

“Crypto-GRAMO: A Crypto-based Platform for the Loyalty and Rewards Programs of CBD Shops and Related Markets”

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1. Executive Summary

1.1. Crypto-GRAMO Overview: crypto meets CBD market

Cryptocurrencies, tokens, and blockchain

A cryptocurrency, crypto-currency, or crypto is a digital currency designed to work as a medium of exchange through a computer network that is not reliant on any central authority, such as a government or bank, to uphold or maintain it. Those currencies can be exchanged for goods and services, though they often are used as investment vehicles. Secured by cryptography and based on the blockchain technology, the crypto system allows the use of this actual money in a faster, decentralized, public and anonymous way than the standard fiat money markets.

The base unit for cryptocurrencies is often denoted by the term '*token*'. These tokens represent fungible and tradable assets or utilities that reside on their own blockchain. Each token represents a certain unit of value. These tokens are represented by ledger entries internal to the system, which are located within the blocks of each blockchain. These crypto assets often serve as transaction units on the blockchain where they are created using the blockchain protocol of the specific network hosting the token, such as *Ethereum*, *Solana* or *Algorand* blockchains, among others. Such blockchains work on the concept of smart contracts and decentralized applications (dApps), wherein the programmable, self-executing code is used to process and manage the various transactions that occur on the blockchain.

The cryptocurrency market is experiencing exponential growth thanks to smart contracts and decentralized finance (DeFi), which allows the democratization of investment markets that, until relatively recently, were exclusive for specialists and advanced users. In response to these new opportunities, everyday people are increasing their financial literacy. This, in turn, is starting to translate into new opportunities for new technology companies, as well as for innovation and modernization in more traditional sectors. At the same time, the emergence of Fintech is driving users away from classic commercial banking [1].

The emergence of cryptocurrencies might be crucial for developing economies, as blockchain

Overall index ranking	Country	Index Score
1	Vietnam	1.00
2	India	0.37
3	Pakistan	0.36
4	Ukraine	0.29
5	Kenya	0.28
6	Nigeria	0.26
7	Venezuela	0.25
8	United States	0.22
9	Togo	0.19
10	Argentina	0.19

Table 1. Ten first countries of the 2021 Global Crypto Adoption Index. Source: *Chainanalysis*

technologies could help to avoid political barriers and difficulties customers might find in some specific local markets. The anonymity, security, and accessibility to financial markets provided by crypto ecosystems also allows one to avoid inflationary risks, currency depreciation, or systemic risks in less favored countries. Indeed, crypto adoption exploded in developing countries, being Vietnam, India, Pakistan, Ukraine and Kenya the first five countries ranked in the 2021 Global Crypto Adoption Index (**Table 1**).

The most outstanding recent example of crypto adoption is El Salvador. In September 2021, it became the first nation in the world to adopt Bitcoin as legal tender, and plans to issue \$1 billion worth of Bitcoin-backed bonds between February and March 2022 [2], [3]. The bonds will be issued through Blockstream, instead of through conventional channels, and will be used, in part, to finance the "*Bitcoin City*", an authentic city that will revolve around the crypto world and will be located in the coastal city of Conchagua. The proximity of the city to an area of great volcanic activity will be used to mine cryptocurrencies using geothermal energy. The city promises to be a fiscal oasis, suppressing practically all taxes, except VAT [2], [3]. However, the Central American country is encountering opposition from regulatory agencies, such as the International Monetary Fund [4], [5]. Ukraine already trades more crypto than fiat currency, and on February 2022, the Ukrainian parliament passed a bill to legalize cryptocurrency, preparing a framework for the regulation and management of digital assets [6], [7].

Cryptocurrency ownership in Europe and the US reached an average of 7.2% in 2020, higher than the global average of 3.1% [8]. The first Bitcoin ETF in the US started trading in October 2021 [9], showing that cryptocurrencies started to penetrate also into classical financial markets. Recent reports revealed that 34.8% of cryptocurrency owners in Europe and the US are young and highly educated adults, many under 35 years old. These individuals tend to have a higher propensity to make purchases using cryptocurrency, as 24.7% of them are already transacting using cryptocurrency [8]. Therefore, cryptocurrency adoption is on the rise, rapidly, in the US and Europe.

According to a report from crypto platform Coinbase about cryptocurrency awareness in Europe [10], the country with the highest awareness of cryptocurrencies in Europe is Spain, where as many as 80% of consumers say they are familiar with the asset class. The UK came second with 66%, followed by the Netherlands (64%), Germany (60%), Italy (58%) and France (56%). Interestingly, all the major Central and Western European countries scored well above 50%, showing that cryptocurrencies are rapidly becoming familiar among European citizens. Moreover, almost half of the respondents (47%) said they had discussed cryptocurrency with friends and/or family. With increased ownership and interest of cryptocurrency in Europe, businesses will be tempted to accept cryptocurrencies to gain access to a new segment of customers.

European businesses and crypto: Tokenization of Rewards Programs

Crypto assets are not yet regulated in Europe (*for details, see section 2.1*). Thus, an intermediate step in the road of businesses embracing crypto is the tokenization of their Rewards Programs. In an effort to capture consumer spend and loyalty, many companies have recently refreshed their existing rewards programs, launched new programs, or partnered with complementary brands to enable more seamless experiences. Regardless of each loyalty program's unique features, the fact remains that holding onto reward points can have limitations. The longer rewards sit in the customer's account, they are subject to expiration, changing values, changing terms or abandonment. This can lead to a less rewarding outcome for the customer caused by diminished redemption value for use at the merchant where the rewards were accrued. Annual reports for major airlines and credit card companies show billions of dollars being held in liabilities per company.

In July 2021, a Loyalty Consumer Survey performed by Bakkt (<https://www.bakkt.com/>) [11] revealed that redeeming points to cash, offering multiple ways to redeem, and clear and seamless earning/redemption were mission critical attributes across Loyalty and Rewards Programs and sectors. In fact, 70% of consumers believe converting points to cash or other digital assets is a '*must have*'. Redeeming for small and unused point balances is also highly desirable and can deliver a new engagement moment for brands and bring those consumers back. The ability to redeem for crypto currency is thus beginning to emerge and interest levels are increasing. Moreover, crypto-based Rewards Programs might also alleviate barriers for customers to explore crypto and can help them to reach their personal financial goals. Finally, crypto might also help brands to attract and engage with young audiences. Those aged 18-44 are the most interested group with 37% saying they are interested in investing in crypto for the first time in the next six months. Crypto-based Loyalty and Rewards Programs can provide customers with the option to earn crypto rewards, redeem rewards for crypto, or both (*which is the system presented here, see section 1.2*).

In summary, in a moment when cryptocurrency awareness and adoption is at top levels in the world, specially in Europe, the US, and developing countries, and the perception of classical Rewards Programs by customers seems starting to deteriorate, crypto-based Loyalty and Rewards Programs have emerged to likely unlock the potential of customer rewards to achieve higher values in several sectors and markets worldwide.

Cannabis and CBD: a world-wide exploding market

Cannabis refers to a group of three plants of the *Cannabaceae* family with psychoactive properties, known as *Cannabis sativa*, *Cannabis indica*, and *Cannabis ruderalis*. Cannabis is usually consumed for its relaxing and calming effects. In some places, it is also prescribed to

help with a range of medical conditions, including chronic pain, glaucoma, and poor appetite. Cannabis is made up of more than 120 components, which are known as cannabinoids [12], [13].

CBD, short for cannabidiol, is a trending ingredient in the natural products industry and is the focus of a new area of cannabis research. CBD is one of many cannabinoids, or molecules produced uniquely by the cannabis family. Unlike tetrahydrocannabinol (THC, the primary psychoactive element in marijuana), CBD is non-psychoactive, meaning it does not have a strong effect on cognitive brain activity and does not cause the '*high*' associated with marijuana. Our brains have specific receptors designed to interact with cannabinoids, known as CB1 and CB2. These receptors are responsible for the assimilation of cannabinoid molecules into the body, resulting in the different responses and properties that cannabinoid molecules have.

In the last few years, there have been many advances in cannabis processing and consumption methods. Concentrated products such as oil and resin have allowed for cleaner ingestion methods, such as vaporization, to become more widespread. These new technologies have brought more consistent, identifiable dosages to patients and enthusiasts alike, while potentially enabling safer methods of consumption.

In November 2020, the European Court of Justice published a judgement stating that CBD extracted from the cannabis plant should not be considered a drug under the 1961 United Nations Single Convention on Narcotic Drugs. While THC is known to be the main psychoactive component of cannabis, the recent review by the World Health Organization's Expert Committee on Drug Dependence found that CBD '*has no potential for abuse and no potential to produce dependence*' [14], [15].

Due to its healing properties, the demand of CBD for health and wellness purposes is high, which is the major factor driving the market growth. In addition, the rising acceptance and use of products due to government approvals is a major factor expected to boost production for CBD-infused products. The global CBD market size was valued at \$2.8 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 21.2% from 2021 to 2028 [16]. In Europe, CBD startups saw a record level of investment in 2019, with 34 innovative companies receiving a total of \$128.5 million USD and funding continuing rising year after year, approaching to \$150 million in 2021 [17]. A recent report by the Centre for Medical Cannabis estimates that 8-11% of UK adults (approximately 4-6 million people) have tried CBD. The market size in UK is thus estimated at \$390 million per year and expected to be \$1.3 billion in 2025, which would be equivalent to the entire UK herbal supplement market in 2016 [17].

