

Standardized Disclosures

Ethos Network — \$WHUF Token

September 2026

The following disclosure is intended to provide an overview of the Ethos protocol, the \$WHUF token, and the terms on which \$WHUF was sold. It does not purport to be complete or to contain all the information a person may consider relevant in deciding whether to acquire, hold, or use \$WHUF. Nothing in this disclosure should be read as a statement about the future of the Ethos protocol or the price or performance of the \$WHUF token. Please read Section 9 (Risks) carefully.

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1. Project information

Ethos Network is an onchain reputation protocol on Base (Ethereum L2). It lets people build verifiable reputations the same way they would offline — through the vouches of others — but with economic weight behind every signal. Users stake tokens to vouch for people they trust, write public reviews of any wallet address, and link their social identities to their onchain accounts. If someone vouches for a bad actor, their staked tokens can be slashed, so trust signals are expensive to fake. The result is a public credibility graph that anyone — traders, communities, applications — can use to judge whether a counterparty is trustworthy before transacting with them. The protocol has been live since January 2025. Traction: 500,000 unique monthly website visitors; 10,000 monthly active users of the Ethos Chrome extension (showing Ethos scores directly in X, Farcaster, and other apps); 8,000 monthly active contributors (~3,000 daily); 55,000 total vouches (min 0.01 ETH); 40,000+ accounts and 700,000+ onchain reviews.

Executive officers, directors, and material contributors

- Trevor Thompson — Co-Founder and CEO, Ethos Network Inc. (“Ethos Labs”, the development company)
- Benjamin Walther — Co-Founder and CTO, Ethos Network Inc.

- Dzidzai Shaun Musuka — Director, Ethos Foundation (Cayman Islands, IC-434955) and Ethos Token Ltd. (BVI, no. 2209979)
- Miro Kirov — Designer, Ethos Labs
- Sean Waters — Development, Ethos Labs
- Seth Gholson — Development, Ethos Labs
- Vitalii Saienko — Development, Ethos Labs

Entities

The Ethos Foundation, a memberless Cayman Islands foundation company with a sole independent director, owns the protocol IP and stewards the network. Ethos Token Ltd., a BVI company wholly owned by the Foundation, conducted the token sale and is the counterparty to sale participants under the Token Sale Terms & Conditions. Ethos Network Inc. (Delaware) is the development company, engaged by the Foundation under a Master Services Agreement (Section 6). Ethos Network Inc. holds no equity in the Foundation and no board seat.

Third parties and affiliates contributing materially to the protocol and/or token

None. The protocol and the \$WHUF token contract were designed and developed in-house by Ethos Network Inc. under its services agreement with the Ethos Foundation; no third-party development shop or contractor designed the token. Security audits were performed by Guardian and Sherlock (Section 8).

2. Token information

Purpose and utility. \$WHUF is the native asset of the Ethos reputation protocol: it is staked to vouch for other participants (with slashing risk); reputation markets are denominated in \$WHUF, which is required to trade on a participant’s reputation; protocol fees (attestations, vouch initiation, comments, upvotes/downvotes, and other interactions) are paid in \$WHUF; human verification requires \$WHUF to process; and active vouchers earn \$WHUF from the contributor rewards pool. All of these utilities are live. \$WHUF-based vouching is live (replacing the ETH-based vouching in operation since January 2025). \$WHUF-denominated reputation market trading pairs go live on October 8, 2026, when tokens become transferable. No other token changes are planned.

Rights; distinction from equity. The token confers no ownership, voting, dividend, profit-sharing, or governance rights in any entity, and no entitlement to protocol revenue — protocol fees, including fees on reputation markets, are burned, not distributed. Equity holders of Ethos Network Inc. hold conventional shareholder rights in the development company and receive nothing by virtue of the token; token holders receive protocol utility only. The only economic mechanics are the deflationary fee burn and the utility demand created by vouching, fees, and rewards.

