

ZAC

White Paper

Introduction

We hope to develop a secure, convenient and reliable encrypted digital asset, while relying on first-class blockchain technology.

I. Background

Since the birth of the first Bitcoin on January 3, 2009, the blockchain digital token wave has swept through the world rapidly. With the influx of investment and speculators, the currency market shock has gone beyond people's imagination. The market urgently needs a relatively more stable token in order to function as a storage of value, a medium of transaction, and a unit of accounting. Demand triggered supply, and a variety of stable tokens has since emerged in the market. At the same time, various problems followed, including the trust crisis of stable token stability, the obscurity of theories, and the difficulty in assessing managerial capabilities.

We believe that the digital asset market needs a digital asset that can deliver more stability and reliability. The distribution of the digital asset should be guaranteed by first-class blockchain technology. Clients' trust and confidence in the market should be gained by its open and transparent supervision, and its liquidity should be facilitated by the abundance of ecosystems and application scenarios. Thus, we launched ZAC.

II. Introduction to ZAC

Definition Islander Technology Limited ("DITL") has issued ZAC, a transparent and secure digital asset, based in Seychelles and facing the world. It could be purchased with Hong Kong dollars at a ratio of 1:1, in order to freely and efficiently connect fiat currencies with digital assets.

2.1 Advantages of ZAC

ZAC has a team of first-class talents who are proficient in blockchain, finance, law, and AI sectors. With abundant asset management experience and advanced blockchain development technology, ZAC has outstanding advantages in:

Reliability

The value of ZAC would be maintained in relatively stability through the adoption of various financial and technological measures.

Stability

With an approximate 1:1 purchasing ratio with the Hong Kong dollar, ZAC is intended to be less affected/ to the impact brought by periodic or temporary fluctuations in comparison to the other types of digital assets circulating in the market.

Safety

Security is the top priority for digital asset stable tokens. ZAC adopts leading encryption technology to achieve the highest level of financial security, protecting our clients' wallets and exchange accounts.

Convenience

By listing on major exchanges, ZAC will become one of the mainstream digital assets for trading between fiat currency and other crypto assets. It can also be used in various business scenarios, such as, transactions and remittances, anytime and anywhere. We strive to establish a cross-border e-commerce platform, to persistently expand the ZAC ecosystem, and to enrich the ZAC application scenarios.

2.2 Business Model / Operational Process

ZAC will be issued by DITL, ZAC will be sold at the price of HK\$1 at all time and the amount of ZAC circulating in the market will be maintained so it reflects the amount in reserve held by DITL's partnering companies ("Partnering Companies").

Step 1: For every HK\$1 entering to the reserve managed by the Partnering Companies, DITL will issue one ZAC into the market.

Step 2: In the event that the reserve held by the Partnering Companies have depleted to be less than the amount of ZAC in circulation by the Partnering Companies buying the equivalent amount of ZAC, DITL will burn a certain amount of ZAC in circulation.

Step 3: Once ZAC enters into circulation, holders could use ZAC to freely trade with any digital encrypted assets on third party major exchanges. Users can also trade ZAC among themselves anytime and anywhere.

In the sample case of obtaining ZAC through the Partnering Companies, the process would be as follows:

- * Customer has a verified account with DITL.
- * Customer sends fiat to the custody account of DITL, which is maintained by the Partnering Companies.
- * The Partnering Companies will verify the amount against identity information collected from DITL on the customer.
- * Once the above verification is confirmed, the Partnering Companies will notify DITL. DITL will then update the internal record.
- * DITL will issue and deliver equivalent numbers of ZAC to the customer to complete the transaction.

Registration of a verified account with DITL must first take place prior to purchasing any ZAC, which will require prior identity verification and know-your-client checks.

2.3 Fiat Reserve System

The Fiat Reserve System is an extremely important part of the issuance of ZAC as it will determine the overall amount of ZAC that will be issued. Utilizing blockchain technology, the technical team introduces third-party institutions such as commercial banks, accounting firms, and law firms to conduct effective supervision and management of the reserves. The technical team will work with independent third-party agencies to develop interfaces in order to access blockchain at any time, thus ensuring the reliability of the reserve account. The DITL would engage a professional accounting firm to confirm and sign off the ending balances of the Reserve and the total number of ZAC in circulation in the market on a monthly basis.

