// ICO TOKEN TRANSPARENCY FILING
--- DIGITAL ASSETS
--- INITIAL DISCLOSURE

Blockworks

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B1

DoubleZero

ICO Token Transparency Filing

FILING -- B1 // STATUS -- NEW // FRAMEWORK -- TTF

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Project & Team

1. Description of Project

Instructions: Provide a concise narrative that clearly states:

- (a) **Problem the project solves** — the problem the project is solving
- (b) **Operational priorities** — Provide a high-level description of how the project expects to support ongoing development and operations over time
- (c) **High-level project overview** — how the project works at a high level
- (d) **Primary token functions** — the primary functions of the token (e.g. gov participation)
- (e) **Control surface reliance** — if any, briefly describe the anticipated or possible evolution of the protocol's governance/control model

Answer:

(a) Problem the project solves

High-performance distributed systems and the traders who need fast, reliable market data from many venues over a single network connection depend on deterministic, low-latency delivery at the physical layer. Historically, that has meant dedicated private fiber, available only to well-capitalised incumbents able to build it themselves, with billions in capital expenditure. DoubleZero solves this by providing an open, shared, neutral fiber backbone that makes dedicated bandwidth and reduced latency at the physical layer available to any participant that requires deterministic performance at scale.

(b) Operational priorities

Operational priorities of DoubleZero's contributors are the buildout and reliability of their links that form the global mesh fiber network. New use cases focus on the benefits of faster data delivery and receipt across all markets. The protocol's incentive structure ties contributor rewards directly to the performance and usage of their resources, aligning infrastructure quality with network growth.

(c) High-level project overview

DoubleZero is a dedicated fiber network for high-performance distributed systems. The network operates through independent contributors who run fiber links across global locations, with participants accessing network resources via the 2Z token and contributors earning 2Z in return. In April 2026, Edge was launched on DoubleZero, a dedicated market data distribution platform. Solana Shreds is the first data feed on Edge delivering raw Solana blockchain data via multicast over the fiber backbone. Additional data feeds and network tenants are in the pipeline.

(d) Primary token functions

2Z is the native token of the DoubleZero protocol, and it underpins both rewards and security. Contributors, including network contributors and some data publishers, earn 2Z in proportion to the performance and usage of their infrastructure. As network usage grows, so do contributor rewards. In addition, some tokens are programmatically burned to enhance the network's security and prevent self-dealing or over-concentration risks.

2Z is not and should not be viewed as an investment.

(e) Control surface reliance

As an infrastructure protocol rather than a DeFi application, DoubleZero does not custody user funds, hold TVL, or operate on-chain governance contracts.

2. Known Project Team

Instructions: For each existing entity: Labs/DevCo (e.g., Founder, CEO, CTO, COO), Foundation (e.g., President, Executive Director, CFO, COO), and DAO / onchain governance leadership (if applicable) list the:

- (a) **full names**
- (b) **official titles**
- (c) **prior experience** of key team members

For any non-existent entity, explicitly mention it does not exist. External links may be included but they will not factor into the score.

Answer:

Labs/DevCo - Malbec Labs

Full Name	**Official Title**	**Prior Experience**
Mateo Ward	CEO of Malbec Labs	Former CEO & Co-Founder of Neutrona Networks, an international fiber operator specializing in low-latency networks for HFT firms, successfully acquired by Transtelco. Previously at Global Crossing (now Lumen), one of the first global undersea fiber operators. Co-founder and early investor in Enveedo, a cybersecurity SaaS platform.
Andrew McConnell	CTO of Malbec Labs	18 years building and operating latency-sensitive trading infrastructure at Jump Trading, KCG Holdings, GETCO, NASDAQ, and the Philadelphia Stock Exchange. Previously a network architect at a global ISP.