Crypto and CBD: connections between both markets

As seen before, cryptocurrency and the CBD industry are two of the most rapidly growing industries in the world. These industries see a significant spike in their growth rate every year,

making them worth billions of dollars. Studies estimate that the CBD industry will have a market valuation of around \$57 billion by 2027. In contrast, the cryptocurrency market has already witnessed a hefty valuation of about \$267 billion. By 2025, it is expected that the CBD market will grow at a 22.2% CAGR, whereas cryptocurrency at 32% CAGR [16], [18]. As a consequence, market research showed that there are three existing projects connecting crypto and CBD industries.

Cannabis SwissX Bank (<https://swissx.com>) is a company that uses blockchain to facilitate legal cannabis transactions worldwide. The company has an international cooperative, which is growing quickly across the Caribbean, that was set up to keep up with the demand for Swissx Hemp Flower products, and provides proprietary hemp strains, training, and a guarantee to purchase all crops grown by its participating farmers. Farmers are paid in SWX Coin, which is redeemable for cash anytime, without restriction, from the bank's vaults in Gstaad, Switzerland or regional offices in the Caribbean. Outside of the Farmer's Wallet, surplus hemp is sold to third party buyers using SWX coins that they purchase from Swissx Bank of Cannabis. When diving into their recent achievements and their website, it seems that now SwissX is focused on developing their own CBD products, including non-fungible tokens (NFTs), and opening several CBD stores at the US. However, SWX coins are not accepted or used in their stores.

The Greenheart CBD Cryptocurrency platform (<https://www.greenheartcbd.io/>) aims to provide loans to farmers around the world who wish to switch to growing hemp for the purpose of CBD production. The loans are expected to be issued through smart contracts on the platform, with the company committing to buying the hemp that these farmers grow and selling it on. The start-up, based in Ireland, also aims to provide tech to farmers, such as drones for automated continual monitoring of the crops. In this case, an investigation of their social networks showed that the project is now also focused in developing their own CBD products and stores (<https://greenheartcbd.ie/>). It is expected that they start to accept their own token (\$CBD) for purchases soon.

The third project found is Cannabium (<https://www.cannabium.co/>), which aimed to offer a seamless and direct way to transact in legal cannabis online. However, the project seems abandoned since 2019.

Therefore, as crypto assets are not yet regulated in Europe and the US, projects trying to use crypto as a means of payment faced difficulties and their tokens seem becoming just speculative assets with no real uses. As stated before, an intermediate step in the road of CBD businesses embracing crypto is the tokenization of Rewards Programs offered by CBD stores.

Crypto-GRAMO was born with the mission of establishing a blockchain-based system of Loyalty and Rewards Programs for European CBD shops, with the aim of becoming in the near future

the token of reference in the Loyalty and Rewards Programs of several other markets around the world of legal substances used for recreative and safe uses, such as legal THC markets.

1.2. Crypto-GRAMO: a crypto-based platform for the Loyalty and Rewards Programs of CBD Stores

Crypto-GRAMO is a platform that allows the safe, automatic and reliable implementation of Loyalty and Rewards Programs in the commercial operations of physical and online CBD stores, and GRAMO is the name of the token powering the platform. While cards, stamps and points have served well as loyalty platforms for many types of businesses, new markets like CBD need modern, secure and automated platforms to keep customer experience and loyalty to the highest standards. The use of blockchain technology and a cryptocurrency dedicated to loyalty programs allows the required automation and security, in addition to the fact that the rewards received can be traded at the cryptocurrency markets.

When a customer makes a purchase at one of the Crypto-GRAMO partnered CBD shops, the customer will also receive certain amount of GRAMO, the token of the Crypto-GRAMO platform. The customer will be able to use these GRAMO tokens for discounts, special offers, participation at exclusive events and unique Crypto-GRAMO merchandising. In addition, customers can swap GRAMO for other crypto-currencies, which represents a powerful innovation in the Loyalty and Rewards Programs of CBD stores.

1.3. Crypto-GRAMO Core Platform

Crypto-GRAMO Core Platform is initially composed by four elements:

- 1) A Loyalty and Rewards Program used by partnered CBD stores. The program allows the secured verification of client purchases and the secured automated distribution of rewards. It uses the Crypto-GRAMO pipeline for verification and automated token distribution.
- 2) A crypto token (ticker: \$GRAMO, logo shown in **Figure 1**) used by the whole Crypto-GRAMO Core Platform (see *Graphical Abstract, section 3*). The token has appropriate and detailed tokenomics in order to sustain all the developments of the project (see *section 4*).
- 3) A Crypto-GRAMO Merchandising platform, where holders can exchange GRAMO tokens by GRAMO merchandising as well as by rewards and discounts from partnered organizations.



Figure 1. Logo of GRAMO token

- 4) A Fidelity Program for partnered CBD stores, where shops receive reward tokens according to their stacking of GRAMO tokens and the number of processed purchases claiming GRAMO rewards.

1.4. Crypto-GRAMO Ecosystem

GRAMO token is a Algorand Standard Asset (ASA) powered by the Algorand blockchain. The ASA ID of GRAMO is 393498731 and it has been verified by the Algorand Foundation.

Crypto-GRAMO chose Algorand as the blockchain for the development of the project for several reasons. Algorand is a carbon-negative and truly democratized Layer-1 blockchain, which does not need mining and aims making blockchain operations easy for users [19].

In the Algorand blockchain, basic operations are easy and secured for users, such as creating wallets or sending and receiving assets. This is also true for advanced operations, such as establishing a blockchain node, programming applications based on its blockchain, or creating and managing Algorand-based tokens or NFTs. But the greatest features of Algorand blockchain are the speed and capacity of its blockchain (currently 1200 TPS, Transactions per Second) and the very low fees for transactions (only 0.001 ALGO). Algorand blockchain thus makes a perfect fit for Crypto-GRAMO project, as an easy-to-use blockchain is combined to rapid and secure transactions with very low fees [19]. All these features warrant a nice experience at whole Crypto-GRAMO platform to final users and partnered CBD stores.

The Algorand blockchain has its own ecosystem and Crypto-GRAMO participates in it. The Team maintains regular communication with other ASA creators and several other projects. The cooperation between the Team and other Algorand projects will bring several opportunities to improve the project, such as sharing information about good developers and artists, getting help in Algorand-specific coding tasks, or in the creation of liquidity pools of GRAMO/ASA pairs.

Crypto-GRAMO maintains fluid communication with its community of users, investors, holders, and partners by actively using channels such as Telegram (https://t.me/GRAMO_official), Discord (<https://www.crypto-gramo.io/discord>), and Twitter (@CryptoGRAMO_io). This creates and maintains a community where users, holders and partners can communicate between them and with the Team. In addition, every year the Crypto-GRAMO community will meet in a specific meeting organized by the Team, which will be held live and on-line. In this meeting, the Team will present the latest achievements of the project and partners will have a space for the promotion of their CBD business. It will allow the Team to interact directly with Crypto-GRAMO users, supporters, investors and holders.

2. Crypto-GRAMO Programs

2.1. The Loyalty and Rewards Program for End Users

The Crypto-GRAMO Loyalty and Rewards Program aims to be a smooth experience for the CBD store and for the customer (end user). The Team is in charge of managing the machinery distributing crypto-rewards, in such a way that the workload for the store is practically non-existent.

When a customer makes a purchase at a Crypto-GRAMO-partnered CBD store, with each purchase the customer would also receive a certain number of GRAMO tokens according to an established scale. This scale would be agreed upon between the CBD store and Crypto-GRAMO. This example scale has three tranches:

Basic:	from 1.00 € to 39.99 €	→ 1.0 GRAMO
Medium:	from 40.00 € to 79.99 €	→ 2.0 GRAMO
Pro:	more than 80.00 €	→ 5.0 GRAMO

Once the customer pays for an order, in a physical or online CBD shop, the customer receives a unique QR code that, when scanned, brings the customer to the '*Claim your GRAMOs*' area of a specific landing website where the agreed GRAMO scale is clearly shown and a validation form should be filled down. To start the validation process, the customer needs to introduce the following information in the form and submit it to Crypto-GRAMO system:

- 1) date of the purchase
- 2) amount paid
- 3) public address of an Algorand-compatible wallet where the client wants to receive the GRAMO rewards
- 4) upload a picture of the invoice or till receipt for validation purposes
- 5) accept legal terms (*specified in section 8*).

The validation process has manual tasks and automatized components. First, the system automatically verifies whether this payment has been used before to claim rewards. The, verification of the information introduced by the customer in the form would be performed manually. The information filled by the customer in the form should exactly match to the data appearing in the uploaded invoice or receipt. In addition, visual inspection will also certify that the document uploaded has not been flagrantly falsified. This component of the validation system will be automatized in the future using OCR capabilities. In any case, this visual inspection of the verification system takes around 20 seconds by invoice. Once the information introduced by the client has been manually validated, the system verifies again that rewards have not been claimed in double. If validation process succeeds, the system automatically sends the corresponding amount of GRAMO tokens to the wallet specified by the client. If

further validation is needed, the Team will communicate with the CBD store in order to verify the data introduced or the validity of the invoice or the receipt.

