NFT Coin & Physical Gold Coin Award FAQ

1. Where can I find the terms for NFT coin and physical gold coin awards?

- a. Terms for unbranded & custom-branded NFT and gold coin awards can be found at:
 - i. NFT and Liberty Coin Award Overview
 - ii. NFT and Liberty Coin Award Proposal

2. Where can I find the landing page for NFT coin and physical gold coin awards?

a. Signup & Award Forms

3. How is an NFT and physical gold coin award structured?

- a. Award Recipient receives an award from Liberty Coin Network of 10,000 NFT custom-rebrandable coins and 10,000 custom-rebrandable physical gold coins at a price of \$300/pair.
- b. The \$300/pair price is financed 100% free-of-charge over 120-days.
- c. Financing for 25% or 2,500 of the 10,000 NFT/gold coin pairs is payable at 30, 60, 90 and 120-day intervals.
- d. Award Recipient has full ownership to its NFT and solid gold coins until the financing comes due.
- e. Any NFT/gold coin pairs for which the \$300 financing has not been paid are automatically returned to Liberty Coin Network no questions asked, no strings attached.
- f. All an Award Recipient need do is complete the Signup & Award Forms and 10,000 NFT and 10,000 solid gold Liberty Coins will be placed in its account ready to sell either unbranded or custom-branded with their face, brand, or design.
- g. Award Recipients can keep on selling coin, reload after 10,000 coin reload.

4. What are the overall NFT transaction mechanics?

- a. From an Award Recipient's perspective sales of NFT custom-branding is a turnkey process, one that only requiring two simple steps.
 - i. Send us their custom coin design, and;
 - ii. Post their custom-branded NFT auction link on one or more of their channels.
- b. NFT custom design and listing, auction and sale on opensea.io, are performed turnkey for Award Recipient by the Liberty Coin Network.
- c. Award Recipient's custom-branded NFTs are held in a dedicated NFT collection on opensea.io titled with their name/primary brand.
 - i. For example, a mega-influencer's NFT Coin Collection might contain 4 different limited-edition coins, where each edition is limited to 2,500 coins (e.g. #1 of 2,500, #2 of 2,500, #3 of 2,500, etc.).
 - ii. Follow this link to see a dedicated sample NFT collection containing two unbranded and two custom-branded NFT listings on opensea.io Sample NFT Collection.
- d. Multiple turnkey sales strategies will be employed to optimize Award Recipient's NFT resale prices and sales volume ranging from open-ended and timed auctions, to auctions with and without minimums/reserves, to fixed price and declining price listings.

5. How does an Award Recipient promote its NFTs and get paid?

- a. An Award Recipient advertises its unbranded and custom-branded coin to its followers via posts on its various channels.
- b. When an Award Recipient's NFT coin is sold, Liberty Coin receives \$300 plus a 10% royalty and Award Recipient receives the surplus.

6. How much can an Award Recipient potentially make from its custom-branded NFTs?

- a. For example, if an Award Recipient's custom-branded NFT sold at auction for \$3,500, Liberty Coin Network retains \$300 plus a 10% (\$350) royalty and \$2,850 (81.4%) goes to the Award Recipient.
- b. Let us assume Award Recipient was a mega-influencer and was awarded 10,000 NFTs and the first one (e.g., #1 of a custom-branded 10,000 NFT limited-edition collection) was auctioned for \$3,500. In this scenario, Award Recipient's remaining 9,999 NFTs would be worth \$34,996,500, but only on paper.
- c. This is because the permanence of Award Recipient's \$34,996,500 windfall, gained the instant its first NFT sold at auction is determined by future NFT market liquidity for the remaining 9,999 limited-edition NFTs.
- d. In order to maintain the \$3,500/NFT price, future custom-branded NFT sales would need to be based on the size of the market (e.g. mega-influencer's tens of millions of followers and potentially 100s of millions of other investors, speculators, and collectors in the NFT space) and its ability to absorb additional mega-influencer custom-branded NFTs over time.
- e. If the Award Recipient's objective is to maintain the initial \$3,500 NFT auction price and preserve and systematically monetize its \$34,996,500 windfall, the market will determine the pace of the future NFT sales (although a mega-influencer can actively promote and advertise its NFTs to its millions of followers to support the market price of its future NFTs sales).
- f. Custom-branded NFTs and solid gold coins can also appreciate in value over time, potentially far beyond initial auction prices, making NFT purchasers/followers money and further increasing the value of an Award Recipient's brand and value of its unsold custom-branded NFT and solid gold coin holdings.

7. If Liberty Coin Network is providing 10,000 NFT and solid gold coins to an Award Recipient, where \$300/coin is financed free-of-charge, what is The Liberty Coin Network's benefit in this case?

- a. Liberty coin receives a onetime fee of \$300 per NFT coin, plus a 10% royalty on all NFT original sales and each future resale.
- b. The Liberty Coin Network also earns maintenance and transaction fees from physical solid gold Liberty Coin owners over 24-months (e.g. through physical gold coin delivery).

8. What is Liberty Coin Network's benefit if an Award Recipient pays the \$300/coin fee itself and holds its <u>unbranded</u> 10,000 NFT coins and 10,000 solid gold Liberty Coins through physical delivery and makes \$14,000,000 assuming a \$1,700/oz. price of gold at delivery?

- a. The Liberty Coin Network receives a onetime fee of \$300 per NFT coin, plus a 10% NFT royalty when the NFT is eventually sold and each time the NFT is resold/traded.
- b. The Liberty Coin Network also earns maintenance and transaction fees from physical solid gold Liberty Coin owners over 24-months (e.g. through physical gold coin delivery).

9. Can the physical 1 oz. gold coins be protected from potential declines in the price of gold when they are delivered in 24-months?

- a. Yes. Liberty Coin Network for a fee can protect the future delivery value of the gold coins.
- b. Coin delivery prices can be protected (hedged) at \$1,700/oz., \$1,800/oz., \$1,900/oz. or \$2,000/oz.
- c. The fees depend on the current price of 99.99% pure gold bullion at coin purchase and the coin's purchase price.

- i. For example, if a gold coin were protected for 24-month delivery at \$1,800/oz. and the price of gold was \$1,750/oz. on day of purchase, the fee would be \$50.00 (\$1,800 \$1,750) plus 5% of the coin's purchase price.
- d. Once the fee is paid the protection/hedge runs with the coin, e.g., it protects the coin's delivery price regardless of who owns the coin.

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