	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Co-founder
Corey Caplan	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Chief Technology Officer
Ryan Fang	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Head of Growth
Brandi Reynolds	4400 Biscayne Blvd, Suite 900 Miami Florida 33137	Chief Compliance Officer

D.6 Utility Token Classification

false

D.7 Key Features of Goods/Services for Utility Token Projects

Not applicable

D.8 Plans for the Token

Initial issuances of $WLFI were “locked”, meaning that they were non-transferable. A portion of the remaining token supply remains locked.

Following an update to the WLF Protocol voted on via Snapshot, limited unlocking has been taking place, subject to know-your-customer checks and ongoing monitoring of wallets holding $WLFI. Given the technical restrictions on transferring locked tokens, only unlocked tokens will be available for secondary trading on trading platforms on which $WLFI is admitted to trading.

To enable protocol-based lending, WLF may seek to build a pool of crypto-assets to provide liquidity for this purpose. It is planned that WLF would receive a fee for the use of the pool of assets, which would accrue to the WLF Protocol Treasury. It is intended that the entirety of this revenue generated will be used to repurchase $WLFI and “burn” it. This would have the effect of removing the repurchased tokens from circulation permanently, reducing the overall supply of $WLFI.

D.9 Resource Allocation

The WFL Protocol has allocated resources toward protocol development, ecosystem grants, and programs to expand participation in governance of the WLF community. Core contributors, purchasers, and co-founders have also been allocated tokens with vesting schedules to align incentives with the continued success of the protocol. A portion of the supply has been held in a reserve controlled by a WLF Multisig to cover operating expenses, indemnities, and obligations.

D.10 Planned Use of Collected Funds or Crypto-Assets

Not applicable

E. PART E - INFORMATION ABOUT THE OFFER TO THE PUBLIC OF CRYPTO-ASSETS OR THEIR ADMISSION TO TRADING

E.1 Public Offering or Admission to Trading

ATTR

E.2 Reasons for Public Offer or Admission to Trading

The reason for seeking admission to trading of the $WLFI token is to enable broad participation in and access to governance of the WLF ecosystem, ensuring that users, developers, and validators can acquire and use $WLFI to participate in governance of the WLF Protocol. The admission to trading also supports the growth of the WLF Protocol by improving liquidity and accessibility of the token across jurisdictions.

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 Allocation

Not applicable

E.8 Issue Price

Not applicable

E.9 Official Currency or Any Other Crypto-Assets Determining the Issue Price

Not applicable

E.10 Subscription Fee

Not applicable

E.11 Offer Price Determination Method

Not applicable

E.12 Total Number of Offered/Traded Crypto-Assets

100,000,000,000

E.13 Targeted Holders

ALL

E.14 Holder Restrictions

There are no restrictions on the type of holders of $WLFI; the token may be acquired and held by both retail and professional investors. Trading platforms may have user restrictions in accordance with their user terms.

Except for a portion of tokens unlocked for early supporters, $WLFI tokens remain locked pending a governance vote.

E.15 Reimbursement Notice

Not applicable

E.16 Refund Mechanism

Not applicable. The $WLFI token is not being sold through an initial token offering or fundraising event. As such, no payments are collected from purchasers and no refund mechanism is required.

E.17 Refund Timeline

Not applicable

E.18 Offer Phases

Not applicable

E.19 Early Purchase Discount

Not applicable

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

Secondary market purchases, once $WLFI is admitted to trading on exchanges, will be subject to the payment methods supported by the respective trading platforms or crypto-asset service providers.

E.25 Value Transfer Methods for Reimbursement

Not applicable. $WLFI tokens are not being offered in connection with this document through a public sale or subscription that involves monetary contributions from purchasers. Accordingly, no refund or reimbursement mechanisms are required. In the event of any future token sale or fundraising activity, any reimbursements would be made in the same form as the original contribution (i.e., fiat currency or crypto-assets), transferred back to the original source account or wallet used for the purchase, within the timelines required by Regulation (EU) 2023/1114 of the European Parliament and of the Council.

E.26 Right of Withdrawal

Not applicable. The $WLFI token is not being sold through an initial coin offering, subscription, or other fundraising event connected with this document. Accordingly, no payments are collected from purchasers in connection with this white paper, and the statutory right of withdrawal does not apply. For clarity, retail holders acquiring $WLFI on secondary markets (after admission to trading) will be subject to the terms and conditions, including any withdrawal or cancellation rights, of the respective crypto-asset service providers or trading platforms through which such purchases are made.

E.27 Transfer of Purchased Crypto-Assets

For secondary market purchases, transfers of $WLFI are effected in accordance with the settlement and delivery mechanisms of the respective trading platforms or crypto-asset service providers through which the purchase is made.

E.28 Transfer Time Schedule

Not applicable

E.29 Purchaser's Technical Requirements

To use $WLFI tokens to engage in Snapshot voting, purchasers must have a self-custodied blockchain wallet compatible with the Ethereum blockchain and supporting the $WLFI token (e.g., MetaMask or other EVM-compatible wallets), secure access to their private keys or seed phrases, and reliable internet access to interact with the network. Holders are solely responsible for safeguarding their wallet credentials, and WLF does not provide custodial services; $WLFI tokens sent to an incompatible or incorrect wallet address cannot be retrieved.