Token dynamics

- Circulating supply at launch: all sale and bonus tokens were distributed at TGE (September 8, 2026) but locked while the 30-day price guarantee window runs; they become transferable when it closes on October 8, 2026 — effectively “day 0” of the token’s tradeable life, at which point the float is approximately 23.5% of supply (sale 20% + bonus 1.39% + Treasury liquidity 2%, after the TGE burn). The lock on sale and bonus tokens is enforced by the token contract: following a contract upgrade executed on September 28, 2026 (Section 8), the addresses of all sale and bonus recipients are recorded in a publicly verifiable, append-only on-chain lock list (WhuffieLockList, 0x740466F2d7cAc4661f00aaB4Cb05a12ae198651b; addresses can be added only by the EthosOwner 3-of-5 multi-sig and there is no function to remove one) and cannot transfer until October 8, 2026 at 15:00 UTC, when the lock releases automatically by hard-coded timestamp. Foundation-controlled allocations are not subject to this lock; the Treasury liquidity allocation (2%) is delivered to the market makers ahead of the trading start under the loan agreements in Section 7, so that liquidity is in place from the first trade. Those tokens are counted in the day-0 float above.
- Total supply: 10,000,000 \$WHUF minted at genesis; 60,530.73 unawarded referral-bonus tokens were burned in the genesis transaction, leaving 9,939,469.27 \$WHUF. Supply is fixed; no minting function exists.
- Deflationary mechanics: protocol fees are burned (standard ERC-20 burn, contract-enforced, automated). No inflationary mechanics.
- Issuance over time: fixed at deployment; contributor rewards use a continuous exponential decay model (emission rate proportional to remaining pool balance), enforced at the smart-contract level via the EthosRewards contract. The Foundation can adjust the emission-rate parameter but cannot exceed 100% of the remaining pool per year.
- Future issuances: none anticipated. No new token launches are planned.

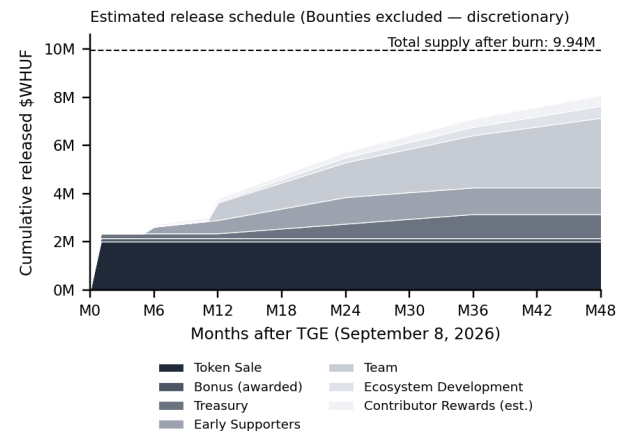
3. Token distribution

Category	% of genesis supply	Tokens	Unlock schedule
Token Sale	20.00%	2,000,000	Contract-locked for 30 days from TGE; transferable October 8, 2026 (15:00 UTC)
XP, Validator & Referral Bonus (awarded)	1.39%	139,469	Contract-locked with sale tokens; transferable October 8, 2026 (15:00 UTC)
Team	28.94%	2,894,000	12-month cliff (25% unlocks at cliff), then monthly unlocks over 36 months (48 months total)
Early Supporters	11.06%	1,106,000	6-month cliff (25% unlocks at cliff), then monthly unlocks over 18 months
Treasury	10.00%	1,000,000	8% (800,000); 12-month cliff, then monthly over 24 months; 2% (200,000) liquidity portion, loaned to market makers and delivered ahead of the October 8, 2026 trading start (Section 7)

Category	% of genesis supply	Tokens	Unlock schedule
Ecosystem Development	5.00%	500,000	Foundation discretion; no more than 10% of the pool in the first 12 months, remainder approximately linear thereafter
Bounties	5.00%	500,000	Foundation discretion; released as bounty programs are awarded; no more than 10% of the pool in the first 12 months
Contributor Rewards	18.00%	1,800,000	Continuous exponential decay emission (rate proportional to remaining pool), enforced by the EthosRewards contract
Burned at TGE (unawarded referral bonus)	0.61%	60,531	Permanently removed from supply, September 8, 2026
Total (genesis)	100.00%	10,000,000	Supply after burn: 9,939,469

Estimated token release schedule

The chart below shows the estimated cumulative released supply by category over the 48 months following TGE, based on the unlock schedules above and the contract-enforced contributor rewards emission curve. Bounties and Ecosystem Development are shown at their scheduled or assumed pace and are released only as programs are awarded. Actual released supply will be lower to the extent protocol fees are burned.