GRAMO tokens can be exchanged at Crypto-GRAMO website to obtain discounts, special offers, participate in exclusive events and obtain exclusive GRAMO merchandising. In addition, rewarded GRAMO tokens can be exchanged for other cryptocurrencies using existing platforms for the exchange of cryptocurrencies. In the case of the Algorand blockchain, existing exchanges allowing the swap of ASAs are, for instance, TinyMan (<https://app.tinyman.org/>) and AlgoDex (<https://app.algodex.com/>). At these exchanges, end users can trade GRAMO tokens, meaning they can both buy and sell their GRAMO tokens using other cryptocurrency.

An important aspect of the Loyalty and Rewards Program is that each partnered CBD shop, after six months in the Program, will be allowed to apply a ‘boost’ to their Crypto-GRAMO Rewards Program. This ‘boost’ is designed to compensate for the slight annual reduction of Rewards per order (see *tokenomics* section 4.2), and/or can be used to increase the number of GRAMO tokens rewarded at each tranche. In this scenario, Shops interested in giving more Rewards to their clients will contact the Team to negotiate the application of this ‘boosting’ program for their GRAMO rewards.

2.2. The Fidelity Program for CBD Shops

After six months of partnership, partnered CBD stores of the Crypto-GRAMO Loyalty and Rewards Program will be invited to participate in the Fidelity Program for Shops. As explained in section 2.1, a customer receives GRAMO tokens when pays for an order in a partnered CBD shop. If the CBD shop is in the Fidelity Program, the shop receives tokens too. To apply for this program, the CBD shop needs to lock up certain number of tokens for six months.

GRAMO tokens obtained by CBD Shops in the Fidelity Program will be accumulated and further distributed at the end of the six months of lock-up. Therefore, at the end of every six-month period, CBD stores participating in the Fidelity Program will receive locked-up tokens + accumulated Fidelity tokens, and will be invited to participate again in a new period of the Fidelity Program. The specific amount of GRAMO tokens to lock up in order to participate in the Fidelity Program will be proportional to the volume of orders processed by the CBD Shop during the previous six months.

3. Graphical Abstract

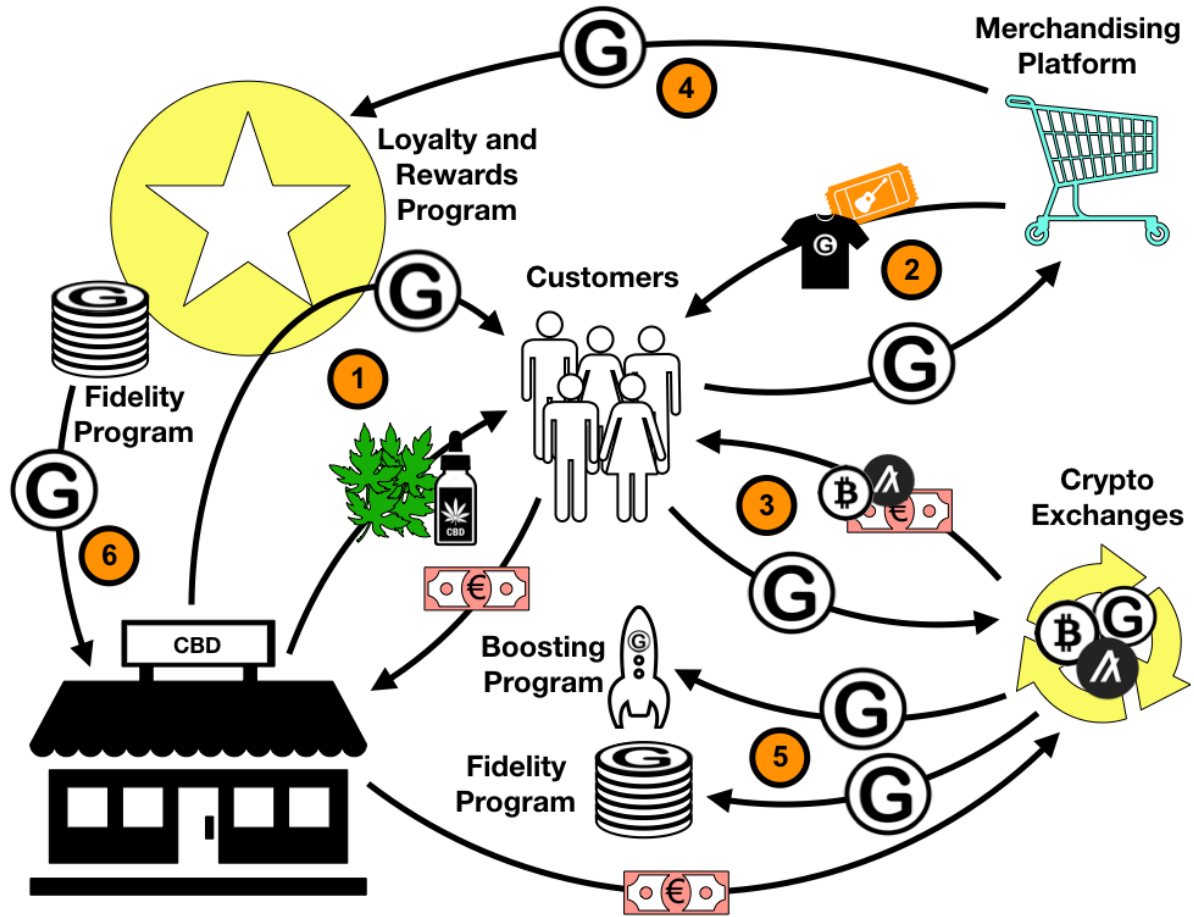


Figure 2. Graphical Abstract of Crypto-GRAMO platform showing the flow of GRAMO tokens across Programs and main actors involved. (1) When a customer makes a purchase at a Crypto-GRAMO-partnered CBD store, with each purchase the customer would also receive a certain number of GRAMO tokens. (2) Rewarded GRAMO tokens can be exchanged at Crypto-GRAMO website to obtain discounts, special offers, participate in exclusive events and obtain exclusive GRAMO merchandising. (3) In addition, rewarded GRAMO tokens can be exchanged for other cryptocurrencies using existing platforms for the exchange of cryptocurrencies. (4) After covering the expenses associated with the exchanged object/service (including shipping costs), exchanged GRAMOs in the merchandising website will be automatically sent to the reserve account for the Loyalty and Rewards Program. (5) CBD shops should buy GRAMO tokens at existing platforms for the exchange of cryptocurrencies to participate in the Fidelity Program for CBD Shops or to apply a 'boosting' program to GRAMO rewarded tokens. (6) CBD shops participating in the Fidelity Program also receive GRAMO tokens when a customer makes a payment and claim GRAMO tokens.

4. GRAMO Token

4.1. Detailed Tokenomics

The total and maximum supply of GRAMO is 20M tokens. From an economic point of view, a fixed and limited supply avoids depreciation of the asset. GRAMO intends to be a limited token that provides stable and sustainable value over time to its users and holders. In that sense, GRAMO is committed to a non-inflationary system.

Several allocations for the tokens have been established from the total supply, which are shown in **Table 2** and **Figure 3**. The Loyalty and Rewards Program has the biggest allocation, which represents half of the entire distribution. The rest of the tokens will be shared out between Team and developers, Initial Dex Offering (IDO), reserves and Floating liquidity, leaving a small amount for Airdrops and a private sale.

Percentage	Allocation	Total Tokens
50%	Loyalty and Rewards Program	10M
14%	Team	2.8M
12.5%	IDO	2.5M
10%	Reserves	2M
6%	Project Development	1.2M
5%	Floating Liquidity Exchanges	1M
1.5%	Private Sale	300k
1%	Airdrops	200k

Table 2. GRAMO tokenomics: Allocations.

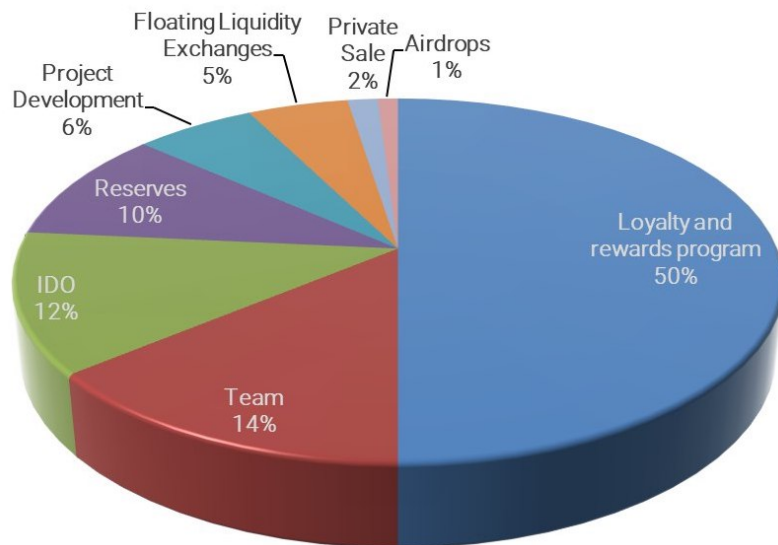


Figure 3. GRAMO tokenomics chart.