Full Name	Official Title	Prior Experience
Max Randolph	COO of Malbec Labs	Former founder and operator with experience building and scaling early-stage technology companies, including Ask Ality Health, a HIPAA-compliant telehealth platform, and Activ.ly, a consumer social app. Former U.S. Navy Surface Warfare Officer and Intelligence Analyst, briefing senior military leadership.

Foundation

Full Name	Official Title	Prior Experience
Karen Kersey	Supervisor of DoubleZero Foundation	Karen is the Supervisor of the DoubleZero Foundation and has over two decades of executive experience, including extensive work in Web3 and blockchain. She currently serves as an independent director and supervisor specialising in Cayman governance and cross-jurisdictional regulatory environments.
Oliver Bell	Director	Oliver Bell is a Director of the DoubleZero Foundation and founder of Marfire, a specialist offshore directorship firm. He was previously a Partner at Walkers' Cayman Islands office, specialising in the structuring of offshore blockchain projects and digital asset funds.
Teemu Paivinen	Director	Teemu Päivinen is a Director of the DoubleZero Foundation and an entrepreneur and investor with over a decade of experience building and funding blockchain and distributed technology ventures. He is founder of ZkCloud and Equilibrium Group, and has served as an early advisor to Dapper Labs.
Austin Federa	CEO of DZ USA President and Director of DoubleZero Foundation	Former Head of Strategy at the Solana Foundation, where he set the Foundation's strategic direction and worked with developers across the Solana ecosystem. Prior roles in marketing and product at Bison Trails and Republic Crypto.

DAO/Onchain Governance

No DAO or on-chain governance body exists at the time of this filing.

3. DAO Structure

Instructions: Provide a structured description of the DAO's governance, powers, and economic rights. If a DAO does not exist, state so. Address the lettered items below. Even if there is no DAO, there must be an answer to (d).

- (a) **IP ownership & control** — State what IP the DAO owns or controls (e.g., codebases/repos, trademarks/brands). Note any license if relevant.
- (b) **Contract/admin powers** — List on-chain or administrative authorities and limits: pause/upgrade roles (e.g., multisig pause), governance-executor authorities, and the method of authority for each (e.g., veto, majority, super-majority).
- (c) **Locked-token rights (conditional)** — If locking/staking for additional rights exists, explain the additional rights and what tokenholders can and cannot decide. If no locking mechanism exists, leave absent.
- (d) **Value accrual & holder rights** — If any, describe the current rights of tokenholders over revenue distribution and the treasury.
- (e) **Dissolution authority** — State who can dissolve/wind up the DAO and by what mechanism (e.g., on-chain vote threshold, board resolution of a legal wrapper).

Answer:

(a) IP ownership & control

No DAO or on-chain governance body exists at the time of this filing. DoubleZero Foundation, a memberless Cayman Islands foundation that was formed to support the adoption, decentralization and security of the protocol, holds the protocol's intellectual property for the use of all participants. Core protocol repositories are open source and accessible via the DoubleZero Foundation and Malbec Labs GitHub repositories.

(b) Contract/admin powers

No DAO or on-chain governance body exists at the time of this filing.

(c) Locked-token rights

No locked-token governance or voting rights exist at this time, as there is no DAO or on-chain governance. Future staking and delegation rights for token holders are expected to be functional in due course.

(d) Value accrual & holder rights

2Z does not confer dividends, profit sharing, distributions, ownership interests, or voting rights. Token holders benefit from network utility: 2Z is used to pay for network-resource consumption, and contributors are rewarded in 2Z for their contributions to the network. The protocol incorporates a programmatic burn mechanism whereby a portion of network fees are

permanently removed from circulating supply, a function of network usage that is calculated and executed automatically by the protocol.

(e) Dissolution authority

No DAO or on-chain dissolution mechanism exists at this time.

4. Primary Foundation

Instructions: For the Primary Foundation do the following independently. If an entity does not exist, state that explicitly. Items (a)–(f) apply only if that entity exists; state explicitly that the entity doesn't exist.

