

What is Prime-Ex Perpetual

We are a company, Prime-Ex, S.A. established in the Republic of Panama (“Prime-Ex” or “Prime-Ex Perpetual”) with the express purpose of disrupting the real estate industry and processes by re-thinking and providing a new solution to the way in which homebuilding, home selling, and borrower financing are approached.

We will accomplish this objective by taking control of the real estate process from beginning to end, encompassing the selection of sites, construction of residential properties, sales, borrower financing, and maintenance of our residential properties. This enables Prime-Ex Perpetual to create an environment where participants win every time with a new property being built, sold, and financed within the Prime-Ex Perpetual ecosystem.

Prime-Ex Perpetual will utilize blockchain technology to crowdfund its operations by introducing the PEXT Utility Token (“PEXT” or “PEXT Utility Token”), and creating both organic and external demand for PEXT Utility Tokens within the Prime-Ex business model.

THE PRIME-EX BUSINESS MODEL

Prime-Ex Perpetual has a new innovative solution, which will disrupt the existing “real estate ecosystem” by re-thinking fundamentally how residential real estate is developed, sold, and financed.

We will achieve efficiencies in scope and scale by dealing with the various stages of the real estate process from beginning to end as opposed to using third party providers resulting in better management and control over the process which will, inevitably, lead to the reduction of costs and the success of the project.

We will also provide better buyer financing arrangements and deliver a more positive borrowing experience to the residential buyer, minimizing collection inefficiencies such as cumbersome collection costs, and possible lengthy legal legal proceedings, up to and including the tying up of property over time from transferring title, costly attorneys fees that get added to the mortgage balance traditionally, etc.

The Prime-Ex business model is also set up to encourage organic PEXT demand by providing favorable borrower financing terms to those who make their mortgage payments in PEXT Utility Tokens, rather than fiat

currency, by providing a mortgage rate discount to persons using their PEXT Utility Tokens for such a purpose.

THE PRIME-EX CUSTOMER BASE

Traditionally, the residential buyer owns a home in his or her own name, and finances the property with a mortgage in his or her own name. This model was great when people used to go to work at the same factory at 18 years of age and retired from the factory 30 years later, earning a higher incremental wage adjustment each year, retiring near their maximum earnings ability, and earning a retirement near the last few years of earnings potential.

BUT TIMES HAVE CHANGED

Circumstances dictate that the consumer be more mobile and more willing to move to different locations in order to earn a higher wage.

Retirees have shown a willingness to be more mobile, looking for opportunities that minimize hazards to their nest eggs and give them the ability to explore new retirement destinations.

Self employed people are also proving to be more mobile as more and more of their work focus migrates from the limitations of their physical locations to the limitless reaches of the global internet economy.

These two segments represent the primary target market for our initial proof of concept.

The business model of Prime-Ex comprises three pillars:

PILLAR 1: CONTROLLING THE REAL ESTATE PROCESS

The traditional real estate business model dictates multiple parties, each working for their own interest, at the expense of the home buyer. Consider this: The mobile retiree or the mobile self-employed person will not fit in the traditional model unless they are willing to accept the constraints that come with local financing terms, which generally feature an unrealistic combination of a high down payment and short amortization terms. The Prime-Ex model to the real estate process guarantees that Prime-Ex and the home buyer sit on the same side of the table. This means that Prime-Ex is a primary stakeholder in the entire real estate ecosystem by having a stake in the land, the house, the buyer financing, and the home maintenance at all times. We will be responsible to build our own quality homes, and it is not in our best interest to cut corners. We will maintain our homes to the best condition possible, because it is in our best interest, and also in the best interest of the home buyer. Prime-Ex will achieve economies of scope, realizing cost savings in two or more processes that are more expensive when executed separately. For instance, Prime-Ex will select and develop land having our own considerations about home construction in mind. Prime-Ex will select building materials based not only on aesthetics, but also on ergonomics, function, and ease of maintenance into the future. We are also able to achieve economies of scale. For instance, we shall negotiate multiple lots, or materials to build multiple houses.