2.4 ZAC restrictions

Purchasers of the ZAC should be aware that the ZAC is subject to the following restrictions:

1.ZAC shall not be used as a means of payments between goods and services providers, that have not entered into any arrangement with DITL, and we do not make any undertaking that it will facilitate transactions conducted with ZAC or provide any value worth to those ZAC used, in particular if such transaction involves the purchase and sell of goods and services;

2.Neither DITL or the Partnering Companies gives any undertaking that, if the ZAC is used as a means of making payment for goods or services offered by DITL, Partnering Companies or from an external recipient, DITL or the Partnering Companies will, or will procure the external recipient of the ZAC to accept the payment up to the amount of the money held by the Partnering Companies;

The services of purchasing and issuing ZAC will be subject to the payment of service fees as chargeable by DITL.

III . Design Concept of ZAC

ZAC is a digital asset based on the blockchain smart contract system, with a ratio maintained at approximately 1:1 with the HKD so that the price of digital assets could be stabilized. We will introduce highly-reliable external institutions including banks, accounting firms and law firms, etc. to conduct strict and open third-party custody, review and supervision. We will also disclose supervisory reports on a regular basis.

3.1 Technology Architecture

ZAC is a stable digital asset system that is based on the ERC20 standard of Ethereum platform. It is also compatible with the standard ERC20 token interface. DITL will adopt more promising public chains as issuing platform. By implementing standard API, it may be immediately transferred with not only the exclusive wallet storage transfer we developed but also all standard Ethereum wallets.

ZAC's smart contracts are rigorously audited and continuously monitored for security. Therefore, they are guaranteed with lower online transaction costs, faster confirmation, and more secured technical support, providing users with a convenient and instant experience.

ZAC can seamlessly interact with other smart contracts and decentralized applications on the Ethereum blockchain. In the near future, it will become the base digital asset for decentralized exchange trading, providing a more convenient medium for the vast enthusiasts of decentralized trading.

Through smart contracts, the system will generate the corresponding ZAC after the confirmation of the receipt of Hong Kong dollars into the accounts. By doing so, the system dynamically ensures that the number of Hong Kong Dollars held by the Partnering Companies will be the same as the numbers of circulating ZAC.

ZAC can be exchanged when users charge their accounts with fiat currencies. It may also be transferred, saved, traded and paid to all electronic wallets supported by ERC20 standard. Besides, it could also be used as the base digital asset of pricing and trading for other digital encrypted assets in the centralized exchange.

The issuance, reserve confirmation and risk management of ZAC are complete, open, transparent, traceable and

trustworthy. A professional accounting firm will regularly publish reports of the number of ZAC that are issued and circulated, supervising the functioning status of the entire ZAC system.

3.2 ZAC Infrastructure

ZAC is based on the open source Ethereum public chain, which is divided into three layers: the underlying service, the core layer, and the top-level application.

The ZAC account is an account with a contract code. The contract account is not directly controlled by the private key file, but by the contract code. The address of the contract account is calculated from the address of the contract creator at the time the contract was created and the transaction issued at that address. A contract account has the following characteristics: it has a certain Ethereum balance; there is an associated code, the code is activated by a call sent by a transaction or other contract; when the contract is executed, only the specific storage owned by the contract account can be operated. The biggest difference between a contract account and a regular account is that it still has a smart contract.

All ZAC operations on the Ethereum blockchain are performed based on transactions issued from the account. Whenever a contract message receives a transaction message, its contract code will be called by the parameter input of the transaction. The contract code will be executed on each node participating in the network and the execution result will be part of the new block verification.

IV . Application Scenarios of ZAC

So far, although other encrypted digital assets have already achieved a high degree of attention and transaction volume, investors' returns on digital assets are mainly from price differences, revealing a more prominent opportunistic nature in digital asset investments. Based on the research and analysis of the environment of encrypted digital assets, we disagree with the existing limitations on digital assets and wish to continue exploring other values and application scenarios for digital assets, which we can apply to ZAC.

Globalized and Cross-Border Asset Management

We will, to the extent if it is in compliance with the laws and regulations, tailor and develop various asset management packages for the ZAC trading platform and construct the ZAC ecosystem, in order to fulfill the need of globalized and cross-border asset management.

Users may trade with ZAC anytime and anywhere, and use ZAC to purchase various digital encrypted assets in third party major mainstream exchanges

V. White Paper Statement

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Risk of Losing Encrypted Digital Asset Due to Loss of Certificate

The purchaser's encrypted digital asset is likely to be associated with an account before being assigned to the purchaser. The only way to login into the account is by using the relevant login credentials selected by the purchaser. Loss of these credentials will result in the loss of the encrypted digital asset. For the purchaser, the best way to securely keep login credentials is to separate them into one or several secure storages, and preferably not to keep or expose them in public places (e.g. at work, on shared computers, in public zones, remote access storages, online etc.)