- (a) **Entity** — type and jurisdiction.
- (b) **IP ownership & control** — what IP the entity owns/controls (repos/code, trademarks/brand; license optional) and an explanation of any subsidiary entities.
- (c) **Powers over DAO, treasury, protocol-controlled resources, and token administration** — If any, describe the current powers over DAO governance, treasury actions, protocol-controlled resources (e.g. revenue), token administration, or reward parameters, and the method/threshold for each.
- (d) **Powers over DevCo** — explain whether the foundation can exert direct or indirect influence over decision-making of the DevCo.
- (e) **Contract/admin powers** — pause/upgrade/governance-executor authorities and the method/threshold for each (e.g., veto/majority/super-majority; "3/5 multisig").
- (f) **Current economic arrangements and distribution policies** — Describe any current governance-approved, contractual, or programmatic mechanisms, if any, by which protocol-controlled resources, treasury assets, fees, revenue, rewards, or token distributions may be directed to this entity, its equityholders, contributors, or other participants. If no such mechanism currently exists, state that explicitly. Do not discuss hypothetical future dividends, repurchases, or distributions unless formally adopted.

Definitions: The primary Foundation and DevCo can be explained as those entities which are directly involved in the issuance of the native token at launch.

Answer:

(a) Entity

DoubleZero Foundation is a memberless Cayman Islands foundation company, incorporated under the Foundation Companies Act (as amended) of the Cayman Islands. It was formed to support the adoption, decentralization and security of the DoubleZero protocol.

(b) IP ownership & control

DoubleZero Foundation holds the protocol's intellectual property for the use of all participants. Core protocol repositories are open source and accessible via the DoubleZero Foundation and Malbec Labs GitHub repositories.

(c) Powers over DAO, treasury, protocol-controlled resources, and token administration

No DAO exists at this time. The protocol does not custody user funds, hold TVL, or operate on-chain governance contracts. DoubleZero Foundation holds administrative authority over the token for the benefit of all participants.

(d) Powers over DevCo

DoubleZero Foundation does not hold direct or indirect power over decision-making of any Development Company entity.

(e) Contract/admin powers

The protocol's token flows are programmatic and it does not custody user funds, hold TVL, or operate on-chain governance contracts. Administrative authority over protocol smart contracts is distributed for the benefit of protocol participants.

(f) Current economic arrangements and distribution policies

No protocol revenue or fees from the use of the protocol are directed to DoubleZero Foundation, its directors, or any related party. Contributor rewards and the programmatic burn mechanism are executed automatically by the protocol and are not directed to the Foundation.

The Foundation holds the token allocations described in Section 6 in furtherance of its mandate to support the adoption, decentralization, and security of the protocol.

5. Primary Dev Co

Instructions: For the Primary DevCo do the following independently. If an entity does not exist, state that explicitly. Items (a)–(f) apply only if that entity exists; state explicitly that the entity doesn't exist.

- (a) **Entity** — type and jurisdiction.
- (b) **IP ownership & control** — what IP the entity owns/controls (repos/code, trademarks/brand; license optional) and an explanation of any subsidiary entities.
- (c) **Powers over DAO, treasury, protocol-controlled resources, and token administration** — If any, describe the current powers over DAO governance, treasury actions, protocol-controlled resources (e.g. revenue), token administration, or reward parameters, and the method/threshold for each.
- (d) **Powers over Foundation** — explain whether the DevCo can exert direct or indirect influence over decision-making of the Foundation.
- (e) **Contract/admin powers** — pause/upgrade/governance-executor authorities and the method/threshold for each (e.g., veto/majority/super-majority; "3/5 multisig").

- (f) **Current economic arrangements and distribution policies** — Describe any current governance-approved, contractual, or programmatic mechanisms, if any, by which protocol-controlled resources, treasury assets, fees, revenue, rewards, or token distributions may be directed to this entity, its equityholders, contributors, or other participants. If no such mechanism currently exists, state that explicitly. Do not discuss hypothetical future dividends, repurchases, or distributions unless formally adopted.