The Allocation reserved for the Loyalty and Rewards Program

50% of the tokens (10M) are reserved for the Loyalty and Rewards Program and for the Fidelity Program for Shops (*for details please see section 3*). While the Loyalty and Rewards Program targets end users (which are the customers of CBD shops), the Fidelity Program targets the CBD store owners.

In the Loyalty and Rewards Program, customers of CBD shops are able to claim a certain amount of GRAMOs based on the total of their CBD order. After following the procedure for claiming their GRAMO Rewards (*process detailed at section 3.4*), these individuals will receive the tokens in their Algorand wallet. The amount of GRAMOs received by customers will depend on the tranche their orders fall in. Crypto-GRAMO established three tranches of rewards (Basic, Medium, Pro). The system might evolve depending on the specific needs or difficulties found. In the Basic tranche, customers will receive 1 GRAMO, in the Medium tranche they will receive 2 GRAMO, and in the Pro tranche they will receive 5 GRAMO. According to a survey performed by the Team among Crypto-GRAMO CBD partners and external CBD shops, the average order value of CBD shops is around 40,00 €. Therefore the three tranches are previewed to be established as follows:

Basic:	from 1.00 € to 39.99 €	→ 1.0 GRAMO
Medium:	from 40.00 € to 79.99 €	→ 2.0 GRAMO
Pro:	more than 80.00 €	→ 5.0 GRAMO

In this survey among Crypto-GRAMO CBD partners and external CBD shops, the Team also obtained precious information about the number of orders per year (CBD-related products) a shop can process. Importantly, these figures vary when CBD-dedicated shops are compared to non-dedicated shops, which are those where CBD is only a part of the whole catalog offered, such as herbal shops. While small CBD-dedicated shops might process a minimum of 1,000 orders of CBD-related products per year, top established CBD-dedicated shops might have up to 10,000 orders per year. However, non-dedicated CBD shops might only process 300 orders per year. These conversations also helped the Team to determine that, with an average order of 40,00 €, a CBD-dedicated shop should process a minimum of 2,500 orders per year in order to have a viable business. Crypto-GRAMO Team has also met a team from a well-known company dedicated to the promotion of non-crypto Rewards Programs in Spain. The data provided showed that outstanding excellent campaigns have a redeem rate of 40-50%. Therefore, in the best case, 60% of the orders will claim their corresponding GRAMOs rewards.

The risks of supply in the Loyalty and Rewards Program and the solutions

To further analyze GRAMO tokenomics, it is important to evaluate whether the 10M tokens of the rewards reserve would be enough for a successful Rewards Program in the CBD industry.

To answer this question, we need to foresee the amount of orders as well as the average of rewards per order. A way to perform these calculations is through the generation of a hypothetical dataset of orders received by a shop in a year. It can be hypothesized that the money spent by customers per order follows a normal distribution. A dataset of 4,500 simulated orders following a normal distribution was thus generated, having an average order value of 40,00 € (our data), and this simulated dataset was plotted as a histogram (**Figure 4**).

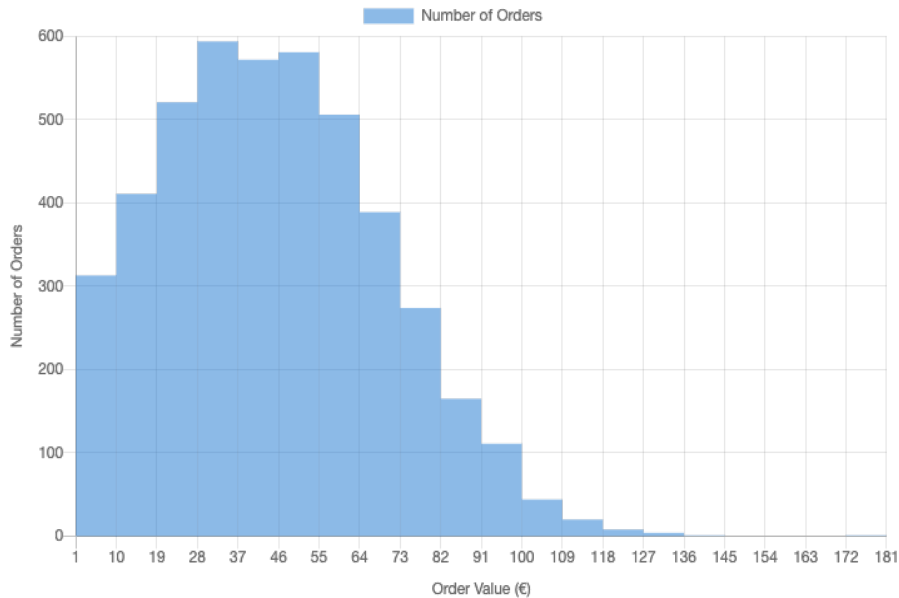


Figure 4. Histogram shows 4,500 simulated orders following a normal distribution and having an average order value of 40,00 €.

The application of the three tranches to the simulated dataset gave the following results:

Basic =	1824 orders x 1.0 GRAMO	→ 1,824 GRAMOs
Medium =	2322 orders x 2.0 GRAMO	→ 4,644 GRAMOs
Pro =	354 orders x 5.0 GRAMO	→ 1,770 GRAMOs
TOTAL=	4,500 orders	→ 8,238 GRAMOs

Therefore, results allowed the calculation of the average number of GRAMOs per order, which would be 8,238 GRAMOs / 4,500 orders = 1.83 GRAMOs per order. Taking into account these calculations, and knowing that the total supply of the Loyalty and Rewards Program is 10M tokens, a foreseen risk of GRAMO tokenomics might be to spend the total supply of the Rewards Program (10M) in a very short fraction of time.

To make some further calculations, and in order to be safe from a tokenomics point of view, we can hypothesize that, in the best scenario, Crypto-GRAMO might establish partnerships the first year after launch with 10 small CBD shops (2,500 orders/year x 10 = 25,000 orders) and 4 big CBD shops (10,000 orders/year x 4 = 40,000 orders). In the very best scenario, 60% of total

orders will claim their crypto rewards, which makes 39,000 orders claiming GRAMOs the first year after launch. If we consider an annual increase of 15% in the number of orders (very optimistic scenario), the reserve for Rewards would be completely emptied in 22 years. Moreover, the reserve of 10M for Rewards also includes the rewards for Shops, *i.e.* the Fidelity program (starting in 2023 and negotiated on a shop-by-shop basis).

To avoid these risks, GRAMO tokenomics will apply each year a dilution factor of -5% in the average number of GRAMOs rewards distributed per order. Therefore, the aforementioned GRAMO amounts of the three tranches will be specifically adjusted every year to meet the required criteria by using the results from previous year, *i.e.* if the first year the average number of GRAMOs per order is 1.83 GRAMOs, the second year should decrease to 1.74, the third year should decrease to 1.65, and so on (**Figure 5**). Such a system using a dilution factor for the Rewards Program would warrant the reserve for Rewards for more than 30 years, and would also limit the impact of tokens from the Rewards Program allocation entering in the circulating supply. In the most optimistic scenario, using the highest values for every parameter considered, delivered tokens from the Rewards Program entering in the circulating supply will represent only between 0.35% and 0.55% annually during the first five years, and they would be compensated by those tokens coming from the merchandising platform and re-entering into the reserve for the Rewards Program and thus leaving the circulating supply, as explained in detail hereafter, which would maintain GRAMO committed to a non-inflationary system.