Unlike the traditional model, Prime-Ex is able to have success and provide its product and services throughout the various stages of the real estate process (as opposed to deriving success from only one activity). Instead, managing the real estate process from beginning to end will realize opportunities at different times across different activities, taking advantage of those savings for the benefit of the homebuyer, the token holders, and Prime-Ex Perpetual. Property selection for land developers involved in developing residential real estate lots transacts solely on the basis of

buying the land cheap, developing the land, and selling it double to triple the price to the homebuilder. Once sold, the land owner is out of the picture.

Home builders may cut corners to cut costs with the goal to achieve ever-higher profit margins. It is unusual for home buyers in Panama to receive a 2 year warranty in respect of a new house, leaving most reparation and the costs thereof to the new home owner. Generally, once sold, the home builder is out of the picture.

Banks provide financing to the land owner, the home builder, and eventually the home buyer. Having the property as a collateral at any point in time, the bank achieves a zero risk investment at the expense of its client, often generating three different profit cycles with the same piece of land.

The home buyer sits at the end of the property chain. Left with all the risk, he is responsible for all home maintenance, and responsible for a mortgage that has unfavorable exit conditions that are extremely one-sided in the bank's favor.

PILLAR 2: IMPROVING THE BORROWER'S FINANCING EXPERIENCE

Prime-Ex provides a financial solution to our target market by switching financing terms to a system that replaces income verification for proven reserves and plans the exit strategy up front as part of the agreement. This fundamental difference and the mechanism in which it is implemented is indeed a revolutionary paradigm shift in the way that the business of real estate is approached.

Prime-Ex gives purchasers every reason to perform with a guaranteed buyback program and therein an up-front disclosure of maximum exposure against a future potential loss. Prime-Ex effectively cuts out the risk that time holds over the borrower's head. Instead of submitting our client to the stick of a prepayment penalty and performance failure, we have incentivized our client with the carrot of a guaranteed buyback so long as they have performed as scheduled.

In addition to favorable financing terms, Prime-Ex utilizes a solution to make the transfer of ownership between parties more rapid and transparent. Properties will be registered and titled inside a local Panamanian company, and an escrow agent will hold its shares in escrow.

The escrow agent will maintain custody of the mortgage and assign ownership of the company's shares to the buyer only on full payment of the mortgage and under direct Prime-Ex authorization.

PILLAR 3: LEVERAGE BLOCKCHAIN TECHNOLOGY

Crowdsourcing via the PEXT Utility Token will enable Prime-Ex to achieve its business objectives.

At the same time, Prime-Ex Perpetual will create a viable market for PEXT Utility Tokens across multiple exchanges, ensuring that PEXT will become a viable payment utility within the real estate ecosystem.

We will also incentivize buyers to pay mortgages using PEXT Utility Tokens by means of a mortgage rate discount, effectively creating a natural demand for PEXT on a monthly basis. Blockchain technology will also be explored to maximize efficiency gains in document retentions, verifications, authorizations, and performance history creating a seamless, more transparent environment for all within the Prime-Ex Perpetual real estate ecosystem.

PROOF OF CONCEPT

The Prime-Ex Perpetual proof of concept will occur along the warm beaches and in the cool highlands of the Republic of Panama in Central America ("Panama").

We will provide real estate purchase solutions to primarily North American and European expats who currently live in Panama or are looking to relocate, and who possess significant proven assets after down payment/ deposit.

This target market lives in or relocates to Panama for either the purpose of retiring or selfemployment, to live more economically in Panama, or to purchase a home or a second home in a more streamlined and efficient way than traditional options in their country of origin or locally in Panama.

We have chosen this target market because this sector of the current real estate ecosystem suffers from inherent entry barriers to home financing that gives Prime-Ex an exceptional competitive advantage.