E.30 Crypto-asset service provider (CASP) name

Not applicable

E.31 CASP identifier

Not applicable

E.32 Placement Form

NTAV

E.33 Trading Platforms name

Payward Global Solutions Limited, t/a Kraken, OK Coin Europe Ltd, t/a OKX, Bitstamp Europe S.A., Bitvavo B.V., and potentially other MiCAR-compliant trading platforms or venues.

E.34 Trading Platforms Market Identifier Code (MIC)

PGSL, BESA, VAVO

Where a MIC has been assigned by a regulated trading venue within the European Union, such codes will be published on the official WLF website and updated as necessary. For decentralized exchanges and non-EU platforms that do not operate under a MIC framework, trading access is provided in accordance with the rules and identifiers of those respective platforms.

E.35 Trading Platforms Access

Access to $WLFI on secondary markets will depend on the respective trading platforms or CASPs that list the token. Users will need to comply with the registration, know your customer, and access procedures of those platforms.

E.36 Involved Costs

Not applicable. For secondary market acquisitions, costs will depend on trading platforms' applicable fees and conditions.

E.37 Offer Expenses

Not applicable. As no fundraising or subscription is conducted for $WLFI tokens under this white paper, there are no related offer expenses. Any expenses incurred relate solely to protocol development, legal, and compliance activities funded through ecosystem resources.

E.38 Conflicts of Interest

Not applicable

E.39 Applicable Law

Not applicable

E.40 Competent Court

Not applicable

F. PART F - INFORMATION ABOUT THE CRYPTO-ASSETS

F.1 Crypto-Asset Type

Crypto-asset other than an asset-referenced token or electronic money token.

$WLFI is a fungible token issued on the Ethereum blockchain and developed in line with the ERC-20 Standard.

F.2 Crypto-Asset Functionality

The $WLFI token is required to vote on governance initiatives via the WLF Governance Platform, which affect the direction and functionality of the WLF Protocol. Proposals are made and voted on via the Snapshot platform, which enables votes to be held off-chain to minimise gas fees while storing verifiable results on-chain on completion.

F.3 Planned Application of Functionalities

$WLFI's core governance and voting mechanism is already live, with four proposals having been voted on to date. Any future offers or distributions will be disclosed through official WLF communication channels.

Because the WLF Protocol is intended to be governed by a distributed community of $WLFI token holders, no wallet may vote more than 5% of the total token supply per address, and, if known to WLF, no group of affiliated holders may vote more than 5% of the votable token supply through the WLF Governance Platform.

F.4 Type of crypto-asset white paper

OTHR

F.5 The type of submission

NEWT

F.6 Crypto-Asset Characteristics

$WLFI is a fungible token natively created on the Ethereum blockchain using the ERC-20 standard. The token enables voting on certain governance matters; the sole utility of holding $WLFI is governance of the WLF Protocol.

F.7 Commercial name or trading name

World Liberty Financial

F.8 Website of the issuer

worldlibertyfinancial.com

F.9 Starting date of offer to the public or admission to trading

2025-11-28

F.10 Publication date

2025-11-27

F.11 Any other services provided by the issuer

WLF does not offer any other services at present.

F.12 Language or languages of the crypto-asset white paper

English

F.13 Digital Token Identifier Code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available

Not applicable

F.14 Functionally Fungible Group Digital Token Identifier, where available

Not applicable

F.15 Voluntary data flag

false

F.16 Personal data flag

true

F.17 LEI eligibility

true

F.18 Home Member State

Ireland (IE)

F.19 Host Member States

Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden

G. PART G - INFORMATION ON THE RIGHTS AND OBLIGATIONS ATTACHED TO THE CRYPTO-ASSETS

G.1 Purchaser Rights and Obligations

Holders of $WLFI tokens have the right to use them to vote on proposals posted on the WLF Protocol's Snapshot instance and thereby participate in governance processes. Voting rights held by an individual wallet or group of associated wallets are capped at 5% of the total token supply per address, even if that wallet or those wallets hold more than 5% of the overall $WLFI supply. While not obliged to maintain a compatible wallet to purchase and hold the token, one must be used in order to exercise the associated governance rights.

G.2 Exercise of Rights and Obligation

Governance rights are executed through off-chain voting on Snapshot, using self-custodied wallets. The voting outcomes are subsequently recorded on-chain.

G.3 Conditions for Modifications of Rights and Obligations

Modifications to rights and obligations attached to $WLFI tokens may only be made through the WLF Protocol governance framework, whereby token holders can propose and vote on changes to protocol rules and parameters.

G.4 Future Public Offers

There are no planned public offers of $WLFI under this white paper. Any future offers or distributions will be disclosed through official WLF communication channels.

G.5 Issuer Retained Crypto-Assets

29,853,140,794

Prospective purchasers must be aware that this figure could change significantly at any time.

G.6 Utility Token Classification

false

G.7 Key Features of Goods/Services of Utility Tokens

Not applicable

G.8 Utility Tokens Redemption

Not applicable

G.9 Non-Trading Request

true

G.10 Crypto-Assets Purchase or Sale Modalities

Not applicable

G.11 Crypto-Assets Transfer Restrictions

There are no restrictions on transferability of $WLFI tokens admitted to trading. However, certain $WLFI tokens obtained directly from the issuer (by sale or grant) prior to the publication of this white paper are subject to lock-up. While this limits the overall supply of $WLFI in circulation in secondary markets, it does not affect the transferability of $WLFI tokens purchased on the secondary market.