(To facilitate these calculations to anyone interested, the Team prepared an interactive data sheet where one can introduce several initial parameters, such as number of orders per year, rewards dilution factor, average number of GRAMOs per order or annual increase of orders, and observe the evolution of the 10M reserve for Rewards as well as the average number of GRAMOs per order during the next 25 years. This resource can be found at <https://github.com/CryptoGRAMO>)

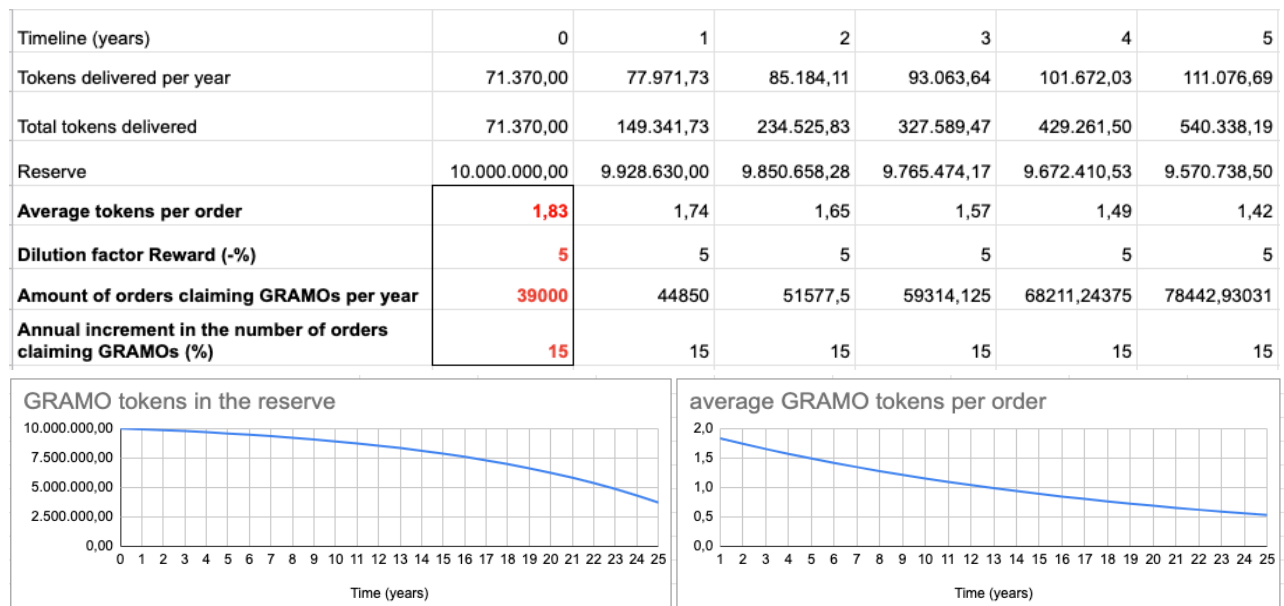


Figure 5. Stress test of GRAMO tokenomics. Initial parameters are those discussed in the main text. Average tokens per order = 1.83; Reward dilution Factor = -5%, Amount of orders claiming tokens per year = 39,000; Annual increment of orders = +15%. First 5 years of numeric raw data are shown. The graphs in the bottom panels show the 25-year evolution of the tokens in the reserve for Rewards (left) and the 25-year evolution of the average tokens per order (right)

Tokenomic impact of Boosting the Rewards Program by CBD stores

An important aspect of the Rewards Program is that each partnered CBD shop, after six months in the Program, will be allowed to apply a 'boost' to their Crypto-GRAMO Rewards Program. This 'boost' can compensate for the slight annual reduction of Rewards per order, or can be used to increase the number of GRAMOs awarded at each tranche for marketing purposes. In this scenario, Shops interested in giving more Rewards to their clients will contact the Team to apply the 'boost' and will buy the needed tokens at the market, which will represent a buying pressure in the system. These 'boosting' GRAMOS should be bought by partnered CBD stores six months in advance, and the quantity needed will be determined based on the results from the previous six months. 'Boosting' GRAMOS will be bought at the market by the Shops themselves. 'Boosting' GRAMOS will be kept in a dedicated wallet owned and supervised by the Shop, allowing Crypto-GRAMO platform to manage the distribution of these tokens accordingly to the desired 'boosting' strategy by using the automatic system for GRAMO distribution. In the case that the reserve of 10M tokens allocated for Rewards is completely spent, those CBD shops wanting to continue with the Rewards Program will be encouraged to buy the tokens at the market as in the 'boost' scenario, in order to continue offering the Rewards Program to their clients.

Tokenomics of the Fidelity Program for CBD stores

All partnered CBD Shops, after six months of partnership in the Crypto-GRAMO Loyalty and Rewards Program, will be invited to the Fidelity Program for Shops (see section 3). In this Program, partnered CBD Shops can buy at the market a certain amount of GRAMOS and lock them up for six months, representing another buying pressure in the system. As a counterpart, from each order processed, the Shop will also receive additional GRAMO tokens. These will be awarded on a basis where the customer receives 100% while the Shop receives 20%. These GRAMOS from the Fidelity Program for Shops will be accumulated and then distributed to each Shop participating in the Program at the end of the six months of lock-up period. Therefore, at the end of the six months, CBD stores participating in the Fidelity Program will receive locked-up tokens + accumulated Fidelity tokens, and will be invited to participate again in a new period of the Fidelity Program. The specific amount of GRAMOS to lock up in order to participate in the Fidelity Program will be proportional to the volume of orders processed by the Shop during the previous six months.

Tokenomics linked to the Merchandising Platform

Crypto-GRAMO also has a merchandising platform at the website allowing GRAMO holders to exchange their tokens by GRAMO merchandising or rewards/discounts from partnered organizations. To cover the expenses associated with the exchanged object/service (including

shipping costs), exchanged GRAMOs in the website will be sold by the merchandising platform at market value, and the remaining tokens will be automatically sent to the reserve account for the Loyalty and Rewards Program. In this regard, Crypto-GRAMO will preferentially list in the website items having low or no cost for the project, in order to promote that most of the tokens exchanged in the merchandising platform leave the circulating supply and go back to the reserve account for Rewards.

Team and Project Development Allocation

The allocation reserved for the Team is 14% of all the tokens (2.8M). In order to promote the confidence in the project among early and long investors, Team allocation will be locked up by using a trusted third party system of token lock-up. These tokens will be regularly distributed among the six team members every three months during 18 months after launch, starting the 3rd month. The Project Development allocation (1.2M) would not be locked up and is designated for the payment of running costs of the project that can be paid in GRAMO tokens, such as the services offered by professionals who accept the token as a means of payments (e.g. Developers, Marketing, Graphic Designers, etc).

The Allocation dedicated to Airdrops, pre-sale, IDO and to provide liquidity to pools

Early distribution of GRAMO tokens will occur by regular airdrops and during a private pre-sale. Airdrops will distribute small quantities of the token for free as part of marketing campaigns, and the total amount allocated is 1% of total supply (200k). Half of these tokens designated for airdrops are previewed to be used before launch, while the other half will be used in marketing campaigns after launch. The private pre-sale will target 10 early investors and will distribute between them 1.5% of the total supply (300k GRAMO tokens = 30k tokens per investor). Airdropped tokens and pre-sale tokens will be frozen until launch, and, in the case of pre-sale tokens, 33% of the tokens will be vested every six months, meaning that 10k GRAMO tokens per investor will be unfrozen at the launch of the token, 10k GRAMO tokens per investor will be unfrozen 6 months after launch and 10k GRAMO tokens per investor will be unfrozen 12 months after launch.

An Initial Dex Offering (IDO) is scheduled at Q3 of 2022 (see section 5). An allocation of 12.5% of total supply (2.5M) tokens is reserved for the IDO, which will be performed using a decentralized launchpad platform. Tokens distributed during the IDO will be locked up (frozen) until launch and might be also vested. The launch of the token will be either providing a liquidity pool at a decentralized exchange (DEX) or listing the token at a centralized exchange (CEX). The total floating liquidity planned for Exchanges (DEX/CEX) would be 5% of total token supply (1M). If any tokens initially allocated to the airdrops, pre-sale or IDO are unsold and undelivered, they will be transferred to this allocation. Finally, GRAMO tokenomics also

considers an allocation of a reserve for contingencies of 10% of total supply (2M). These reserves will provide liquidity to any of the other allocations if needed.

4.3. Main Uses of GRAMO token

There are five main use cases of GRAMO token:

1. GRAMO is used by CBD stores to reward their clients according to their purchases (Loyalty and Rewards Program).
2. Holders can exchange GRAMO tokens for merchandising and discounts at Crypto-GRAMO website.
3. GRAMO can be staked by CBD shops to receive rewards from every purchase claiming the token.
4. Any CBD store or unrelated business could accept GRAMO as payment for services.
5. Anyone can exchange GRAMO tokens for other cryptocurrencies.

4.4. How to receive GRAMO token

There are three ways to receive free GRAMO tokens:

1. Buying CBD-related products in one of the Crypto-GRAMO partnered CBD stores. After the purchase, clients can claim their Rewards and will receive the tokens in their wallet. This is the Loyalty and Rewards Program for final users.
2. Being a Crypto-GRAMO partnered CBD stores for more than six months and stacking a certain amount of GRAMOs. This is the Fidelity Program for CBD Shops. After the six months of stacking, CBD shops participating in the program will receive 20% of the amount of GRAMOs distributed in each order processed.
3. Participating in one of the GRAMO airdrops organized for marketing purposes.

4.5. Where to buy and sell GRAMO token

The first opportunity for investors to buy GRAMO token will be an IDO (Initial Dex Offering). Crypto-GRAMO has chosen an IDO as the method of fundraising from retail investors because an IDO compensates for some of the shortcomings of "traditional" ICOs (Initial Coin Offerings), which have been a longstanding crowdfunding model for cryptos. While ICOs are highly centralized, IDOs present some advantages, such as a fairer way of giving token access for investors. After the IDO, a liquidity pool will be launched at one or several decentralized exchanges (DEX) working in the Algorand blockchain (such as TinymMan), and, if possible, GRAMO would be also listed at a centralized exchange (CEX). Thus, investors and holders wanting to get extra GRAMO tokens will be able to buy and sell them in DEX/CEX marketplaces.