The primary mission with this proof of concept is to build, market, sell, and finance a sizeable portion of residential houses which are located within a two hour geographic location of Panama City in both highlands and beach settings for the purpose of providing the token holders the benefit and opportunity to utilize their tokens to purchase our products and services in the future, upon favorable terms and discounts.

Our revolutionary solutions streamline the entire real estate process from beginning to end and seek to eliminate the bureaucracy involved with providing residential lending by implementing novel security options that limit the homeowner's risk in ways which will guarantee the future success of Prime-Ex Perpetual and its products and services.

Here's why the target market in Panama is attractive for our project: Panama demands that foreigners make a 30% down payment for a mortgage that must be re-paid by the age of 75 years. This means that a 70 year old retiree is facing an amortization period of only 5 years, which is unfeasible and unbearable for the overwhelming majority of retirees.

Panamanian financial institutions are traditionally very skeptical of foreign self-employment income. It is extremely difficult for foreign self-employed borrowers to obtain a mortgage in Panama, although this target market segment often represents the highest concentrations of verified assets.

Renting becomes the only option for expats.

Expats are always concerned about personal circumstances. What happens to their investment if they die? Or if there's a medical emergency and they need to go back to their country? Or if they cannot afford to make mortgage payments anymore?

INTRODUCING THE REVOLUTION LOAN BY PRIME-EX PERPETUAL
Prime-Ex will answer the needs of the Panamanian expat and self employed communities with novel, competitive, and favorable financing terms. Combined, these features underpinning our Revolution Loan, will allow Prime-Ex to service and provide solutions, products and services to the market. The rights attached to the PEXT Utility Token and the benefits associated with paying the Revolution Loan with PEXT Utility Tokens will easily make Prime-Ex Perpetual the new market leader in borrower financing. We will introduce the Revolution Loan, a financing solution featuring the following streamlined and significant improvements to traditional residential real estate home financing options:

- No credit scores
- Asset verification rather than income verification.
The buyer must prove through 3rd party verifications that he/she has 24 months of mortgage payments in liquid assets in addition to accounting for the 25% down payment
- A 30 year, no-nonsense fixed rate mortgage

- A 25% down payment
- No age-qualifying restrictions
- Borrowers agree to a property maintenance contract with an associated company of the Prime-Ex ecosystem in addition to the monthly mortgage payment
- A buy-back program after 2 years of participation, upon qualifying conditions. We guarantee to buy back the home from our borrower at two thirds the original price provided that the mortgage payments are up to date and that title is clean, meaning that there are no junior liens or security interests registered against the property other than the mortgage in favor of Prime-Ex Perpetual.

HOW WILL WE PROTECT THE PROPERTIES OF PRIME-EX PERPETUAL?

MAINTENANCE AGREEMENT

Prime-Ex will arrange for a maintenance contract pursuant to which Prime-Ex or its agents will maintain and ensure the general up-keep of its properties in return for a monthly fee. This maintenance and general up-keep includes work to be carried out in connection with, but is not limited to, the lawn work, plumbing, electrical, and air conditioning systems, and also any minor repairs, giving Prime-Ex Perpetual real time access to its products and services month-in and month-out.

This provides comfort and guarantees that if Prime-Ex is requested to exercise the buy-back option at two-thirds of the original purchase price, it will be well maintained and ready to go back to the market with minimal downtime.

ESCROW ARRANGEMENT

Based on our business model, each property will be acquired by a separate Panamanian company, known in Panama as an S.A. (the “**Property Owning S.A.**”), whose shares shall be held by an Escrow Agent subject to the terms of an escrow agreement.

A transferrable/assignable mortgage will be placed and registered against the Property Owning S.A. from the beginning which shall be in favor of Prime-Ex.

When a buyer wishes to purchase a property he will execute a promissory note that has an automatic mortgage registration element, which will be registered against the Property Owning S.A. in favour of Prime-Ex. The mortgage will be cancelled when the obligations of the promissory note are fulfilled.