The smart contract for $WLFI, and the terms on which $WLFI is purchased and used, permit the Issuer to suspend or block access to a $WLFI holder's tokens upon suspicion of unauthorised access or use, or attempted access or use.

G.12 Supply Adjustment Protocols

false

G.13 Supply Adjustment Mechanisms

Not applicable

G.14 Token Value Protection Schemes

false

G.15 Token Value Protection Schemes Description

Not applicable

G.16 Compensation Schemes

false

G.17 Compensation Schemes Description

Not applicable

G.18 Applicable Law

The rights and obligations attached to WLFI tokens are governed by the laws of the State of Delaware, USA, without prejudice to applicable provisions of Regulation (EU) 2023/1114 for offers or admissions to trading within the European Union and unless otherwise required by mandatory provisions of applicable consumer protection or private international law.

G.19 Competent Court

The acquisition and use of $WLFI tokens is subject to terms and conditions set out at https://worldlibertyfinancial.com/wlfi/terms, as may be updated from time to time. Those terms contain binding individual arbitration provisions subject to mandatory applicable law. Where a dispute is not subject to arbitration then, subject to mandatory applicable law, any dispute arising out of or in connection with this white paper or the $WLFI token shall be exclusively subject to the jurisdiction of the courts of the State of Florida, USA.

H. PART H – INFORMATION ON THE UNDERLYING TECHNOLOGY

H.1 Distributed ledger technology

$WLFI operates as a token native to the Ethereum blockchain and relies on the permissionless, proof-of-stake distributed ledger technology of that blockchain. More information about the Ethereum blockchain and its operation can be found at ethereum.org and github.com/ethereum.

H.2 Protocols and Technical Standards

The $WLFI token is based on the ERC-20 standard for fungible tokens native to the Ethereum blockchain. The World Liberty Financial Protocol is not yet operational.

H.3 Technology Used

Not applicable

H.4 Consensus Mechanism

The World Liberty Financial project does not have its own consensus mechanism, it is built upon Ethereum.

The Ethereum blockchain operates a proof-of-stake ("**PoS**") consensus mechanism, where network validators "stake" Ether ($ETH) as collateral to secure their honest participation. The weight of a validator's votes on a transaction proposed to be written to the Ethereum blockchain is proportional to the amount of Ether staked. Because of this mechanism, PoS blockchains are less energy-intensive per unit of scale when compared to proof-of-work consensus mechanisms ("**PoW**") that weight validation nodes in proportion to the computation power committed to the network.

The Beacon Chain coordinates validators of the Ethereum consensus and ensures block finality. Ethereum's block finality, and rules on fork choice, rely on the Casper FFG and LMD-GHOST algorithms.

A more detailed explanation of Ethereum's consensus mechanism is available at https://ethereum.org/developers/docs/consensus-mechanisms/pos/.

H.5 Incentive Mechanisms and Applicable Fees

The World Liberty Financial project does not have its own incentive mechanism, it is built upon Ethereum. There may be fees associated with trading of the token.

Validators earn staking rewards in two forms, being newly-issued $ETH and priority transaction fees. Transaction costs ("gas") on the Ethereum network comprise a dynamic "base" network fee based on network demand/congestion, plus priority transaction fees or "tips" paid by block submitters to incentivise validators to prioritise finalisation of their transaction.

Base network fees are "burned" (sent to a provably inaccessible wallet address) to reduce the supply of Ether, offsetting in whole or in part the newly-issued $ETH paid to validators as staking rewards to manage overall inflation. These base gas costs increase with transaction complexity as well as with demand/congestion.

Validators are penalised for malicious behaviour through "slashing", which forfeits staked collateral where misbehaviour is detected.

H.6 Use of Distributed Ledger Technology

false

H.7 DLT Functionality Description

Not applicable

H.8 Audit

false

H.9 Audit Outcome

Not applicable

I. PART I – INFORMATION ON RISKS

Subject only to the limitations and requirements of MiCAR, in particular Article 15 of MiCAR, and applicable mandatory statutes, each user of the crypto-asset as covered by this white paper acts in their own sole responsibility and on their own sole risk. All liability relating to the risks mentioned herein is excluded, as far as legally permissible.

I.1 Offer-Related Risks

General risk factors associated with crypto-asset offerings

The admission to trading of crypto-assets, including $WLFI, is subject to general risks inherent to the broader cryptocurrency market.

Market volatility

The value of $WLFI tokens may experience substantial fluctuations driven by investor sentiment, macroeconomic developments, and market conditions.

The $WLFI Token

The sole utility of holding $WLFI is governance of the WLF Protocol. $WLFI provides no right to any return, dividend, airdrop or other distribution or form of income.

Transferability

All $WLFI were initially non-transferable and locked indefinitely in a wallet or smart contract. A portion of the $WLFI were unlocked through a protocol governance procedure and additional $WLFI may be unlocked in the future. WLF retains discretion to determine the timing of and any eligibility requirements for unlocking further $WLFI.

$WLFI tokens are not investments

You should not acquire $WLFI as an investment on a speculative basis or otherwise, for a financial purpose or with an expectation of resale for a profit or otherwise.

