YDS

YDS

White paper

Table of Contents

Abstract

YDS Blockchain (hereinafter referred to as YDS) is dedicated to creating a world of blockchains without boundaries. The development of the regional chain since the beginning of the 21st century is one of the most promising and imaginative technological innovations in the world. In the history of human development, I have experienced three industrial revolutions. For the first time, the invention of the steam engine is used as a symbol to replace the manual labor. The second time, with the breakthrough of electric energy, the application and the invention of the internal combustion engine, directly promote human access to electrification. The third time, marked by the invention and application of electronic computers, nuclear energy, space technology, and bioengineering, not only promoted the tremendous changes in human society, but also profoundly affected the way of life and thinking of human beings. Every industrial revolution has brought about a tremendous increase in productivity, and the production relationship, which is one of the factors of production, has not changed so much. It is still a central organization of top-down and pyramidal levels. The more

complex the organization's business, the more levels it has, and the more difficult it is to improve efficiency. The blockchain is a decentralized, de-trusted network that can achieve peer-to-peer value exchange, which is called the value Internet. YDS believes that blockchain technology is most likely to improve current production relationships. With the help of YDS, we can create a world where people and people are directly connected, trustworthy, and in a community or social consensus, mutual cooperation, peer-to-peer exchange, and value-driven world.

YDS will achieve this goal in three phases. First, we use a modular design approach to build a secure and stable blockchain network, where smart contracts and digital assets can be realized, and we will introduce a smart sandbox – an environment that intelligently tests and monitors contract operations. The sandbox ensures that the contract that will be officially running on the chain is safe enough.Avoid similar DAO events. Next, we use blockchain forks to meet different business demands, such as insurance, electronic documents, digital currency, traceability tracking, and personal credit history. This phase will enable an evolving, easy-to-use,

low-cost, and appropriately customized blockchain network. Finally, through the Value Exchange Agreement (Value Exchange Protocol, hereinafter referred to as VEP), we connect these already forked, still active networks, and even interact with other networks (probably non-blockchain) to construct an interconnected, multi-dimensional data correlation. The network world. Using multi-dimensional data, such as personal credit, assets, production, and consumption data, can better integrate community consensus, individual behavior, and value exchange. Token carries the value of the ecology. YDS Blockchain names it YDS. Holding YDS will get the blockchain basic services such as contract release and network fork.

In order to build the above ecology, YDS is designed to put safety, stability and scalability at the forefront. As a public chain, YDS has chosen a more practical and less resource-intensive Delegated Proof of Stake (hereinafter referred to as DPOS) consensus mechanism. DPOS is more conducive to improving the transaction performance of the entire network, combined with the overall optimization of other parameters of the network, theoretically can reach or

exceed 1000 TPS (transaction per second).

The YDS blockchain will enable humans to collaborate on a large scale in a geographically untrusted, trust-free manner. The future has come and the changes are imminent.

一、Background of the project

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On October 29, 1969, the first node of the University of California, Los Angeles (UCLA), connected to the second node of the Stanford Research Institute (SRI), marked the beginning of the Internet era. In the past 50 years, the information technology represented by the Internet has not only dominated the third industrial revolution, but also made great Internet companies such as Amazon, Google, Facebook, Alibaba, and so on. To the power of technology to change the world.

On October 31, 2008, Nakamoto published the Bitcoin White Paper, "A Peer-to-Peer Electronic Cash System," announcing the arrival of a value transmission network. Bitcoin has many praiseworthy designs, such as tamper resistance, data backup, relatively anonymous participants, and no other parties to trust. However, its own trading performance and Proof of Work (POW) consensus mechanism has gradually exposed problems. Blockchain technology is derived from Bitcoin. In recent years, people have mainly innovated around blockchain transaction performance, consensus algorithms,

security anonymity, such as: graphene, lightning network to improve transaction performance; equity certificate (Proof Of Stake (POS), DPOS, Practical Byzantine Fault Tolerance (PBFT), and the improvement and improvement of consensus algorithms; Zero-knowledge Proof (ZKP) Transaction security, etc.

1.1 Market environment

Why is there a blockchain, do we really need it? As an early participant and witness of the blockchain, YDS Blockchain believes that this innovation is irreversible and will not be short-lived for two reasons.

First, people need real, valuable information and reduce the cost of trust. Computers and the Internet make information sharing cheaper and more convenient, use information transparency, optimize the value chain, and improve collaboration efficiency. However, false information and breach of contract that cannot be eliminated are also a headache. Internet-based communication and reproduction are also extremely easy.The cost of input has become larger and larger, which will inevitably hinder the further improvement of efficiency.