- Unlocked at day 0 (October 8, 2026): approximately 2,339,469 \$WHUF (23.5%) — sale, awarded bonus, and Treasury liquidity. All other allocations are locked for at least six months (Early Supporters) or twelve months (Team, Treasury core), with all scheduled unlocks complete by September 2030.
- Staking of locked tokens: locked and unvested tokens are not eligible for staking (vouching). Only unlocked tokens can be vouched and earn contributor rewards.
- Vesting enforcement: locked and vesting allocations are custodied in dedicated 3-of-5 Safe multi-sigs per category under the Ethos Foundation’s Treasury, Custody and Key Management Policy. Vesting is administered by the Foundation, which releases unlocked tokens from the relevant multi-sig on a monthly basis in accordance with the published schedule; no tokens can be released ahead of schedule without a Foundation

board resolution. Exception: Contributor Rewards tokens are held and emitted directly by the EthosRewards smart contract — no separate Safe or multisig.

- Insider benefit from Foundation allocations: Ecosystem Development and Bounties allocations are at Foundation discretion for ecosystem grants and contributor bounties. The Foundation does not intend to distribute more than 10% of either the Ecosystem Development pool or the Bounties pool (50,000 \$WHUF each) in the first 12 months following TGE. These allocations do not fund salaries or ongoing development that benefits the team. Team members and employees are not eligible for Ecosystem Development or Bounties distributions.
- Treasury (8% locked portion) funds long-term protocol stewardship by the Foundation; the 2% liquidity portion is loaned to the market makers disclosed in Section 7 and delivered to them ahead of the October 8, 2026 trading start, as required by the loan agreements.

Prior funding rounds

- Pre-seed (equity, Ethos Network Inc.) — April 2024 — ~US\$2.3M
- Seed (equity, Ethos Network Inc.) — May 2025 — ~US\$2M
- Both equity rounds were wholly private placements; all investors were accredited. Pre-seed and seed investors received token grants from the Early Supporters allocation (11.06% of supply), subject to a 6-month cliff (25% unlocks at the cliff) and monthly unlocks over the following 18 months. Sale participation by any such investor was on the same public terms as all other bidders.
- Public token sale — September 1–4, 2026 — US\$8.4M: 2,000,000 \$WHUF (20% of supply) sold via English auction on Sonar at a uniform clearing price of US\$4.20/token (US\$42M FDV) to 1,404 KYC-verified wallets globally (Section 5).

Payments or grants in tokens to any entity associated with a centralized exchange: none.

4. Airdrop

There is no airdrop. The project distributed bonus tokens exclusively to sale participants through two mechanisms, both of which required capital commitment in the auction and are not free distributions:

- XP Bonus Pool (1% of supply, 100,000 tokens): sale participants who accumulated meaningful XP through genuine protocol contribution received a pro-rata bonus determined by the formula: $\text{bonus} = (\text{purchase} \times \text{XP}^{0.1}) / \text{total_weights} \times \text{pool_value}$. Capital commitment is the dominant factor; XP provides a meaningful but modest edge. A minimum XP threshold ensured only users with genuine contribution history were eligible. Additionally, wallets holding Ethos Validator NFTs that participated in the sale received a base bonus allocation from the same pool. Sale participation (and therefore Sonar KYC/sanctions screening) was required.
- Referral Bonus Pool (1% of supply, 100,000 tokens): sale participants who referred new bidders received a bonus equal to a percentage of the referred person's settled purchase amount, paid in \$WHUF at clearing price. Bonuses were paid only where both the referrer's and the referred person's bids cleared;

refunded bids generated no referral bonus in either direction. The percentage was determined by the referred person's Ethos score at auction close (scores below 1,300 earned no bonus; rates scaled continuously from 3% at 1,300 to 10% for scores of 2,000 and above). A participant had to place a bid (minimum \$100 USDC) before receiving a referral link. Single-layer only — no multi-level chains.

Both pools were subsets of the 2% Bonus Pool allocation (200,000 tokens) at genesis, split evenly between XP/Validator and Referral. Distribution occurred at TGE; tokens become transferable with the sale tokens when the 30-day price guarantee window closes. There is no separate claim process. Neither mechanism constitutes an airdrop: both required capital commitment in the auction, and all recipients passed Sonar's KYC and sanctions screening.