4.6. Expected benefits of using Crypto-GRAMO Platform

Several benefits of using Crypto-GRAMO platform are expected for CBD customers, for partnered-CBD shops, and for individuals who hold GRAMO tokens:

- 1) CBD customers of Crypto-GRAMO-partnered CBD shops are rewarded at every purchase with GRAMO tokens, which have a value at the cryptocurrency market.
- 2) CBD customers can acquire unique merchandising, offers and discounts by using their GRAMO tokens.
- 3) Partnered-CBD shops increase their sales thanks to a modern, demanded and secure crypto-based rewards program.
- 4) Partnered-CBD shops have an opportunity to differentiate from other CBD shops, as rewarding purchases with crypto is a new and exceptional feature.
- 5) By applying a 'boost' to their GRAMO rewards, partnered-CBD shops can incentivize purchases from their clients as they give higher rewards, use the 'boosting' program as a marketing tool, and have an opportunity to differentiate from other partnered-CBD shops.
- 6) By stacking and locking-up GRAMO tokens, partnered-CBD shops are rewarded at every purchase with tradable assets, GRAMO tokens, which have a value at the cryptocurrency market.
- 7) GRAMO allows CBD customers and partnered-CBD shops to transfer value between them using a safe and anonymous system, which would be able to become a safe and anonymous payment method in the future, if digital assets are regulated in Europe.
- 8) Individuals who hold GRAMO tokens have simultaneous access to two rapidly growing markets in Europe, cryptocurrency and CBD.
- 9) Individuals who hold GRAMO tokens may be able to obtain revenue from their positions while both markets are gaining momentum. Crypto and THC might be regulated soon in Europe. At that moment, Crypto-GRAMO could have acquired a strong positioning in the market of crypto-based Rewards systems and, with a total supply of 20M tokens, THC market exploding and crypto-payments being regulated, the price per token might skyrocket.

5. Roadmap

	Milestones
2021 Q4	Creation of GRAMO (ASA 393498731) Web and domain: www.crypto-gramo.io Team discussions, foundation Tokenomics First investment by the Team First scripts for automatic token distribution
2022 Q1	Functional definitive Website Telegram GRAMO_official group First public Airdrop Whitepaper Conversations with CBD stores
2022 Q2	Discord server Validation of ASA by Algorand Private Pre-sale Second and Third public Airdrops Conversations with CBD stores
2022 Q3	Fourth public Airdrop Development of Rewards program Establishment of key CBD shops partners First online meeting of crypto-gramo ecosystem GRAMO IDO
2022 Q4	Implementation of Rewards program
2023 Q1	Creation of official Tinyman pool GRAMO/ALGO Development of Fidelity Program
2023 Q2	Implementation of Fidelity Program

Table 3. Crypto-GRAMO Roadmap 2021-2023

6. Future Perspectives

In the short term, Crypto-GRAMO is focused on the CBD markets of Europe, however the platform also have a vision towards a potential global expansion. Furthermore, Crypto-GRAMO has the aim of becoming, in the near future, the token of reference in the rewards programs of several other markets of legal substances for recreative and safe uses, such as legal THC markets. Moreover, in crypto-regulated countries, GRAMO might be also used as a direct payment method for the cannabis industry. Taking all together, Latin America is one of the most interesting areas for the expansion of Crypto-GRAMO Programs beyond the European market.

Latin America has a great crypto adoption and a total population of 628 million citizens, being Venezuela and Argentina in the list of the 10 top countries in crypto adoption in the World (**Table 1**). As seen in *Section 1.1*, in September 2021, El Salvador became the first nation in the world to adopt Bitcoin as legal tender. In addition, Latin America is also one of the most important areas in the world for cannabis use, just after Europe, Australia and North America (**Figure 6**). CBD and cannabis for medical use is legal in almost whole Latin America. Chile is the first country in the World in annual prevalence of cannabis use, with a 34.8% of the youth and adult population who have consumed cannabis at least once in 2020 [20], while Uruguay and Mexico legalized cannabis for recreational use in 2013 and 2021, respectively [21]. All together, the expansion of Crypto-GRAMO Programs to several countries in Latin America would represent an outstanding opportunity to expand the business model beyond the European market and attract new users, partners and investors.

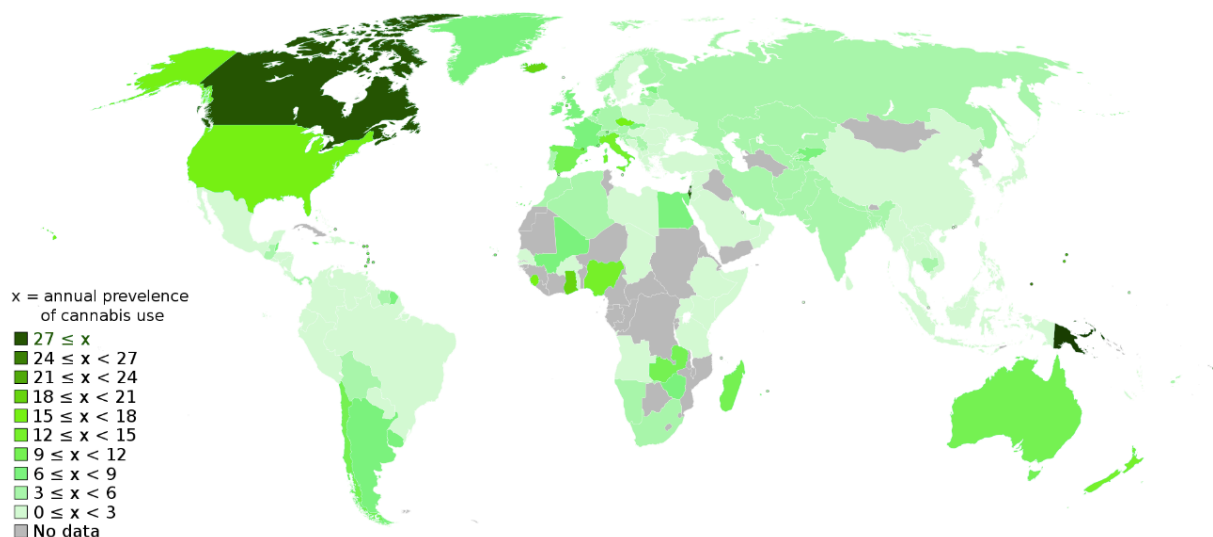


Figure 6. World map of countries shaded according to the annual percentage of cannabis use. Sources: *Wikipedia* and *World Drug Report 2011. United Nations Office on Drugs and Crime (UNODC)*

7. Executive Team

The Crypto-GRAMO Team is multidisciplinary and is composed by 6 members. The team created the token and the different programs and manages the business by taking all the decisions about the project in regular, plenary meetings governed by consensus.

The members of the team belong to diverse work areas that are not directly related to the world of CBD and its derivatives for medical or recreational uses. Unfortunately, although legal, it may not be well accepted in some sectors. Consequently, their real names and affiliations cannot appear in this document. The team has revealed their identities to other ASA creators and projects of the Algorand ecosystem, as well as to the Algorand Foundation. In any case, the team is willing to hold in person or online video meetings with anyone interested in knowing the project and the professionals behind (*for this, send an email to contact@crypto-gramo.io*).

The accumulated professional experience of the team includes more than 20 years experience in the fields of IT engineering, IT security, IT Networking, Biomedical Scientific Research, Marketing and Online Positioning, Risk Analysis of Financial Markets, and Real State Market. The team also has professional experience as IT Support Coordination, Incident Management and Service Monitoring, as CIO at a Financial Advisory Company, as Key Account Manager in a Multinational Company, and publishing more than 25 scientific papers in High-Impact Peer-Reviewed Journals. Accumulated education achievements include a Doctorate, two Bachelor Degrees, two Associate Degrees and extensive training in programming languages such as Python, as well as certifications such as Juniper JNCIE-ENT, Cisco CCNP Enterprise and Security, Fortinet NSE 7, Paloalto PNCSE, or Azure Fundamentals (AZ-900, DP-900, IA-900).

8. Legal Terms

The following legal terms are provided as an example of those that are accepted by end users when participating in Crypto-GRAMO Loyalty and Rewards Program. Several terms might change in the final version depending on the specific conditions agreed between Crypto-GRAMO and partnered CBD-shops, such as the application of a 'boosting' program.

RULES OF THE PROGRAM

This reward program "Crypto-GRAMO 2022", hereinafter the PROMOTION, is promoted and managed by Crypto-GRAMO.io, hereinafter the ORGANIZER.

The objective of this program is to promote and increase the sales of the centers associated with the promotion and to promote the knowledge of Crypto-GRAMO.io by the final consumer.

Participation is voluntary and free.

Participation in "Crypto-GRAMO 2022" means the express acceptance of these bases described below:

Participation is limited to stores participating in the program.

1.- TERRITORIAL SCOPE OF THE PROMOTION

This promotion is not limited to any specific territory.

2.- DURATION

Promotion valid for purchases over €10 made between March 15th and December 15th, 2022 (both dates inclusive).*

The deadline to participate in the promotion is December 31, 2022, at 12:00 p.m. Any information received after this date will not be valid.