Risk of additional token issuances

WLF reserves the right to issue other tokens in the future, which may have different features or functionality than $WLFI. Holders of $WLFI have no rights to any such future tokens.

A liquid secondary market for $WLFI may not develop

A portion of the $WLFI issued are not transferable, limiting the number of $WLFI tokens available to buy and sell in the secondary market connected with this admission to trading. This restriction on the transferability of outstanding $WLFI may reduce market liquidity, increasing volatility. Subsequent relaxations of these transfer restrictions may increase the supply of $WLFI in the secondary market, which may have a similar effect. There may not be a sustained secondary market available for $WLFI.

Risk of insufficient interest in the WLF Protocol

It is possible that the WLF Protocol will not be used by a large number of businesses, individuals, and other organizations and that there will be limited public interest. There could be loss of interest in the WLF Protocol for a variety of reasons, including but not limited to, limitations imposed by regulatory requirements that are not followed by other protocols, users finding alternative platforms more useful or technically superior, any reputational harm suffered by WLFI or the WLF Protocol, general economic conditions, or conditions with respect to the markets for digital assets in particular.

The popularity of the WLF Protocol depends in part on the popularity of its brand and the reputation and popularity of persons associated with $WLFI

WLF cannot guarantee that any individuals, or any particular person, will remain affiliated with WLF. If certain individuals were to cease their affiliation with WLFI, WLF's and the WLF Protocol's operations could suffer. WLF is party to a services agreement pursuant to which DT Marks DEFI, LLC agrees to promote the WLF Protocol.

Reputational risks

The potential for damage to the credibility of, or loss of public trust in, the issuer, the $WLFI network, or the project team, could negatively impact stakeholder confidence, market sentiment and overall project viability.

Unfavourable regulatory actions would harm the WLF Protocol

Changes in legislation, applicable laws, compliance requirements or the implementation of new regulatory frameworks could affect the availability, trading, or use of such assets. Regardless of the efforts of the WLF Protocol to comply with applicable law, any alleged or actual failure to comply with applicable law by WLFI, the WLF Protocol, or certain users of the WLF Protocol could result in a variety of adverse consequences, including, but not limited to, criminal and civil penalties, injunctions and fines.

Risk of unknowable or unfavourable regulatory development in one or more jurisdictions

Regulation of tokens (including $WLFI), token offerings, or token purchases, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges is not yet mature and likely to rapidly evolve. Such regulation varies significantly among international, federal, state and local jurisdictions, and is subject to significant uncertainty.

Various legislative and executive bodies in the European Union, United States and elsewhere may in the future adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of the WLF Protocol and the adoption and utility of $WLFI. As distributed ledger networks and distributed ledger assets have grown in popularity and in market size, authorities have begun to take an interest in and, in some cases, regulate their use and operation. To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a distributed ledger network or asset, the WLF Protocol may be materially and adversely affected.

Distributed ledger networks also face an uncertain regulatory landscape in many jurisdictions such as the United States, the European Union, China, and Russia. Various jurisdictions may, in the near future, adopt laws, regulations or directives that affect the WLF Protocol. Such laws, regulations or directives may be in conflict with each other or may directly and negatively impact WLF’s business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of the WLF Protocol. New or changing laws and regulations or interpretations of existing laws and regulations, in the European Union and other jurisdictions, may materially and adversely impact the structure, rights, and viability of the WLF Protocol.

Security risks

The risk of exploitation, hacking or security vulnerabilities of the underlying protocol and/or contracts of the token leading to a loss. The WLF Protocol expects to operate using proprietary and open-source software maintained by WLF and other contributors. As a project built using open-source software, some core infrastructure elements of the WLF Protocol may not be represented, maintained, or monitored by an official organisation or authority. The open-source nature of such software means that it may be difficult for WLF or contributors to maintain or develop it and WLF may not have adequate resources to address emerging issues or malicious programs that develop within the WLF Protocol or its core infrastructure software adequately or in a timely manner. Third parties not affiliated with WLF may introduce weaknesses or bugs into the core infrastructure elements of the WLF Protocol and open-source code which may negatively impact the WLF Protocol. Such events may result in a loss of trust in the security and operation of the WLF Protocol, and a decline in user activity and could negatively impact the WLF Protocol.

Concentration risk

A significant portion of $WLFI tokens is held by the WLF team and WLF's treasury. These holdings are subject to vesting, but when unlocked they could be sold, which may impact the token's market price and decentralization.

I.2 Issuer-Related Risks

Dependency on key individuals

The success of some crypto projects can be highly dependent on the expertise and leadership of key individuals. Loss or changes in the project's leadership can lead to disruptions, loss of trust, or project failure.

Counterparty risks

Risks associated with the issuer's partners, suppliers, or collaborators, including the potential for non-fulfillment of obligations that can affect the issuer's operations.

Risks of the termination of the service agreement with DT Marks DEFI, LLC

Risks of the termination of the service agreement with DT Marks DEFI, LLC. WLF has entered into a services agreement with DT Marks DEFI LLC and sought to align its brand with Donald J. Trump, but DT Marks DEFI, LLC may terminate the services agreement upon certain "cause" type events or upon its decision not to renew the 5-year term of the services agreement, which would cause WLF to need to rebrand and which could adversely affect the ability of the WLF Protocol to maintain or generate users.