Relevant Policy Risks

Blockchain-based digital assets have become a target of regulation in all major countries around the world. ZAC will not allow subscription from nationals of countries where the regulations prohibit them from doing so.

The Risk of Attacks on Digital Assets and Cryptocurrencies

Like other decentralized cryptocurrencies, blockchain applications are also vulnerable to various kinds of attacks, such as mining attacks, including but not limited to: so-called majority attacks, 51% attacks, big mining pool attacks, high hash rate attacks, excessive competition attacks, double-spending attacks, cancelling transactions, selfish mining attacks, withholding blocks attacks, proof of work takeover attacks, briber attacks, spam transactions attacks, blacklisting, random forks, and other known and unknown kinds of attacks. Any kind of successful attacks create a big risk to the application of encrypted digital asset, although the industry is working very hard to improve the security, still, the above-mentioned attacks risk is real.

Other Unpredictable Risks

Encrypted digital assets is a new and untested technology. In addition to the risks mentioned in this White Paper, there are other risks that our team have not mentioned or expected. These may include but not limited to: ETH smart contract system bugs, security or access breaches to wallets, exchanges, or user accounts, unauthorized accesses, invalid accesses, etc. Other unpredictable risks may occur suddenly or in combination with a variety of risks already mentioned.

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This White Paper should not constitute or be construed as any operational advice for trading securities, nor is it a contract or commitment of any kind. Relevant intent users must have a clear understanding of the risks related to the project. Once the buyer participates in the token sale, he or she understands and accepts all potential risks related to the project and is willing to personally bear all the corresponding results or consequences. The team is not responsible for any direct or indirect losses caused by participation in the project.

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The information set out in this Whitepaper is only conceptual, and is provided solely for informational purpose and does not constitute any binding commitment. Please do not rely on this information in deciding whether to purchase ZAC.

By accessing this Whitepaper or any part thereof, you acknowledge that:

1) there is no guarantee or representation of value or liquidity for the ZAC, and the purchase of the ZAC is of speculative nature and none of DITL, the Partnering Companies or its affiliates shall be responsible for or liable for the value of the ZAC, the transferability and/or liquidity of the ZAC and/or the availability of any market for the ZAC through third parties or otherwise;

2) DITL intends the value of the ZAC be maintained but the ZAC may still be subject to fluctuation;

3) under no circumstances would a holder of the ZAC be entitled to or receive (i) any form of interests whatsoever in whole or in part (including but not limited to equity interest, proprietary interest and ownership interest) or share in or claim against the DITL, the Partnering Companies and/or the reserve, (ii) any voting rights at the board meetings or shareholders meetings of DITL and/or the Partnering Companies, (iii) any management rights of DITL, the Partnering Companies and/or the ZAC, (iv) any economic right (including any kind of right to payment, distribution, income, dividend, profit, or other return, or any sums to be paid, or likely to be paid, out of such return or profit) of or generated from the keeping of the treasury (except those directly between participants of the ecosystem), by DITL and/or the Partnering Companies; (v) any interest payments from DITL and/or the Partnering Companies; and (vi) any claim against the treasury and request the value in the treasury to be returned to you;

4) the ZAC is not a debenture issued by DITL and/or the Partnering Companies and all purchase of ZAC are final upon you receiving the ZAC from the DITL. You will not have any right to subsequently request redemption or return of the purchase funds you paid to the Partnering Companies for the purchase of the ZAC which DITL has the sole and absolute discretion to decide on how to use the purchase funds; and

5) DITL and/or the Partnering Companies does not give any undertaking that, if the ZAC are used as a means of making payment for goods or services from DITL, the Partnering Companies or from a recipient, DITL or the Partnering Companies will, or will procure the recipient of the ZAC to, accept the payment up to the amount of the value in the treasury or to redeem the ZAC.

6) you are not eligible to participate in the purchase of ZAC if you are a citizen, national, resident (tax or otherwise), domiciliary and/or green card holder of a geographic area or country (i) where it is likely that the purchase of ZAC would be construed as the sale of a security (howsoever named), financial service or investment product and/or (ii) where participation in token sale is prohibited by applicable law, degree, regulation, treaty, or administrative act.

VI. Conclusion

People are willing to accept fiat currency because the government can guarantee the verifiability of the currency and the stability of its price. The natural irrevocability and non-repudiation of the blockchain can guarantee the verifiability of the digital asset, while the stability of the digital asset price remains unpredictable. DITL supports the ZAC and relies on first-class blockchain technology to provide a more stable, reliable, secure and convenient digital asset compared to most digital assets in the market. We will continuously expand the ZAC ecosystem and application scenarios to create a new global and cross-border asset management approach. Use ZAC to connect your asset chain to the world and to the future.