**While stocks last. Taking into account that there are 1,000,000 tokens in total redeemable for the entire 2022 promotion, it may end before the established date if the 1,000,000 tokens have been delivered.*

3.- PARTICIPATION AND REQUIREMENTS

All natural persons of legal age who purchase a minimum of €10 in purchases in the stores participating in the promotion during the indicated dates can participate in this promotion.

This promotion will be advertised or disseminated in the media: online, social networks and through visibility materials at participating points of sale.

4.- PROMOTION MECHANICS

Those users who want to participate and/or have learned about the promotion through any of the communication channels described, must follow the following steps to obtain the gift token:

- 1. Purchase of at least €10 in one of the stores participating in the promotion.*
- 2. Request the till receipt or invoice that accredits the purchase, as well as a unique code and a QR code that allows participation in the promotion.*
- 3. Register for the promotion through the promotional website hosted at www.crypto-gramo.io and which is accessed through the QR code received.*

For this registration, the following information should be fill out in a form:

*-Unique code**

*-Contact email**

*-Purchase amount**

*-Date of purchase**

*-Public address of your Algorand compatible electronic wallet**

*-Upload the scanned invoice/purchase receipt where the amount and date of purchase are unequivocally reflected **

4. Acceptance of these bases that include the privacy clause. *

**Data identified with an asterisk are required fields.*

5. Once the registration process has been completed and validated by the user, they will receive a notification in their e-mail within a period not exceeding 48 hours informing them of the start of the validation period for the data provided.
6. Once the validation process is completed, which in the absence of incidents can take a maximum of 15 days, the user receives their gift tokens in their electronic wallet compatible with Algorand.

However, for any incident you may have related to the exchange, you can contact our customer service for this promotion: info@crypto-gramo.io

The maximum term to deal with the incidents of this promotion will be January 15, 2023.

5.- GIFT TOKENS

The gift associated with the promotion will consist of GRAMO tokens based on the Algorand blockchain and exchangeable for other cryptocurrencies in authorized cryptocurrency exchange houses for the monetary value they have at the time of exchange, as well as being exchanged on the website www.crypto-gramo.io for the products offered therein. The amount of tokens will be determined based on the value of the purchase object of this promotion:

Basic:	for purchases between €10.00 and €39.99	□ 1.0 GRAMO
Medium:	for purchases between €40.00 and €79.99	□ 2.0 GRAMO
Pro:	for purchases over €80.00	□ 5.0 GRAMO

The exchange of the tokens will be carried out in accordance with the particular conditions and it is the responsibility of the winner to consult these conditions before exchanging them.

Limited tokens while supplies last: 1,000,000 tokens for the entire 2022 promotion.

6.- GENERAL CONDITIONS

The gift will not be exchangeable for another.

The right to change these regulations is reserved, as well as to include or exclude any operation, or introduce any modification to the promotion, duly justified.

The right to exclude those participants by whom fraudulent use is detected in participating in the promotion is reserved.

It is the responsibility of the end user to provide correct data, as well as to fill in all the required or mandatory fields through this promotion, being responsible for what is derived by the offender from those data that were not totally true and truthful.

Any information that the ORGANIZER does not consider duly completed may be excluded from the promotion.

There is no responsibility for any loss or theft of the gift once it has been duly delivered to the winner.

THE ORGANIZER reserves the right to verify the correct development and compliance with the requirements of this promotion in case of needing evidence of obtaining the gifts if any dispute arises.

Crypto-GRAMO.io is exempt from any compensation in case of detecting mismanagement and/or non-compliance that will correspond solely and exclusively to the store that has violated these bases.

7.- EXCLUSIONS

Employees, or relatives* of THE ORGANIZER, the stores attached to the promotion or any company associated with its group, personnel of the Advertising Agency or the organizer who manage.

Only users who have been issued the corresponding invoice may participate.

**Relatives: Father/mother, brother/sister, son/daughter, brother-in-law/sister-in-law.*

8.- PERSONAL DATA

We inform you that your personal data will be processed by Crypto-GRAMO.io, as data controller for the purpose of managing advertising activity, promotions, customer contests, potential customers and their subsequent processing.

TREATMENT OF ADVERTISING, PROMOTIONS AND CONTESTS OF CUSTOMERS AND POTENTIAL CUSTOMERS.

TREATMENT OF COMPETITIONS AND SOCIAL NETWORKS

The purpose of the aforementioned treatments will be to process the present promotion in which you participate, as well as the sending of advertising and commercial prospecting, even through electronic means, being covered by your consent. Likewise, we inform you that you have the right to withdraw your consents granted at any time, without affecting the legality of the treatment based on the consent prior to its withdrawal.

The type of data we process about you is identification; electronic addresses; Commercial information.

Likewise, we inform you that, except for legal obligation or express consent on your part, Crypto-GRAMO.io will not transfer your data to third parties. The end user can exercise the rights of access, rectification, cancellation, opposition and other rights provided for in current regulations through the email address: lopd@crypto-gramo.io

You will also have the right to file a claim with the Spanish Data Protection Agency or the European Data Protection Board (EDPB), especially when you have not obtained satisfaction in the exercise of your rights.

9.- APPLICABLE LEGISLATION

This promotion is governed by what is contained in these rules and by current legislation in the European Union (EU).

In case of any controversy in relation to the content of the Promotion and for its correct interpretation, the participants accept that the Courts of Brussels will be competent, renouncing any other jurisdiction that was not expressly agreed here.

9. Regulatory Framework in the European Union (EU)

A uniform regulatory framework for digital tokens is currently under construction in the European Union (EU) [22]. Beginning in 2018, the European Commission (EC) started a process of research and consultation to assess the need to regulate in this realm, culminating in an action plan to create a Pan-European unified regulatory framework. In September 2020, the EC released two legislative proposals as a first step of its unified framework for crypto-assets: the proposal for a regulation on Markets in Crypto-assets (*MiCA Regulation Proposal*) and the proposal for a regulation on a pilot regime for market infrastructures based on distributed ledger technology (*Pilot Regime Proposal*) [23].

A legal classification of digital tokens does not currently exist at an EU level, but this may change if the MiCA Regulation Proposal is enacted. It is possible, nevertheless, to draw a provisional taxonomy based on the MiCA Regulation Proposal. Digital tokens are firstly categorized as '*regulated*' and '*unregulated*'. Regulated digital tokens are defined by the fact that they fall within the scope of the existing EU financial services regime. Unregulated digital tokens are those falling outside the perimeter of the EU financial services regime. This category encompasses a wide variety of digital tokens, normally utility and payment-type crypto-assets, as well as crypto-assets with a hybrid function [22]. According to the Article3(1)(5) of the MiCA Regulation Proposal, a '*utility token*' is defined in as a type of crypto-asset which is intended to provide digital access to a good or service, available on a distributed ledger technology, and is only accepted by the issuer of that token. Therefore, if a regulatory framework for digital tokens is enacted in the EU, from a legal perspective and according to a provisional taxonomy based on the MiCA Regulation Proposal, GRAMO tokens would be qualified as '*utility tokens*' in the category of '*unregulated digital tokens*', and would fall outside the perimeter of the EU financial services regime.

Several requirements have been previewed in the MiCA proposal for a general crypto-asset to be offered to the public in the EU or to be admitted to a crypto-asset trading platform in the EU. First, the issuer must prepare a '*white paper*'. This white paper must be registered with a designated EU regulator in one of the member states where the crypto-asset will be marketed or admitted to trading on a crypto-asset trading platform, and published on the issuer's website. Although MiCA sets out some requirements for the content and form of the white paper, which include detailed descriptions of the project, information on the underlying technology, and a description of the risks involved, this procedure has not been established by any European law and MiCA is, by now, just a proposal. Once a regulatory framework is established in the EU, the Team of Crypto-GRAMO will adapt, if necessary, the current white paper to exactly match EU requirements and will register the white paper under the EU regulators designated by the EC.

10. FAQ: Frequent Asked Questions

1. What is Crypto-GRAMO?

Crypto-GRAMO is a platform for the Loyalty and Rewards Programs of CBD Shops. Crypto-GRAMO has a token named GRAMO, which is an ASA (Algorand Standard Asset).

You can find more info on the official website: <https://www.crypto-gramo.io>

To better knowing about Algorand and ASAs, we recommend you to visit the Algorand's Official Website: <https://www.algorand.com/technology#ALGORAND-STANDARD-ASSETS>

2. What are the main use cases of GRAMO token?

GRAMO is the token that you will receive when you buy CBD at physical and online shops associated with Crypto-GRAMO. Every time a customer buys CBD or a product indicated in the associated shop, the customer receives an amount of Crypto-GRAMO that will vary depending on the amount spent. Those GRAMOs can be used to obtain discounts, special offers in the CBD stores, participate in exclusive events or to obtain exclusive GRAMO merchandise. And of course GRAMO tokens can be exchanged for other cryptocurrencies (swap) on the market, for example here: https://app.tinyman.org/#/swap?asset_in=0&asset_out=393498731

3. What is GRAMO contract number?

On the Algorand blockchain, there is no contract number (this is typical of the Ethereum network). Algorand uses what is called ASA ID to identify each token, and in the case of Crypto-GRAMO, the number is 393498731.