Regulatory compliance risks

Issuers of crypto-assets must adhere to a wide array of regulatory requirements across different jurisdictions. Non-compliance can result in fines, sanctions, or the prohibition of the crypto asset offering, impacting its viability and market acceptance.

Operational Risks

These include risks related to the issuer's internal processes, personnel, and technologies, which can affect their ability to manage crypto-asset operations effectively. Failures in operational integrity might lead to disruptions, financial losses, or reputational damage.

The WLF Protocol will compete with other platforms that operate or provide access to DeFi protocols.

There are currently alternative platforms that operate or provide access to the same or similar services as initially offered on the WLF Protocol, and it is possible that alternative platforms could be established in the future that offer the same or materially similar services as offered on the WLF Protocol. The WLF Protocol may compete with these alternative platforms, which could negatively impact the WLF Protocol.

WLF was only formed recently and has a limited operating history, and the WLF Protocol has not launched.

WLF was incorporated in September 2024 and has limited operating history, and the WLF Protocol may encounter risks and challenges frequently experienced by early stage companies or blockchain-based protocols.

Fraud and Mismanagement Risks

There is a risk of fraudulent activity or mismanagement by the issuer, which can lead to directly impacting the usability or value of a crypto-asset or damage the credibility of the project.

Reputational Risks

Negative publicity, whether due to operational failures, security breaches, or association with illicit activities, can damage an issuer's reputation and, by extension, the value and acceptance of the crypto-asset.

Technology Management Risks

Inadequate management of technological updates or failure to keep pace with technological advancements can render a crypto-asset, or the project it is connected to, obsolete or vulnerable to security risks.

Legal Risks

Legal uncertainties, potential lawsuits, or adverse legal rulings can pose significant risks to issuers. Legal challenges may affect the legality, usability, or value of a crypto-asset.

Risks Associated with Our Intellectual Property

WLF may consider some technology that it develops to be proprietary. Our ability to compete depends in part upon our ability to protect our rights to the technology that we develop. WLF may also rely on trademark, copyright, and trade secret law to protect its rights. However, these laws offer only limited protection. In addition, other countries may provide WLF with little to no intellectual property right protection. As the number of distributed ledger products and services available to consumers increase, and as the uses of such products and services overlap, companies in the industry may become subject to additional intellectual property disputes. Any litigation to protect our intellectual property rights would be expensive, time-consuming, and unpredictable. Such litigation could adversely affect our business, including our financial condition, regardless of the outcome. There can be no assurances that any steps taken to protect intellectual property rights will be successful in deterring misappropriation or independent third-party development of our technology. Similarly, third parties may assert infringement and misappropriation claims against us. Regardless of the merit, these actions could distract management from our business and adversely affect our financial condition and operating revenues. WLF may need to enter into confidentiality agreements with its consultants, business partners and investors in an attempt to protect WLF's proprietary rights. Nevertheless, these attempts to protect our proprietary rights may be inadequate. If WLF is unable to protect its intellectual property, the utility of the Tokens may decline or diminish and the WLF Protocol may fail.

Risks Associated with Data Privacy Laws

There are a number of data protection, security, privacy and other government- and industry-specific requirements, including those that require companies to notify individuals of data security incidents involving certain types of personal data. Security compromises could harm the WLF Protocol's reputation, erode user confidence in the effectiveness of its security measures, negatively impact its ability to attract new users, or cause existing users to stop using the WLF Protocol, which would reduce or diminish the utility of the WLF Protocol and cause the WLF Protocol to fail.

Risks of Indemnity Obligations

WLF's governing documents expressly limit the liability of its directors and officers by providing that they will not be liable or accountable, except in limited circumstances. In addition, under WLF's governing documents, WLF is required to indemnify its directors, officers, employees, members, and those persons holding private keys for WLF multi-sig Wallets to the extent permitted by applicable law from and against any and all damages arising from operations of WLF, provided, that with respect to the those persons holding private keys for WLF multi-sig Wallets, indemnification is not available if the damages arose from such person's gross negligence or intentional misconduct.

WLF has agreed under services agreements with DT Marks DEFI, LLC and others to indemnify DT Marks DEFI, LLC and certain of its affiliates from any and all damages arising from operations of WLF and the WLF Protocol. WLF's indemnity obligations may have an adverse impact on WLF and its cash available to operate the WLF Protocol.

Financial Risks

Issuers face financial risks, including liquidity, credit, and market risks. These could affect the issuer's ability to continue operations, meet obligations, or sustain the stability or value of the crypto-asset.

Risk of WLF dissolution

WLF operates the WLF Governance Platform. If WLF were to dissolve for any reason, it is possible that you could lose the continued governance functionality of $WLFI due to any number of reasons, including, but not limited to, (i) insufficient financial resources, (ii) a decrease in $WLFI utility due to (iii) negative adoption of the WLF Protocol, (iv) an unfavorable fluctuation in the value of USD1, ETH, WETH, USDC, USDT, or other cryptocurrency (or other cryptographic and fiat currencies), (v) the failure of commercial relationships, or (vi) intellectual property ownership challenges. If these or other events occur, WLF, the WLF Governance Platform, and the WLF Protocol may no longer be viable to operate, and the project may dissolve, corresponding with a loss of $WLFI token functionality.