Second, people need a production network that interconnects consensus, behavior, and value incentives. Compared to the industrial revolution, which brought about a huge leap in productivity, the change in production relations was not so great. Human production activities are organized around the organization, and they are still the centralized structure of the top-down and pyramid levels. The more complex the organization's business and the more hierarchical it is, the more difficult it is to achieve an objective and fair distribution of benefits. Therefore, efficiency improvement will be more difficult. The blockchain integrates technologies such as distributed storage, encryption technology, and P2P network. It has the technical advantages of decentralization and de-trust, and is called the value Internet. The blockchain is most likely to solve the problem of trust between people and create a new network of production relations - point-to-point value exchange.

1.2 Main problem

Since the birth of Bitcoin in 2008, the blockchain technology has been derived from this prototype. Numerous technology enthusiasts have participated in the contribution and the development direction has been flourishing. There are

Ethereum, which focuses on the decentralized platform, Bitcoin and Lite Coin, which develop digital currency, and the informational archives, Factom.Zcash and Dash, which protect user privacy, focus on BitShare, the decentralized exchange's BitShares, and even R3CEV's distributed ledger platform, Corda.

Despite the dynamic development of the industry, the blockchain faces many challenges, both in terms of technological innovation and commercial applications.

(1) Smart contracts still have security risks, and hackers can exploit vulnerabilities to steal users' digital assets;

(2) Blockchain platforms established with different application goals have compatibility issues with each other. Although people have discovered and tried to interact with information between specific chains, this partial solution is not sufficient to support the ecological development of the entire blockchain;

(3) The blockchain lacks interaction with the real physical world, and many application innovations have to be in the form, such as traceability of goods;

(4) At present, blockchain applications still have high technical thresholds, resulting in high cost for large-scale commercial use;

(5) There is a performance bottleneck. At present, the performance of distributed systems is still difficult to catch up with the central system, or distributed systems are difficult to achieve large-scale commercial use.

1.3 The necessity of YDS Blockchain

The YDS Blockchain is designed to put security, stability and scalability at the forefront. By introducing modular virtual machines, smart sandboxes, value exchanges, and forks, a blockchain network that evolves, is easy to use, low-cost, and appropriately customized is created. In addition, YDS Blockchain can theoretically achieve 1000TPS performance by optimizing the block interval, block size, and consensus algorithm. YDS Blockchain believes that through technological innovation, it will be able to solve the trust between people,

and also create a new network of production relations, and better integrate community consensus, individual behavior, and value exchange.

二、Design concept

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2.1 Stability

Stability is a necessary condition to ensure that the YDS Blockchain is available. Blockchains come with decentralized features, and decentralized networks are often complex and full of uncertainty. Therefore, we use modular design tools to abstract and simplify the blockchain. By designing a modular virtual machine, Lua Virtual Machine (LVM), to run smart contracts, this design brings two benefits. First, optimizing LVM performance directly improves contract execution efficiency and reduces interference factors caused by system coupling; second, weakens the correlation between blockchain network and smart contract running status, even if there is a problem with contract execution, or the virtual machine runs abnormally, the block The stability of the chain network is still guaranteed.

2.2 Safety

POW has contributed to the safety of the Bitcoin network, but due to the increasing demand for mining and the difficulty of computing, almost all rights are concentrated in the hands of miners and mining pools. Through professional cooperation,

they have in fact become highly centralized "central servers." If combined with more than 51% of computing power, it is theoretically possible to control most bitcoin transactions, such as the well-known DOS (Denial of Service) attacks. In addition, the high power consumption is equally criticized. The POS model is still evolving relative to the POW model, and these developments are primarily based on security and applications. POS mode has a big advantage in security compared to POW mode, but the premise is to attract enough holders to carry out POS mining to fully realize the security advantage. DPOS is an improvement of POS, and YDS Blockchain has created a more versatile RDPOS consensus mechanism. In the case of the same security as DPOS, it is theoretically possible to improve the block response and increase the stability and security of the network.In addition, YDS Blockchain innovatively proposes an intelligent sandbox mechanism. The contract issued by anyone must first be tested in the smart sandbox. YDS Blockchain will automatically test the full path and continuously monitor its running status. If the health level deteriorates,Or find a vulnerability. The network terminates its own judgment to avoid damage to the blockchain ecosystem caused by the problem contract.

