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DISCLAIMER

The information contained herein is subject to revisions and amendments by the Echelon Prime Foundation (EPF). This document is not, and should not be construed as, legal or financial advice. No element of this document is finalized until it has been approved and ratified by at least 9 out of 11 Emissaries Prime.

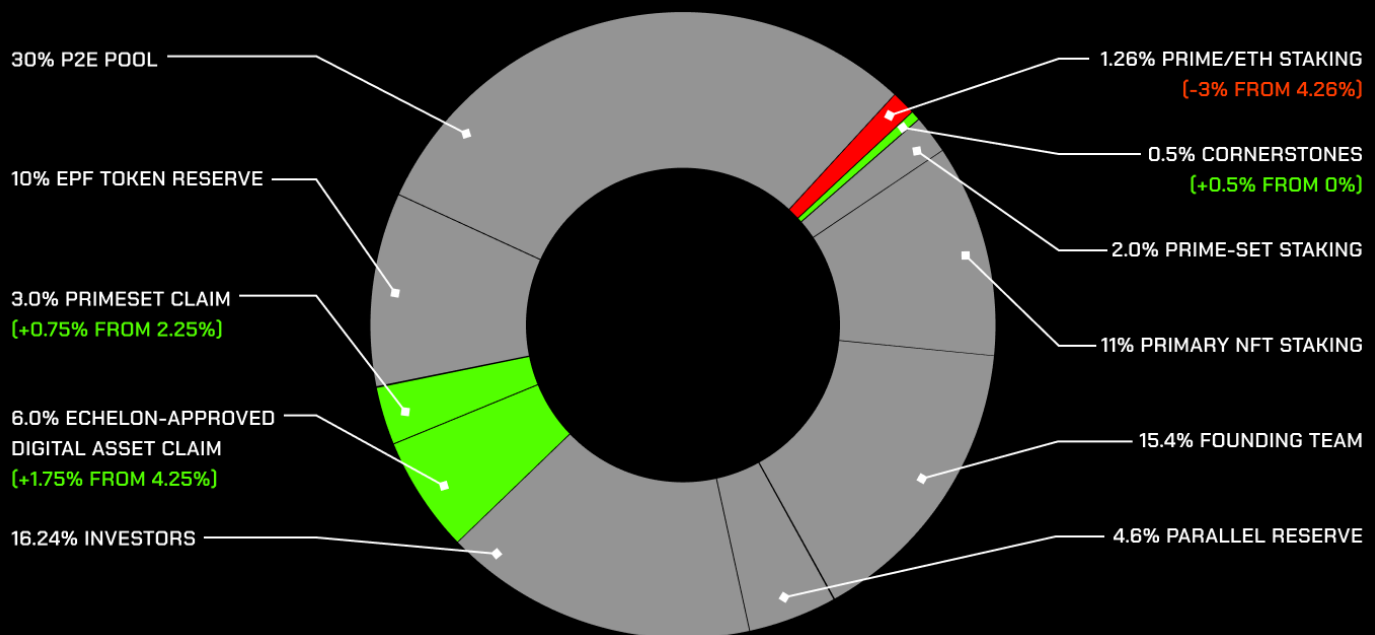
INTRODUCTION

The EPF released the Echelon Whitepaper Proposal (EWP) on January 25, 2022 and established an ambitious vision for a novel gaming ecosystem. It outlined a path to develop Play-to-Earn infrastructure powered by the PRIME token. Primary NFT holders took the first step down this path in electing eleven Emissaries Prime (EPs) to represent the community in this pioneering endeavor. Inaugural EPs took their positions on February 20, 2022.

The purpose of this addendum is to outline adjustments to the EWP. It was crafted with community feedback in mind to provide a more balanced and equitable foundation for the launch of the PRIME ecosystem. This document does not provide an exhaustive list of proposed changes to the EWP. The two areas of focus in this addendum are the allocation of PRIME and a methodology to expand governance.