Conflicts of Interest

Risks arise when the issuer's interests do not align with those of the crypto-asset holders, potentially leading to decisions that are not in the best interests of the asset holders, impacting the value of a crypto-asset or damage the credibility of the project.

I.3 Crypto-Assets-Related Risks

The $WLFI tokens provide no rights other than governance rights through the WLF Governance Protocol

The sole functionality of $WLFI tokens is governance of the WLF Protocol, subject to the restrictions described herein. Token holders have no other rights, including no economic or other rights with respect to the WLF Protocol or WLF. Accordingly, you should have no expectation to profit as a result of any proposed or future rights or features of $WLFI tokens, the WLF Protocol or WLF, or the success or failure of the $WLFI tokens, WLF Protocol, or WLF. You should assume that any economic benefits from the WLF Protocol will accrue to WLF, users of the platform and service providers or others. Your decision to purchase $WLFI tokens should solely be based on the desire to participate in governance of the WLF Protocol regardless of any specific rights or features or the future success or failure of the $WLFI tokens, WLF Protocol, WLF, or other expectations.

Governance Rights are Subject to Certain Limitations

The $WLFI tokens only confer governance rights with respect to certain matters relating to the WLF Protocol and are subject to certain limitations. The $WLFI tokens provide no rights of any kind with respect to the governance of World Liberty Financial, Inc. or its affiliates. WLF is not required to implement any proposal if it determines implementation would require an unreasonable risk of violation of a legal requirement (including contractual obligations) or a security risk as defined in WLF’s bylaws, or as defined in any community guidelines or standards that may be adopted by $WLFI holders in the future.

$WLFI do not provide any rights to dividends, airdrops or other forms of distributions

$WLFI is a governance token. Holding the token does not provide any right to any dividend, reward, airdrop or other distribution or form of income. Token holders should not expect any passive income from holding $WLFI.

Market risk

Crypto-assets are notoriously volatile, with prices subject to significant fluctuations due to market sentiment, regulatory news, technological advancements, and macroeconomic factors.

Liquidity risk

Some crypto-assets may suffer from low liquidity, making it difficult to buy or sell large amounts without affecting the market price, which could lead to significant losses, especially in fast-moving market conditions.

Custodial risk

Risks associated with the theft of crypto-assets from exchanges or wallets, loss of private keys, or failure of custodial services, which can result in the irreversible loss of crypto-assets.

Risks associated with purchaser credentials

Any third party that gains access to or learns of your wallet credentials or private keys may be able to control your $WLFI. To minimise this risk, you should guard against unauthorised access to your electronic devices. Best practices dictate that you safely store private keys in one or more backup locations geographically separated from the working location.

Smart contract risk

Crypto-assets might be connected to or be issued with the help of smart contracts. Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain users to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

It is possible that the $WLFI could be updated or upgraded in the future. An upgrade to how $WLFI is used may be required or recommended, and, if you decide not to participate in such an upgrade, you may no longer be able to use your $WLFI tokens, and any non-upgraded $WLFI may lose its governance functionality in full.

Risk of weaknesses or exploitable breakthroughs in cryptography

Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to $WLFI and the WLF Protocol by rendering ineffective the cryptographic consensus mechanism that underpins many blockchains, including the Ethereum blockchain. Smart contracts and their underlying software application are still in an early development stage and may be unproven.

Regulatory and tax risk

Changes in the regulatory environment for crypto-assets (such as consumer protection, taxation, and anti-money laundering requirements) could affect the use, value, or legality of crypto-assets in a given jurisdiction. The tax characterization of $WLFI is uncertain. You must seek your own tax advice in connection with the acquisition, storage, transfer (if applicable), and use of $WLFI, which may result in adverse tax consequences to you, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties, or other charges and tax reporting requirements.

Reputational risk

Association with illicit activities, high-profile thefts, or technological failures can damage the reputation of certain crypto-assets, impacting user trust and market value.

Counterparty Risk

In cases where crypto-assets are used in contractual agreements or held on exchanges, there is a risk that the counterparty may fail to fulfill their obligations due to insolvency, compliance issues, or fraud, resulting in loss of crypto-assets.

I.4 Project Implementation-Related Risks

The WLF Protocol will compete with other platforms that operate or provide access to DeFi protocols

There are currently alternative platforms that operate or provide access to the same or similar services as initially offered on the WLF Protocol, and it is possible that alternative platforms could be established in the future that offer the same or materially similar services as offered on the WLF Protocol. The WLF Protocol may compete with these alternative platforms, which could negatively impact the WLF Protocol.

"As is" Status of Tokens and Use of WLF Protocol Proceeds

As the WLF Governance Platform has already been substantially developed, you should consider the WLF Governance Platform and $WLFI to be "as is" without further development, and WLF does not intend to use the proceeds from the $WLFI token sale or other sources of WLF Protocol revenues to develop or enhance the functionality of the $WLFI token or WLF Governance Platform or otherwise administer $WLFI token voting.

Risk of malfunction in the WLF Protocol or the WLF Governance Platform

It is possible that the WLF Governance Platform malfunctions in an unfavorable way, including one that results in the inability to propose and vote on proposals or the loss of $WLFI.