Definitions: The primary Foundation and DevCo can be explained as those entities which are directly involved in the issuance of the native token at launch.

Answer:

(a) Entity

Several independent technology companies have contributed to the DoubleZero protocol, including Malbec Labs, Jump Crypto, Anza, and Galaxy Digital.

(b) IP ownership & control

No development company retains ownership of the protocol intellectual property, which has all been assigned to DoubleZero Foundation to benefit all participants. Malbec Labs maintains its own repositories related to development tooling and infrastructure services, including the Malbec Labs GitHub organisation.

(c) Powers over DAO, treasury, protocol-controlled resources, and token administration

No DAO exists at this time, and no development company controls protocol resources.

(d) Powers over Foundation

No development company holds direct or indirect power over decision-making of DoubleZero Foundation. The Foundation operates independently under its constitutional documents and applicable Cayman Islands law.

(e) Contract/admin powers

Protocol development changes are proposed and reviewed through a public Request for Comments (RFC) process, documented at malbeclabs.com/rfcs, with implemented and approved RFCs published openly on GitHub.

(f) Current economic arrangements and distribution policies

Malbec Labs and other development companies provide software development and technical services to DoubleZero Foundation under services agreements. No protocol revenue or fees are directed to Malbec Labs or other development companies.

Token Supply & Allocations

6. Initial Allocation

Instructions: Disclose launch and initial supply details in a single initial allocation schedule covering the token's launch. Include:

- (a) **Launch supply totals** — the total number of tokens issued at launch, the total number of tokens locked at launch or the total number of tokens unlocked at launch;
- (b) **Recipient categories & use of funds** — the recipient categories with brief explanations as to how the category will use the tokens so an auditor can distinguish each bucket;
- (c) **Initial price per token (if applicable)** — the initial price per token at TGE. If the token launched via a liquidity bootstrapping mechanism, auction, or other price-discovery process rather than a fixed offering price, describe that mechanism and the final market set price instead. If no fixed price was set, state so.
- (d) **Ticker / market symbol** — the ticker/market symbol;
- (e) **Total supply & supply regime** — the total supply and whether the supply is fixed (if not explain inflation rate or deflation rate);
- (f) **Initial vesting / release schedules** — the initial vesting/release schedules (identify which categories/recipients are subject to vesting and the high-level timing logic);

Answer:

(a) Launch supply totals

10 billion 2Z tokens minted at genesis. Approximately 3.47 billion (34.71%) have been unlocked since launch, including the Foundation supply which is not considered circulating, in line with industry practice. The remainder is subject to the Standard Lockup, a gradual unlock over four years from launch (October 2, 2025) including a 1 year cliff.

(b) Recipient categories & use of funds

Category	Allocation	Locking Schedule	Description
Foundation & Ecosystem	29%	Unlocked	Protocol stewardship and ecosystem development
Jump Crypto	28%	5% unlocked at launch; remainder subject to Standard Lockup	Initial network infrastructure contributor

Malbec Labs	14%	Subject to Standard Lockup	Initial protocol developer
Institutions	12%	Subject to Standard Lockup	Early institutional backers
Team	10%	Subject to Standard Lockup	Core team allocation
Contributors	4%	Subject to Standard Lockup	Network contributors
Builders	2%	Subject to Standard Lockup	Ecosystem builders and developers
Validators	1%	0.7% unlocked at launch; remainder unlocked in April 2026	Validator participants

(c) Initial price per token

No fixed offering price was set at launch. The 2Z token price was determined by the market upon listing at major exchanges.