Outcome at TGE. The XP and Validator bonuses used the full 100,000 tokens. Referral bonuses awarded totalled 39,469.27 tokens; the unawarded balance of the referral pool, 60,530.73 tokens (0.61% of genesis supply), was minted to the Foundation and burned in the same genesis transaction on September 8, 2026, consistent with the protocol's policy of removing unallocated and fee tokens from supply rather than retaining them. Total supply after the burn is 9,939,469.27 \$WHUF; no further minting is possible.

5. Token sale information

A public token sale was conducted September 1–4, 2026 as an English auction via Sonar and settled at a uniform clearing price of US\$4.20/token (US\$42M FDV): 2,000,000 tokens (20% of supply) sold for US\$8.4M to 1,404 wallets; TGE September 8, 2026; tokens unlock October 8, 2026.

- Sale opening and close: September 1, 2026 13:00 UTC to September 4, 2026 17:00 UTC.
- Size and price: 2,000,000 tokens (20% of supply); uniform clearing price determined by competitive bidding; price floor US\$0.10/token (US\$1M FDV); maximum price cap US\$9.90/token (US\$99M FDV). Minimum bid US\$100 USDC. Clearing price US\$4.20/token.
- Determination of price: every successful bidder paid the same clearing price regardless of their maximum bid. The clearing price is the highest price at which cumulative demand filled the 2,000,000 tokens offered.
- Jurisdictions: open to KYC-verified participants globally, excluding OFAC-sanctioned jurisdictions and China. US persons were not excluded; the token was offered strictly as a non-security in the sale on Sonar.
- Oversubscription: bids at or above the clearing price were filled in full except at the marginal price tier, where allocation was first-come, first-served by bid time; bids below the clearing price were refunded in full. The auction did not clear at the cap.
- Restrictions on tokens sold: tokens were distributed at TGE but locked; they become transferable when the 30-day price guarantee window closes. Purchasers who vouch their tokens within that window are eligible for a price guarantee: 85% of purchase price (US\$3.57/token at the US\$4.20 clearing price; the 90% tier applied only if the auction had cleared at or above US\$75M FDV and was not triggered). Redeemable October 8, 2026 – October 8, 2027 (USDC settlement via Ethos Token

Ltd., the sale entity and a subsidiary of the Ethos Foundation, off-market); participants may unstake at any time, which forfeits the guarantee on the unstaked tokens.

6. Conflicts of interest

The Ethos Foundation has entered into a Master Services Agreement and Statement of Work No. 1 (both dated July 27, 2026) with Ethos Network Inc. (the development company) for protocol development, operation and maintenance, on a cost-plus basis (documented cost base plus a 10% service margin; third-party costs reimbursed at cost). No compensation under this agreement is paid in tokens; all compensation is in fiat/USDC. Trevor Thompson is CEO of Ethos Network Inc. and a co-founder; the agreement was approved by the Foundation’s independent board. There are no other related-party transactions involving the token or equity between entities in the corporate structure (Ethos Foundation, Ethos Token Ltd., or Ethos Network Inc.). Corporate services agreements exist with registered-office providers (ICS Ltd. in Cayman; Harkom Corporate Services Limited in BVI) in the ordinary course.

7. Market makers and liquidity

The Ethos Foundation has entered into token loan agreements with the following market makers, with the following loan sizes and durations.

Contracted market maker	Loan size (WHUF)	% of supply	Duration of loan	Structure
GSR	100,000	1.0%	18 months	Token loan
Tophash Digital	100,000	1.0%	12 months	Token loan

Both loans are drawn from the Treasury liquidity allocation (2% of supply) disclosed in Section 3 and are delivered to the market makers before trading begins on October 8, 2026 (made possible by the transfer-lock upgrade described in Sections 3 and 8). Tokens are returned at the end of each loan term. GSR provides liquidity on centralized exchange trading pairs; Tophash Digital provides liquidity on centralized exchange trading pairs and on Base decentralized exchange pools. No other market-making arrangements exist, no cash retainers are paid, and no tokens have been sold to market makers at a discount. The previously contemplated Arrakis DEX vault arrangement was not entered into.