If you do not participate in voting, you will not be able to influence decisions related to the WLF Protocol

$WLFI exist for participation in governance of the WLF Protocol. If you do not participate in governance, you will not be able to influence governance of the WLF Protocol. If you do not plan to participate in governance, you should not purchase the $WLFI token.

Risk of changes to governance rights

Governance proposals from $WLFI token holders may cause changes to the WLF Protocol governance rights, and WLF is not responsible for any changes in WLF Protocol governance functionality which stem from such changes.

Risk of insufficient participation in governance

Token holder governance requires a minimum quorum of 5% of the total votable $WLFI supply in order for a proposal to be effective. If there are insufficient participants, proposals may not be effective even if enacted.

Risk of loss of interest in governance participation

The sole purpose of purchasing the Tokens should be to participate in governance of the WLF Protocol. The interest or value you find in participating in such governance through the Tokens could change or decline over time for a variety of reasons. For example, interest in participation in governance could change if there is limited participation by others in governance, if you decide to engage with alternative platforms or spend your time and energy otherwise, if you disagree with governance decisions on the World Liberty Financial Governance Platform ("**WLF Governance Platform**") or otherwise, the WLF Protocol does not meet your expectations, or the popularity of the WLF or Donald Trump brand, or termination of service agreements providing rights to be associated with that brand. The WLF Protocol itself may not meet any person's expectations and is subject to a number of risks and uncertainties, but you should not purchase $WLFI based on any expectation that the value you or others may find in participating in governance or in $WLFI itself will increase (or not decrease) over time for any reason. You should think of your purchase of $WLFI like other non-refundable purchase of an intangible good or service and accept the risk that once you've paid the purchase price, your interest may decline, and you have no expectation to recover any of the purchase price through resale or otherwise.

The WLF Protocol has not launched

The WLF Protocol may encounter risks and challenges frequently experienced by early stage companies or blockchain-based protocols. The implementation of the WLF Protocol may encounter risks such as delays in development, unforeseen technical hurdles, or challenges in coordinating stakeholders and partners. In addition, limitations in resource allocation, dependencies on third-party providers, or shifts in regulatory and market conditions could adversely affect the timely and successful execution of the project. These risks may impact delivery timelines, increase costs, or otherwise influence the achievement of the project's stated objectives.

I.5 Technology-Related Risks

Dependence on third parties for governance functionality

In order to participate in governance of the WLF Protocol, you must register with or access third parties. In order to participate in discussions around proposals, you must register with the WLF Forum. In order to vote, you must connect your Wallet to Snapshot. We also may elect to use other third parties in the future for governance functionality. If one or more of these parties becomes unavailable for any other reason, we may need to seek other solutions and your ability to make proposals or vote could be limited for a period of time or indefinitely.

Risk of limitations imposed by third party custodians on governance

If you hold your $WLFI tokens with a third-party custodian, your ability to vote may be subject to any restrictions imposed through such custodian for proxy voting or otherwise. If you use such a custodian, you are solely responsible for confirming any restrictions and the risk these could change and as a result be unable to use any $WLFI held to participate in governance. You should not seek to purchase $WLFI if you cannot participate in governance of the WLF Protocol as this is the sole functionality of the token.

Private Key Management Risk and Loss of Access to Crypto-Assets

The security of crypto-assets heavily relies on the management of private keys, which are used to access and control the crypto-assets (e.g. initiate transactions). Poor management practices, loss, or theft of private keys, or respective credentials, can lead to irreversible loss of access to crypto-assets.

Settlement and Transaction Finality

By design, a blockchain's settlement is probabilistic, meaning there is no absolute guaranteed finality for a transaction. There remains a theoretical risk that a transaction could be reversed or concurring versions of the ledger could persist due to exceptional circumstances such as forks or consensus errors. The risk diminishes as more blocks are added, making it increasingly secure over time. Under normal circumstance, however, once a transaction is confirmed, it cannot be reversed or cancelled. Crypto-assets sent to a wrong address cannot be retrieved, resulting in the loss of the sent crypto assets.

Scaling Limitations and Transaction Fees

As the number of users and transactions grows, a blockchain network may face scaling challenges. This could lead to increased transaction fees and slower transaction processing times, affecting usability and costs.

Economic Self-sufficiency and Operational Parameters

A blockchain network might not reach the critical mass in transaction volume necessary to sustain self-sufficiency and remain economically viable to incentivize block production. In failing to achieve such inflection point, a network might lose its relevance, become insecure, or result in changes to the protocol's operational parameters, such as the monetary policy, fee structure and consensus rewards, governance model, or technical specifications such as block size or intervals.

Network Attacks and Cyber Security Risks

Blockchain networks can be vulnerable to a variety of cyber-attacks, including 51% attacks, where an attacker gains control of the majority of the network's consensus, Sybil attacks, or DDoS attacks. These can disrupt the network's operations and compromise data integrity, affecting its security and reliability.

Consensus Failures or Forks

Faults in the consensus mechanism can lead to forks, where multiple versions of the ledger coexist, or network halts, potentially destabilizing the network and reducing trust among participants.

Bugs in the Blockchain's Core Code

Even with thorough testing, there is always a risk that unknown bugs may exist in a blockchain protocol, which could be exploited to disrupt network operations or manipulate account balances. Continuous code review, audit trails, and having a bug bounty program are essential to identify and rectify such vulnerabilities promptly.