(d) Ticker / market symbol

DoubleZero / 2Z

(e) Total supply & supply regime

At genesis, the total minted supply of the 2Z token was 10 billion. This number is constantly changing when existing tokens are burned in the protocol for integrity purposes (both to ensure equitable distribution between various other parties, and to dissuade inorganic traffic that a network contributor might otherwise send to boost its share of rewards). This is discussed more at: https://doublezero.xyz/journal/integrity-in-the-rewards-model

In the future, the protocol may adopt an inflation to support general compute and security operations for the network. This is discussed more at: https://doublezero.xyz/journal/inflation-and-network-security

(f) Initial vesting / release schedules

The Standard Lockup is a gradual unlock over four years from launch (October 2, 2025) including a 1 year cliff.

7. Airdrop Process

Instructions:
If the project has planned but not yet airdropped, it must:

- (a) commit to publish, in a public channel **and** provide to Blockworks **quarterly** a recipient wallet list until the initial TGE airdrop is fully completed,
- (b) Generally state the possible target user segments (e.g., “stakers of X,” “Aave users”) and the allocation method (e.g., proportional to ve-balance or net position).

If the project has already airdropped, it must:

- (a) For executed airdrops, point to an per-address source such as CSV/TSV/JSON files, a Dune dashboard, a full Merkle dump, GitHub repo files embedding per-address allocations, or RPC endpoints that expose claim/amount data; explorer links alone don’t count.
- (b) Clearly state covered user segments (e.g., “stakers of X,” “Aave users”) and the allocation method (e.g., proportional to ve-balance or net position).

If the project does not plan to do an airdrop for TGE, it must:

- (a) If no airdrop has ever been conducted, say so plainly (“We have never conducted an airdrop to date and do not plan to execute one”).

Answer:

No airdrop has been conducted by DoubleZero Foundation, and there are currently no plans to execute one.

Transactions & Market Structures

8. Market Maker Agreements & Deals

Instructions: Projects must disclose all material terms of market-making arrangements that affect token liquidity. If the project has no agreements or deals with market makers, state that explicitly; doing so earns full credit. For each market maker, include in a table:

- (a) **Market maker’s name** — the market maker’s name;
- (b) **Token allocation or loaned amount** — the token allocation or loaned amount as a percentage of total supply;
- (c) **Duration/term of agreement** — the duration/term of the agreement; and, where applicable,
- (d) **Name of agreement structure** — label the financial vehicle being used in the agreement (i.e. loan, option/call, retainer model) without describing trading strategy or expected outcomes.

If the project has no agreements or deals with market makers, state that explicitly; doing so earns full credit. If no native tokens were loaned or allocated to market makers, state that explicitly; cash/fiat retainers or fees are not required for this item.
Score: Incomplete

Answer:

DoubleZero Foundation is aware of three firms that provide liquidity: Wintermute, Auros, and Da Vinci Trading. Liquidity is provided on exchanges including Binance, Bybit, OKX, Coinbase, Kraken, and others.

9. CEX / DEX Agreements & Deals

Instructions: Projects must disclose all material terms of centralized or decentralized exchange listings that affect token liquidity. For each listing, include in a table:

- (a) **Exchange name / DEX pool** — the exchange name (and, for DEX, the specific pool/pair);
- (b) **Token allocation for listing** — the token allocation supplied or committed for listing as a percentage of total supply;
- (c) **Term Duration** — the duration/term of any listing lockups, liquidity, or incentive programs; and, where applicable,
- (d) **Native-token listing fees** — whether any listing fees were paid in native tokens, with amounts (tokens or % of supply), recipients, and any vesting or lock terms tied to the partnership.

If the project has no agreements or deals with CEX or DEX, state that explicitly; doing so earns full credit; cash/fiat fee amounts are not required for this item.
Score: Incomplete

Answer:

The 2Z token is listed on centralised exchanges including Binance, Coinbase, Kraken, Bybit, OKX, KuCoin, Upbit, Bithumb, Bitget, among others.