8. Security

- Previous incidents: none. The protocol has operated on Base since January 2025 with no hacks or security incidents involving the protocol or its contracts.
- Audits: the upgraded Ethos protocol contracts, including the \$WHUF token contract (EthosWhuffie.sol), have been audited by Guardian (audit window June 9–25, 2026; final report July 9, 2026). Results: 0 Critical, 0 High, 5 Medium (3 resolved, 2 acknowledged), 17 Low, 34 Informational across 28 contracts and 2,227 SLOC. Confidence ranking: 4/5 (High Confidence). The full audit report is published at <https://ethos-foundation.org/audit/2026-07-09.pdf>. Earlier protocol versions passed three Sherlock audit competitions (November–December 2024) and an ongoing bug bounty program is in place.

- Transfer-lock upgrade (September 2026): the token contract’s original all-or-nothing transfer lock was replaced with a per-account lock bound to a non-upgradeable, append-only lock list (WhuffieLockList, 0x740466F2d7cAc4661f00aaB4Cb05a12ae198651b, owned by the EthosOwner multi-sig) so that market-maker inventory can be delivered before trading starts while sale and bonus tokens remain locked until October 8, 2026 at 15:00 UTC; the unlock is automatic at that timestamp and the owner multi-sig can only unlock earlier, never later. The change (EthosWhuffie.sol, WhuffieLockList.sol and related interface/error files, 70 SLOC, commit 92f8e0424235) was reviewed by Guardian on September 25, 2026: 0 Critical, 0 High, 0 Medium, 0 Low, 5 Informational (all acknowledged); confidence ranking 5/5 (Very High). Report: https://github.com/GuardianAudits/Audits/blob/main/Ethos%20Network/2026-09-25_Ethos_Network_WHUF_Transfer_Lock.pdf. The upgrade was executed by the EthosOwner 3-of-5 multi-sig on September 28, 2026 (tx 0xe9e481580315d64f87f7f5669bc3015a64475023a0171b1a16404a2446b9949a); the new implementation is 0xc18b56EBEecE70628945C6bB02313f81a62695E6.
- Token contract: 0xe9e477bC7e82c0d4166d52F58239D4c5Bf41e9ee (Base). Standard ERC-20, 10,000,000 minted at genesis (9,939,469.27 after the TGE burn), fixed supply, no minting function, standard burn function. No transfer tax or rebasing at the token level. Transfers from sale and bonus recipient addresses are contract-locked until October 8, 2026 at 15:00 UTC (see Transfer-lock upgrade above); vouching, unvouching and protocol fee payments remain available to locked holders.
- Protocol permissions: contract roles are held by dedicated Safe multi-sigs on Base. EthosOwner (3-of-5) holds the contract owner role — contract upgrades, critical parameter changes, and ownership transfers require three of five signatures. EthosAdmin (3-of-5) is limited to operational actions: pause/unpause, invite management, and non-critical parameters. Allocation wallets are 3-of-5 Safe multi-sigs with a documented signer registry and hardware-wallet security policies (except Contributor Rewards, which are held and emitted by the EthosRewards contract directly).
- No single key can mint tokens, redirect fees, or seize user balances: minting does not exist in the token contract, fees are burned by contract, and no administrative role can transfer tokens held by users.

9. Risks

Key risks relating to the token sale, the Ethos Foundation and its affiliates (including Ethos Token Ltd. and Ethos Network Inc.), the \$WHUF token, and the underlying technology include the following. This list is not exhaustive.

Sale- and market-related risks

- Market volatility: \$WHUF may experience significant price volatility, particularly after the October 8, 2026 unlock. The 30-day lock and low initial float (~23.5%) may amplify early price movements. No assurance is given as to any future price, liquidity, or market for the token.
- Liquidity risk: the ability to buy or sell \$WHUF depends on trading activity on centralized and decentralized exchanges.

Limited liquidity may make it difficult to execute trades without significant price impact. The market-making arrangements in Section 7 are not guarantees of liquidity and may be terminated.

- Listing and delisting risk: any exchange listing of \$WHUF is at the exchange's discretion, and there is no guarantee that a listing, once obtained, will be maintained. Delisting could materially reduce the ability to trade the token.
- Trading platform and exchange insolvency risk: neither the Foundation nor Ethos Token Ltd. operates, controls, or is a party to transactions on any exchange. Exchanges may suspend trading, become insolvent, or cease operations, potentially resulting in loss of access to tokens.
- Price guarantee program risk: the price guarantee (85% of purchase price, US\$3.57/token) is a contractual repurchase right against Ethos Token Ltd., a subsidiary of the Ethos Foundation, and depends on that entity maintaining sufficient USDC reserves. It is conditional on continuous vouching (forfeited by unvouching, reduced by slashing), is time-limited to October 8, 2027, and settlement may take up to 30 days. It is not a market guarantee, is not insurance, and carries counterparty risk.