4. What is GRAMO token supply?

The total and maximum supply of GRAMO is 20 million Tokens.

5. Why is the supply so small?

Indeed the supply is even scarcer than that of Bitcoin, which will see its supply limited to a maximum of 21 million. From an economic point of view, excess supply commonly translates into a depreciation of the asset. GRAMO intends to be a scarce currency that provides stable and sustainable value over time to its users, without disrupting the monetary mass in circulation with new issues. In that sense, Crypto-GRAMO is committed to a non-inflationary system.

6. Where can I find more information about GRAMO tokenomics?

On Crypto-GRAMO's own official website: <https://www.crypto-gramo.io/tokenomics/>

And in the Crypto-GRAMO whitepaper you are reading.

You can find all the data and traceability of GRAMO operations on the blockchain here: <https://algoexplorer.io/asset/393498731>

And here: <https://algoscan.app/asset/393498731>

7. Where can I buy GRAMO?

Once the project has gone through the different steps of AirDrops, Private Pre-Sale and IDO (Initial DEX Offering), you will be able to buy and sell GRAMO tokens in different exchanges, such as the TinyMan: https://app.tinyman.org/#/swap?asset_in=0&asset_out=393498731 (Team will provide the liquidity)

8. What is an AirDrop?

An Airdrop is a promotional campaign carried out by a crypto project, in order to distribute tokens for free to the user community. To take advantage of this offer, users must meet a series of requirements that vary from project to

project. In the case of GRAMO, to participate in its first AirDrop#1 on February 4, 2022, the only requirement was to be registered in the official Crypto-GRAMO Telegram group: https://t.me/GRAMO_official

9. How can I participate in the GRAMO AirDrops?

The first thing you should do is to join the official Telegram group (https://t.me/GRAMO_official) and/or Discord (<http://www.crypto-gramo.io/discord>). Then you must create an Algorand digital wallet (Algorand Official Wallet, MyAlgo Wallet) and prepare it to receive the GRAMO asset. For this, you must have a minimum balance of ALGOs in your wallet to pay commissions in transactions with GRAMO. Algorand is one of the cryptocurrencies ecosystems with the lowest commissions, but you do need to have a minimum of 0.25 ALGOs to be able to add the GRAMO asset in your wallet. You can buy ALGOs at any crypto exchange such as Binance, Coinbase or Kucoin, and then send to your own Hardware Wallet or to Algorand digital wallet where you want to receive GRAMO tokens. Then you have to add the ASA ID of GRAMO in your wallet (ASA ID = 393498731).

There is an explanatory tutorial on how to prepare your digital wallet step by step on the official website:

<https://www.crypto-gram.io/prepare-your-wallet-to-receive-grams/>

Finally, you should register at the AirDrop form by entering the public address of your Algorand digital wallet (where you want to receive your GRAMOs) and your Telegram ID number or your Discord username. If you don't know your Telegram ID number, type /start in the Telegram bot named @userinfobot. The bot will give you an ID number, that number is the one you must enter in the form.

Links for registrations will appear in the Telegram/Discord group in due course. On the day of the AirDrop, if all the indicated conditions are met, you will receive the corresponding free GRAMO tokens in your wallet.

10. What crypto wallets can I use?

We highly recommend to use Algorand Official Wallet (Pera Wallet, <https://algorandwallet.com/>) or MyAlgo Wallet (<https://wallet.myalgo.com/>). Both are easy to use, are officially validated by Algorand, and are totally secure and accessible both from a PC or a mobile device / tablet.

11. What is the private pre-sale and how can I participate?

After the stage of firsts Airdrops, the project will go to the private Pre-Sale stage. In the Pre-Sale, a small number of investors will be able to buy 1.5% of the total Supply with a high discount. The Team will contact selected investors personally. The conditions of the private Pre-Sale will be communicated to investors in due course.

12. What is an IDO and when will the IDO of GRAMO be?

The IDO is an Initial DEX Offering. It is a financing instrument through which a large number of investors participate in the launch of a new cryptocurrency project, by contributing small amounts of other existing cryptocurrencies, in exchange for having the opportunity to access the Token at a privileged moment. In the case of GRAMO, the IDO will take place under certain conditions that have yet to be defined. In any case, the IDO is projected to happen after the summer of 2022.

13. What is the project roadmap?

You can check the Crypto-GRAMO roadmap on the official website: <https://www.crypto-gramo.io/roadmap-2/>

14. Which are the associated stores?

You can check the CBD stores associated with the Crypto-GRAMO program on the official website: <https://www.crypto-gramo.io/partners/>

15. Where and when will GRAMO be listed?

Once the project has gone through the stages of AirDrops, Private Pre-Sale and IDO (Initial DEX Offering), you will be able to buy and sell GRAMOs in different crypto exchanges, such as the Tinyman Swap, where the Team will provide the necessary liquidity: https://app.tinyman.org/#/swap?asset_in=0&asset_out=393498731

The creation of the Liquidity Pool at Tinyman is projected in early 2023.

16. How can I track GRAMO transactions on the blockchain?

You can follow all GRAMO transactions on the Blockchain here: <https://algoexplorer.io/asset/393498731>

And here: <https://algoscan.app/asset/393498731>

17. Why Algorand blockchain for GRAMO token?

Algorand is the blockchain Layer-1 with greater ease of use to establish a node and to program applications based on its blockchain, as well as to create and manage Tokens (ASAs) or NFTs in its blockchain. We must add that it is a green blockchain (it has no mining) and that it is probably the safest in the Crypto Universe (the only one quantum computing proof). But its largest asset is the speed and capacity of its blockchain (currently 1200 TPS or Transactions per Second) and the very low commission for transfers (only 0.001 ALGO).

If you want to know more about the great features of Algorand, visit: <https://www.algorand.com/en/technology>

18. Is GRAMO a crypto-scam (rug pull)?

Absolutely not. In a Rug Pull, the Team disappears after the IDO, leaving investors unable to sell the Tokens. In a Rug Pull, there is no real project. The project is the scam. In the case of Crypto-GRAMO, there is a solid project behind it, beyond the cryptocurrency itself, facilitating a system of rewards and transactions for the CBD market. The crypto is used for something concrete. And this actual use is what will determine the success or failure of the token (and not a fraud perpetrated by the Team).

In the same way that any other investment, there is a risk. In the case of GRAMO, the risk is not that the Team disappears with the money, but that the project does not have the expected adoption. The Crypto-GRAMO project is not going to trade a single GRAMO until several CBD stores are associated with the reward system. In fact, we recommend that you DO NOT pay for GRAMO tokens until that happens. You can check the CBD stores associated with the Crypto-GRAMO program on the official website: <https://www.crypto-gramo.io/partners/>

19. How can I be sure it's not a rug pull?

First of all, you should do your own research. Do not believe anything that we, or anyone in the crypto world, tell you. Research, research and research. And then ask us any question you may have. We are looking forward to answering. We repeat that not a single GRAMO will be sold until several CBD stores are associated with the rewards system. We strongly recommend that you DO NOT pay for GRAMO tokens until that happens. You can check the CBD stores associated with the Crypto-GRAMO program on the official website: <https://www.crypto-gramo.io/partners/>

20. So why does the team use aliases and drawings?

The members of the Team belong to work areas that are not directly related to the world of CBD and its derivatives for medical or recreational uses. Unfortunately, although legal, it may not be well accepted in some sectors. The Team has doxxed themselves with several other ASA creators of the Algorand ecosystem. If you want to meet us, do not hesitate to contact us by email at contact@crypto-gramo.io

21. When is the Algorand Foundation verification expected?

GRAMO is already a verified ASA by the Algorand Foundation.

22. The logo is very ugly. The web, too. Couldn't you design something more beautiful?

If you are a graphic designer or artist, or think you can contribute, even join this project, we will be happy to receive your ideas, comments and suggestions. Write us at contact@crypto-gramo.io

23. I own a CBD store and I want to participate in the crypto-GRAM loyalty program. What should I do?

Write to contact@crypto-gramo.io and we will contact you back.

24. I have questions, ideas, or problems with crypto or the loyalty and rewards program. How can I contact the Team?

We are looking forward to your questions and suggestions at contact@crypto-gramo.io

25. I am interested in collaborating in Crypto-GRAMO from within.

If you are a programmer in Python and/or React, we would love to meet you, write to us at contact@crypto-gramo.io

26. I am new to cryptocurrencies and I am afraid of being cheated with terrible financial consequences, where can I learn?

Getting started with AirDrops of free GRAMOs is a great and safe way to get into the world of cryptocurrencies and get familiar with the terminology, crypto wallets and exchanges. You can ask your questions in the Telegram group, many of the members have been crypto investors for a long time. Remember: do your own research. You should not trust the opinion of third parties without contrasting. Even without bad faith, everyone can be wrong at some point. Only by doing your own research you will be successful in crypto investments.

11. Useful links

Website: www.crypto-gramo.io

Telegram: https://t.me/GRAMO_official

Discord: <https://www.crypto-gramo.io/discord>

ASA: <https://algoexplorer.io/asset/393498731>

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