PRIME ALLOCATION

UPDATED PRIME INITIAL ALLOCATION



The original EWP assigned 4.26% of all PRIME to a PRIME staking pool. This pool rewards participants who stake PRIME and/or provide PRIME/ETH liquidity. Single-sided PRIME staking presents a risk-free incentive without providing a service to the Echelon ecosystem. In the interest of better distributing PRIME to the Echelon community, the PRIME staking pool will be reduced by **3%** and re-allocated in the following manner:

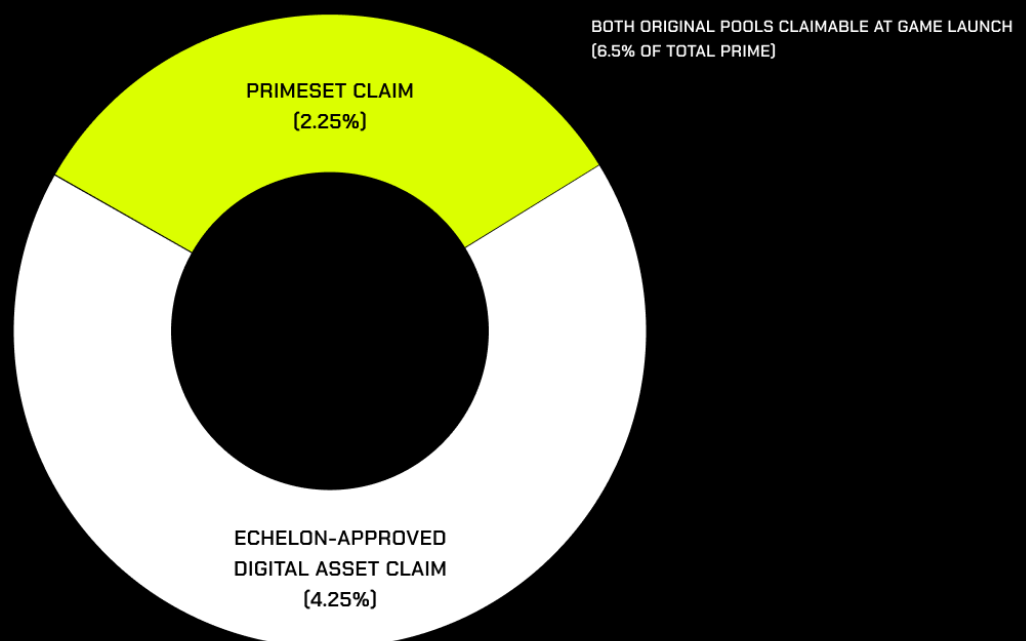
- **+1.75% to Echelon-approved digital asset (EADA) holders** - The original pool of 4.25% is increased to reward collectors. This pool takes every EADA into account except for *Prime Key*. The Echelon-approved Primary NFT staking pool will remain at 11%.
- **+0.75% to all PRIMEset holders** - The original 2.25% pool is increased to 3% for all holders who have completed a PRIMEset. This maintains a ratio between EADA claim and PRIMEset claim of roughly 2:1, which is consistent with the EWP.

- **+0.5% to all Cornerstone NFT holders** - A new 0.5% pool is introduced to recognize collectors of foundational NFTs within the EPF ecosystem. Cornerstone NFTs include *The Core*, *Catalyst Drive*, *Prime Drive*, and *Masterpieces*.

EXPANDING GOVERNANCE

PRIME DISTRIBUTION

INITIAL PRIME DISTRIBUTION FRAMEWORK



The EWP suggested that Echelon would use a single snapshot to assign and distribute PRIME to all EADA holders. This approach lacks a mechanism to expand governance prior to the release of the Parallel Trading Card Game (Parallel TCG). In order to enable the gradual transition of governance from Primary NFTs to all EADA holders, a more continuous and even