Entity-related risks

- Early-stage entities: the Ethos Foundation and Ethos Token Ltd. were established in 2026. There is no assurance that either will continue operating successfully or deliver its planned contributions to the protocol.
- Regulatory and legal risk: the legal characterization of \$WHUF and of the price guarantee under securities, commodities, or consumer-protection laws is uncertain and may differ across jurisdictions. Adverse regulatory action, enforcement, licensing requirements, or changes in law affecting the Ethos Foundation (Cayman), Ethos Token Ltd. (BVI), or Ethos Network Inc. (US) could require changes to structure or operations, affect the token's distribution or exchange availability, or restrict its use in particular jurisdictions. A MiCA-format whitepaper has been notified in connection with EU availability; the token may be treated differently by other regulators.
- Operational and financial risk: failures in the entities' internal processes, personnel, key management, or reserves could disrupt token operations, the price guarantee, or the release of locked allocations.
- Key-person and dependency risk: the protocol operates autonomously onchain, but front-end development, ecosystem support, and Foundation administration currently rely on a small team at Ethos Labs and a sole Foundation director.
- Reputational risk: negative publicity, alleged misconduct, or security incidents could damage confidence in the protocol and reduce adoption.

Token- and technology-related risks

- No rights against any entity: \$WHUF does not represent ownership of, or an interest in, the Ethos Foundation, Ethos Token Ltd., Ethos Network Inc., or any other entity, and (other than the contractual price guarantee held by eligible sale participants) creates no contractual relationship between any holder and any entity.
- Smart contract risk: bugs or vulnerabilities in the token or protocol contracts (vouching, slashing, rewards emission,

reputation markets, verification bonds) could result in loss of staked tokens or manipulation of reputation data, notwithstanding audits. Audits are point-in-time reviews and may not detect novel attack vectors, economic exploits, or issues introduced by future upgrades. Contracts are upgradeable via a 3-of-5 multi-sig; compromise or loss of signer keys is a risk mitigated but not eliminated by thresholds and key-management policy.

- Slashing risk: vouched tokens are intentionally at risk — users who vouch for bad actors can lose part of their stake. This is a design feature with real financial consequences for holders who vouch.
- Adoption and network-effect risk: the credibility graph's usefulness depends on continued participation. If adoption stalls, demand for the token's utility (vouching, fees, markets, verification) may be limited, burns will be minimal, and contributor rewards per participant will compress as total vouched supply grows.
- Dependency on Base: the token and protocol operate on Base, an optimistic rollup with a sequencer operated by Coinbase; sequencer outages, rollup-level failures, or changes to Base could affect protocol availability and the ability to transfer, vouch, or trade tokens.
- Private key, wallet, and fraud risk: holders are solely responsible for safeguarding their private keys; loss of credentials results in permanent loss of tokens. Holders are exposed to phishing, impersonation of the Ethos team or Foundation, counterfeit tokens, and fraudulent claim sites. Ethos will never ask for seed phrases and does not conduct airdrops.
- Unlock and concentration risk: the team allocation is 28.94% of supply, mitigated by a 12-month cliff (25% unlocks at the cliff) followed by monthly unlocks over the following 36 months — 48 months in total; total VC exposure is approximately 1.12% of supply. As locked team, investor, and treasury tokens are released into circulation they may introduce additional selling pressure.
- Monetary policy risk: no new tokens can be minted and fees cannot be redirected (both contract-enforced). The only adjustable monetary parameter is the contributor rewards emission rate, which the Foundation may change within a hard contract ceiling; such changes could affect reward expectations.
- Tax risk: the tax treatment of purchases, bonus tokens, contributor rewards, burns, slashing, and price guarantee redemptions is uncertain and varies by jurisdiction. Holders are solely responsible for understanding and complying with their own tax obligations.
- Unanticipated risks: additional risks, or unexpected combinations of the risks above, may arise.