Smart Contract Security Risk

Smart contracts are code running on a blockchain, executing the programmed functions automatically if the defined conditions are fulfilled. Bugs or vulnerabilities in smart contract code can expose blockchain networks to potential hacks and exploits. Any flaw in the code can lead to unintended consequences, such as the loss of crypto-assets or unauthorized access to sensitive data.

Dependency on Underlying Technology

Blockchain technology relies on underlying infrastructures, such as specific hardware or network connectivity, which may themselves be vulnerable to attacks, outages, or other interferences.

Risk of Technological Disruption

Technological advancements or the emergence of new technology could impact blockchain systems, or components used in it, by making them insecure or obsolete (e.g. quantum computing breaking encryption paradigms). This could lead to theft or loss of crypto-assets or compromise data integrity on the network.

Governance Risk

Governance in blockchain technology encompasses the mechanisms for making decisions about network changes and protocol upgrades. Faulty governance models can lead to ineffective decision-making, slow responses to issues, and potential network forks, undermining stability and integrity. Moreover, there is a risk of disproportionate influence by a group of stakeholders, leading to centralized power and decisions that may not align with the broader public's interests.

Anonymity and Privacy Risk

The inherent transparency and immutability of blockchain technology can pose risks to user anonymity and privacy. Since all transactions are recorded on a public ledger, there is potential for sensitive data to be exposed. The possibility for the public to link certain transactions to a specific address might expose it to phishing attacks, fraud, or other malicious activities.

Data Corruption

Corruption of blockchain data, whether through software bugs, human error, or malicious tampering, can undermine the reliability and accuracy of the system.

Third-Party Risks

Crypto-assets often rely on third-party services such as exchanges and wallet providers for trading and storage. These platforms can be susceptible to security breaches, operational failures, and regulatory non-compliance, which can lead to the loss or theft of crypto-assets.

I.6 Mitigation Measures

WLF has implemented several technical, security, and governance measures to address network stability, decentralization, security risks, and regulatory uncertainties. These efforts aim to enhance resilience, improve governance distribution, and ensure long-term adaptability. Key aspects of this are

- voting power in the WLF Governance Protocol is determined up to the number of tokens owned by a particular address, and capped at a limit of 5% of the total number of circulating $WLFI tokens per address.
- WFL Regulatory Engagement and Compliance Strategies
- The WLF Governance Platform and WLF Protocol are administratively controlled by one or more Gnosis Safe Multisignature Wallets (a "**Multisig**"). The number of "signers", as well as the person(s) who are signers are determined by WLF, in its sole discretion, however, future token holder votes may change the composition of the Multisigs with the approval of WLF. The WLF Governance Platform involves $WLFI token holder votes that will be implemented through the Multisigs.

J. INFORMATION ON THE SUSTAINABILITY INDICATORS IN RELATION TO ADVERSE IMPACT ON THE CLIMATE AND OTHER ENVIRONMENT-RELATED ADVERSE IMPACTS

J.1 Mandatory information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

General information	
S.1 Name Name reported in field A.1	World Liberty Financial, Inc.
S.2 Relevant legal entity identifier Identifier referred to in field A.2	XTIQ
S.3 Name of the crypto-asset Name of the crypto-asset, as reported in field D.2	$WLFI
S.4 Consensus Mechanism The consensus mechanism, as reported in field H.4	Token / No Consensus Algorithm
S.5 Incentive Mechanisms and Applicable Fees Incentive mechanisms to secure transactions and any fees applicable, as reported in field H.5	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	2025-10-10
S.7 End of the period to which the disclosure relates	2025-10-23
Mandatory key indicator on energy consumption	
S.8 Energy consumption Total amount of energy used for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions, expressed per calendar year	623.80365
Sources and methodologies	
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

Sources and methodologies used in relation to the information reported in field S.8	overview of input data, external datasets and underlying assumptions available at: https://carbon-ratings.com/dl/whitepaper-mica-methods-2024 and https://docs.mica.api.carbon-ratings.com. We do not account for any offsetting of energy consumption or other market-based mechanism as of today.

J.2 Supplementary information on principal adverse impacts on the climate and other environment-related adverse impacts of the consensus mechanism

Supplementary key indicators on energy and GHG emissions	
S.10 Renewable energy consumption Share of energy used generated from renewable sources, expressed as a percentage of the total amount of energy used per calendar year, for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions.	Not answered.
S.11 Energy intensity Average amount of energy used per validated transaction	Not answered.
S.12 Scope 1 DLT GHG emissions – Controlled Scope 1 GHG emissions per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions	Not answered.
S.13 Scope 2 DLT GHG emissions – Purchased Scope 2 GHG emissions, expressed in tCO_2e per calendar year for the validation of transactions and the maintenance of the integrity of the distributed ledger of transactions	Not answered.
S.14 GHG intensity Average GHG emissions (scope 1 and scope 2) per validated transaction	Not answered.
Sources and methodologies	

S.15 Key energy sources and methodologies Sources and methodologies used in relation to the information reported in fields S.10 and S.11	Not answered.
S.16 Key GHG sources and methodologies Sources and methodologies used in relation to the information reported in fields S.12, S.13 and S.14	Not answered.