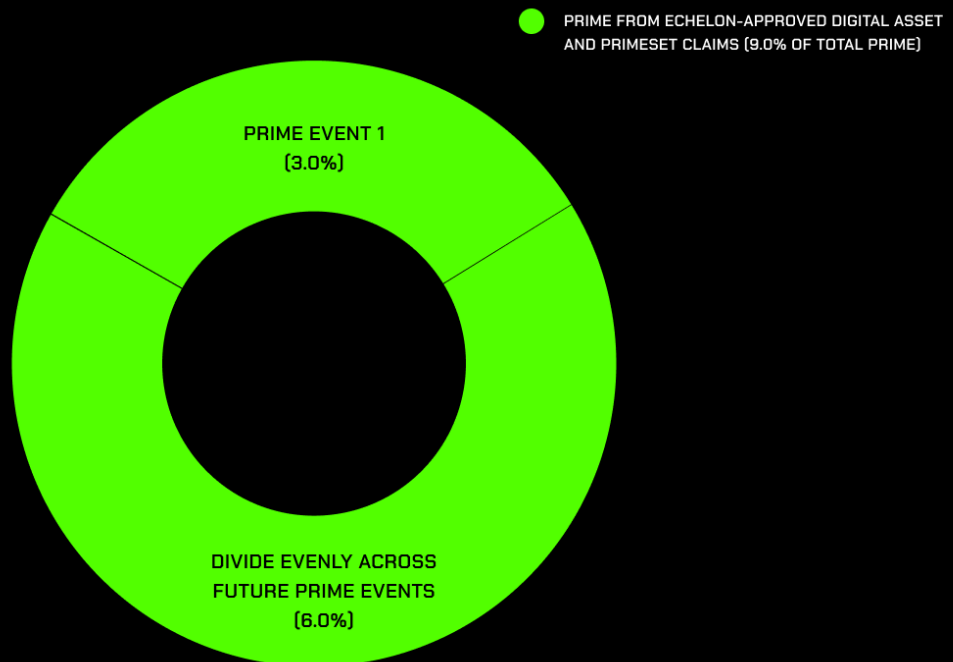
distribution of PRIME is required. Goals in designing a new distribution framework were twofold:

1. Facilitate a gradual increase in PRIME entitled to addresses holding EADAs.
2. Enable a smooth transition of governance from Primary NFTs to the PRIME token.

In order to achieve these goals, Echelon is introducing the concept of a PRIME Event.

PRIME EVENTS

PRIME DISTRIBUTION FRAMEWORK



A PRIME Event occurs when a snapshot is taken and holders are rewarded for collecting EADAs and PRIMEsets. PRIME Event 1 (PE1) took place on February 13, 2022. It assigned $\frac{1}{3}$ of the PRIMEset and EADA Pools to holders at PE1. The remaining $\frac{2}{3}$ of the PRIMEset and EADA pools will be evenly divided between future PRIME Events. There will be four additional PRIME Events leading up to the launch of Parallel TCG. This allows Echelon to launch PRIME when ready and begin battletesting governance prior to game launch.

OTHER UPDATES

The Cornerstone [*The Core*] staking pool has been expanded and will receive $\frac{1}{3}$ of the 5% reward Echelon receives every time Art Cards, Card Backs, and Masterpieces are sold on the secondary market. The Cornerstone [*The Core*] staking pool was previously outlined to receive this reward only from Asset class NFTs. With this change, the Cornerstone [*The Core*] staking pool will also capture rewards on Art Cards, Card Backs, and Masterpieces in addition to the original reward on Asset class NFTs.

Finally, the EPF continues to explore ways to build on the value of Echelon-approved digital assets. PRIMESinks represent a fundamental lever in balancing the PRIME ecosystem. Echelon and Parallel together are currently examining the PRIMESink for the single-sided PRIME staking pool, which captures 10% of all PRIME spent. Since the single-sided staking pool has been removed in this addendum, EPs will continue to investigate a re-allocation methodology for this 10% sink.

CONCLUSION

The updates in this addendum are intended to create an improved framework for the distribution of PRIME. Emissaries will provide updates as soon as they are available.

EPs 2022-2023:

[EP 1] **4LL**

[EP 2] **metaregular**

[EP 3] **Kalos**

[EP 4] **OxBEW**

[EP 5] **sgtsKill**

[EP 6] **mick**

[EP 7] **cerebrous**

[EP 8] **ultrxparadise**

[EP 9] **Sentiens**

[EP 10] **coldplunge**

[EP 11] **Grug**

- END OF ADDENDUM NO.1 -