This way our client borrowers will own and be the ultimate beneficiaries of the new home while custody and control of the shares of the holding company remain in the possession of the escrow agent until such time as the mortgage is paid in full.

This allows for easy, efficient, and transparent transfer of the shares of the Property Owning S.A. and indirectly the “transfer” of the underlying property registered in the name of the Property Owning S.A. The escrow agreement will outline the terms under which the shares of the Property Owning S.A. shall be transferred to the buyer upon settlement of the mortgage.

Prime-Ex has identified the locations to develop high-quality North American standard homes. We have also established relationships with long tenured and accomplished construction teams and engineers who will, combined with our efforts, create the highest quality and greatest value housing product that is available to our market.

Quite simply, when it comes to marketing our product and value added services to potential homeowners against the value and amenities of our competitors, we believe that our product and value added services provide us with a competitive advantage over our peers which will be easy to market to the public and our target market.

We believe the proof of concept will serve to establish the Prime-Ex Perpetual business model as the eventual preferred method of buying and owning a home whether in or out of the target client’s country of origin.

YOU WILL BE PART OF THE FUTURE OF PRIME EX PERPETUAL

Prime-Ex Perpetual's planning doesn't stop with this initial Proof of Concept. Once the concept is proven to be a success, we will introduce the Prime-Ex Perpetual real estate ecosystem to new markets.

We have ambitious plans and will need your future participation. As registered Phase 1 Participants, you will be granted ground floor access to future raises with special incentive pricing granted only to you. No matter where the next market occurs, you will receive early bird notice and our special consideration. This will happen for each new market and in addition to providing access to our products and value added services at competitive prices and discount it is a win-win situation.

THE PORTAL AT PRIME-EX.COM

Prime-Ex Perpetual's website is the intellectual property of Prime-Ex S.A. The website is designed to be a location of not only company information but also a portal by which members can register to be part of the Prime-Ex Perpetual real estate ecosystem.

Users will be able to pay their monthly mortgage payments and monthly maintenance fees in PEXT Utility Tokens or a number of fiat currencies. Users will be able to access their specific property details, including data encompassing their individual Property Holding S.A., their title/property registry documentation, their appraisal information, and their mortgage history.

We see the www.prime-ex.com portal increasing in both information and user enjoyment as time goes by. This will be more than just a mortgage portal or a real estate portal or a PEXT portal. We see it as a window into both a specific home's history as well as documenting the history of the Prime-Ex real estate ecosystem.

CONCLUSION

The Prime-Ex Perpetual business model revolutionizes the approach to

development, sale, and financing of real estate. Controlling the real estate process from beginning to end enables Prime-Ex to achieve economies of scope and scale resulting in a robust real estate ecosystem and thriving PEXT market for PEXT Utility Token holders.

We bring Prime-Ex Perpetual and homeowners to the same side of the table. We will maintain all homes we build to ensure that they remain in mint condition, and ready to go back to the market if a homeowner elects to use the buyback program.

The terms and conditions underpinning the Revolution Loan are unique to Prime-Ex and have no competition in Panama which seeks to meet the needs of an underserved market. Our financing product is different from its qualification conditions up to the lender incentives to fulfill obligations, encouraged through the buy-back program. This results in a near-zero risk of default. We have effectively created a performing, high-yielding asset, possessing minimal risk.

Our executive team has a strong international network along with the proven experience in Panama and abroad in homebuilding, real estate commercialization, and residential mortgages. This ensures the success of our proof of concept and the success of Prime-Ex Perpetual.

We believe that the Prime-Ex Perpetual model will create value beneficial to all participants in the real estate ecosystem while building its reputation to become the market leader and the preferred choice when it comes people who wish to develop, build, and/or purchase real estate.

The Prime-Ex Perpetual business model will be to real estate what text messaging was to letter writing, what VRBO or AIRBNB have been to the hotel industry, what UBER has been to the taxi industry, or what Netflix has been to Blockbuster.

Let's change the world for the better! Join the Real Estate Revolution at <https://prime-ex.com>

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