Financial Disclosures & Risks

10. Prior Token Sales & Fundraising

Instruction: Disclose all prior token sales by the Project — including fundraising rounds, any material OTC sales to investors, and any discounted market-maker sales. For each sale, provide:

- (a) Series Name
- (b) Early-Stage Investment Instrument used (i.e. SAFT, STAMP, SAFE, SAFE+Token Warrant, etc.)
- (c) Date of sale (at least month & year).
- (d) Number of tokens sold (or % of total supply)
- (e) Vesting schedule

If no prior sales occurred, state that explicitly (e.g., “No prior fundraising, OTC, or discounted MM sales have occurred.”)

Answer:

Series Name / Investment Vehicle	Date Of Sale	Number of tokens sold	Vesting Schedule
Builder Token Sale	Dec 2024	200,000,000 2Z; 2% of total supply. $3.9M at $200M FDV.	Subject to Standard Lockup — gradual unlock over 4 years from launch (Oct 2, 2025)
Institutional Token Sale (Token Warrants)	Mar 2025	1,200,000,000 2Z; 12% of total supply. $28.5M at $400M FDV.	Subject to Standard Lockup — gradual unlock over 4 years from launch (Oct 2, 2025)
Contributor Token Sale (Token Purchase Agreements)	Mar 2025	400,000,000 2Z; 4% of total supply. $10M between $400M-$600M FDV.	Subject to Standard Lockup — gradual unlock over 4 years from launch (Oct 2, 2025)
Validator Token Sale	Apr 2025	100,000,000 2Z; 1% of total supply. $6M at $750M FDV.	0.7% unlocked at launch; remainder unlocks 1 year from April 2025

11. Previous Exploits Affecting The Native Token

Instructions: If any, list prior exploits or incidents that directly affected the token, token supply, tokenholder balances, token contract, minting controls, burn mechanics, or custody of token supply. This question is not asking about general protocol, application, or smart contract exploits unless the incident directly affected the native token itself. For each incident, provide:

- (a) **Date & component affected** — date (YYYY-MM or YYYY-MM-DD), chain(s)/component affected;
- (b) **Exploit vector summary** — plain-language summary of the exploit vector (what the hack was);
- (c) **Quantified impact** — quantified impact (assets/tokens affected or a clear “no loss of funds” statement);
- (d) **Remediation/response taken** — remediation/response taken (patches, upgrades, governance actions, compensation);

- (e) **Current status** — current status (resolved, in litigation, under investigation, refunded, etc.);
- (f) **References (optional)** — references (optional): link(s) to post-mortem/advisory/PR.

If **no prior incidents**, state this explicitly (e.g., “No exploits affecting tokenholders or protocol funds as of YYYY-MM-DD”).

Answer:

No exploits affecting the token or protocol as of June 2026.

12. Material Risk Factors (Regulation, Technology, Token Economics)

A. Regulatory, Legal & Tax Risks

Describe how evolving laws and regulations could affect the project by answering, at a minimum, questions like:

- **Impact of Regulatory Change on TGE and Listings:** (If applicable) How could evolving or conflicting laws and regulations affect your ability to complete the TGE, deliver tokens to purchasers, and list or maintain the token on trading venues in key jurisdictions?
- **Entity-Level Regulatory Impact:** (If applicable) How could regulatory or legal changes impact your core entities (Foundation, DevCo, DAO, affiliated service providers), including enforcement actions, licensing requirements, or forced changes to structure or operations?
- **Tokenholder Tax Treatment:** (If applicable) What uncertainties exist around how tokenholders may be taxed, and make clear that tokenholders are responsible for understanding their own tax obligations?
- **Jurisdictional & User Access Restrictions:** (If applicable) If the project restricts access for certain jurisdictions or user types (e.g., U.S. persons, sanctioned countries, retail vs. professional), what are those restrictions and what risks do they create for users and for the project?

Answer:

Impact of Regulatory Change on TGE and Listings

In September 2025, the SEC's Division of Corporation Finance issued a no-action letter confirming that the distribution of 2Z tokens in the protocol does not constitute an offering of securities under the Securities Act. This provides a significant degree of regulatory clarity for the project. Nonetheless, evolving or conflicting laws and regulations in other jurisdictions could affect the token, and the project team continues to monitor regulatory developments globally.

Entity-Level Regulatory Impact

DoubleZero Foundation is a memberless Cayman Islands foundation company. Changes to Cayman Islands law or the regulatory treatment of foundation companies in key jurisdictions could affect the Foundation's structure or operations. Malbec Labs, as the primary development services provider, is also incorporated in the Cayman Islands and subject to applicable laws in the jurisdictions in which it operates. The project does not anticipate material regulatory risk to its core entities at this time but cannot rule out future enforcement actions, licensing requirements, or structural changes resulting from regulatory developments.

Tokenholder Tax Treatment

The tax treatment of 2Z tokens will vary depending on the jurisdiction and circumstances of each tokenholder. Tokenholders are solely responsible for understanding and meeting their own tax obligations in connection with acquiring, holding, and disposing of 2Z tokens. Nothing in this filing constitutes tax advice.

Jurisdictional & User Access Restrictions

Protocol access is not allowed for persons located in sanctioned jurisdictions and other restricted territories in accordance with applicable law. Users are responsible for ensuring their participation complies with the laws of their own jurisdiction.

B. Protocol, Technology & Security Risks
Describe risks to network and contract reliability, correctness, and safety by answering, at a minimum, questions like:

- **Bugs and Design Flaws:** (If applicable) What bugs, design flaws, or implementation errors could exist in your core protocol code, smart contracts, and any bridges, rollups, or oracles that you depend on, and how could these lead to loss of funds or disruption of the protocol?
- **Security Measures & Their Limitations:** (If applicable) What security measures have you taken (audits, formal verification, bug bounties), and what types of failures might these measures still fail to detect or prevent?

Answer:

Bugs and Design Flaws

As a physical infrastructure protocol, DoubleZero's primary operational risk is at the network layer rather than in smart contracts holding user funds. The protocol does not custody user assets or operate liquidity pools, which materially limits the attack surface relative to DeFi applications. However, bugs or design flaws in the on-chain components governing fee collection, contributor rewards, and the burn mechanism could result in incorrect token distributions or disruption to network incentives. The protocol also depends on the reliability of

the Solana blockchain and the SPL token standard, and is therefore subject to any systemic risks affecting the Solana network.

Security Measures & Their Limitations

Protocol code undergoes a security review prior to deployment. The RFC process, documented publicly at malbeclabs.com/rfcs, provides an additional layer of scrutiny for protocol changes before implementation. DoubleZero Foundation has engaged third-party security auditors for material protocol upgrades and new on-chain components. As with any software system, no security review process can guarantee the absence of all vulnerabilities, and previously undetected bugs may be discovered following deployment.

C. Token Economics, Unlocks & Incentive Risks

Describe how the token's economic design and supply schedule could affect holders by answering, at a minimum, questions like:

- **Critical Economic Assumptions:** (If applicable) Which economic assumptions (e.g., staking yields, fee revenue, liquidity incentives, MEV capture, demand for blockspace) are critical for protocol security, utility, and governance, and what happens if those assumptions fail?
- **Governance Control over Monetary Policy & Rewards:** (If applicable) To what extent can governance change monetary policy, fee parameters, or reward allocations (e.g., inflation rate, treasury flows, incentive programs), and how could such changes adversely affect tokenholders?

Answer:

The 2Z token economic model assumes that demand for network connectivity and data distribution services will grow sufficiently to generate fee revenue that sustains contributor rewards and supports the long-term burn mechanism. If demand for network services does not materialise at the levels anticipated, contributor rewards may decline, potentially reducing the incentive to maintain and expand network infrastructure, which could in turn impair network performance and utility.

A significant proportion of total supply remains subject to the Standard Lockup and will unlock progressively over the four years from launch.