2.3 Scalability

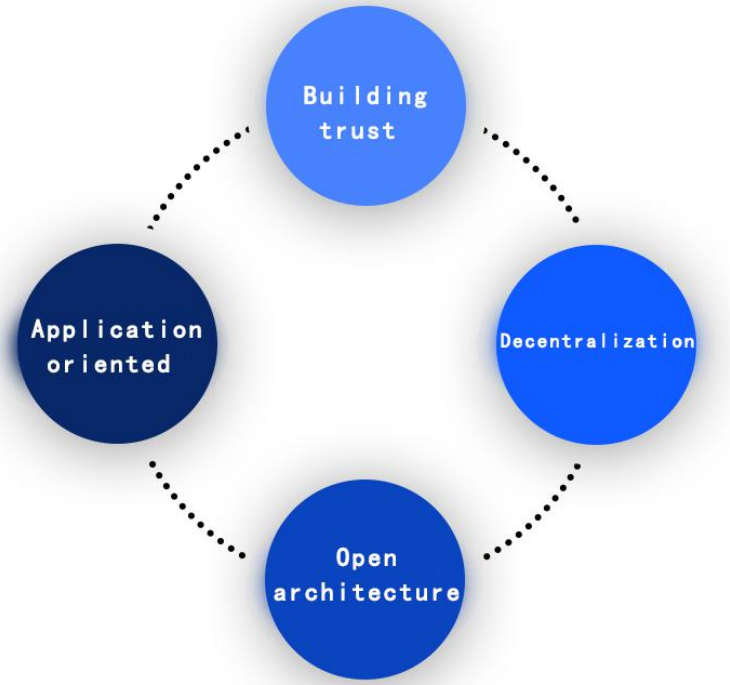
The scalability is proposed in order to solve the problem of information islands in which blockchains are incompatible with each other. First of all, we believe that upgrading and forking are one of the effective ways of network evolution. After bifurcation, a main chain and several sub-chains are formed. The main chain and the sub-chain are completely equal from a technical point of view, but they are given different logos based on community consensus. Each sub-chain can be appropriately customized according to different commercial applications. By constructing VEP between sub-chains, its working mode is similar to gateway, and VEP can exchange information and exchange value through VEP. Through such collaboration, a blockchain ecosystem of multiple applications can be formed. Not only that, the online data of non-blockchains will also be incorporated into the YDS Blockchain ecosystem, complemented by smart contracts that respond to real-world events.

2.4 Ease of use

YDS Blockchain achieves ease of use in two ways. The first is to provide Blockchain as a Service (BaaS) to reduce the

threshold for enterprises and individuals. Blockchain applications are made easy to use through network forks, data customization, smart contract release and upgrades, asset trading monitoring, and more with visualization capabilities. Second, YDS Blockchain provides multi-language support, from Lua, C++ to Java, allowing developers of different platforms to develop easily.

2.5 YDS System design principle



YDS System design principle diagram

Constructing trust: This is the core mission of the blockchain. The purpose of the system design is to build a trusted system for the application;

Decentralization: is the core feature of the blockchain and the fundamental means of constructing trust;

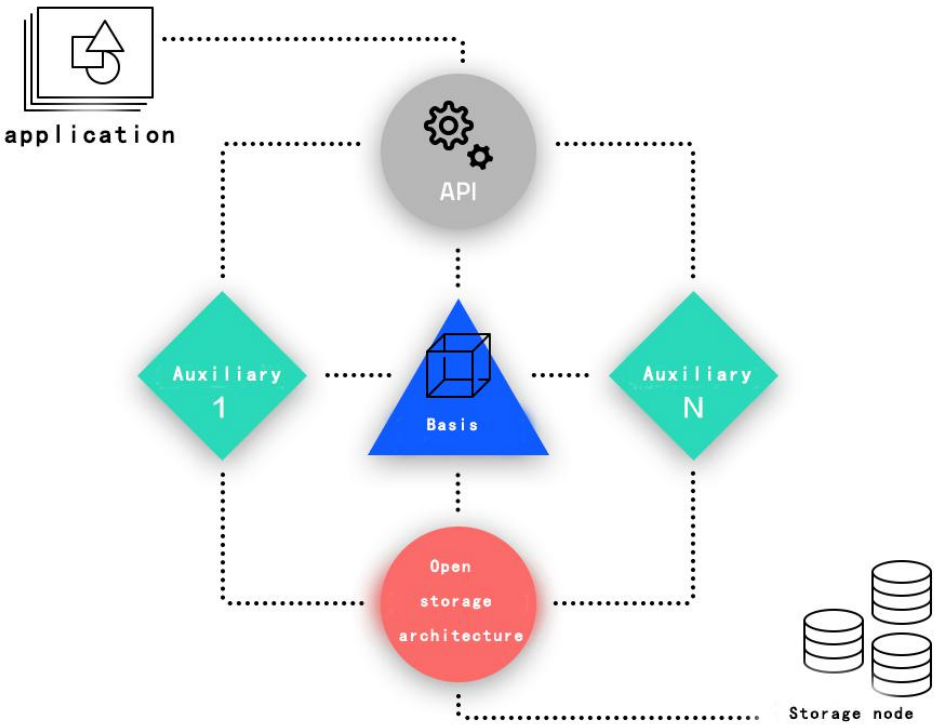
Open architecture: Openness is a necessary condition for decentralization. Openness means equality for all, open source code, and civilian facilities;

Application-oriented: Open architecture leads to equal participation and equal use, and participants who do not trust each other need a guarantee mechanism.

三、Overall structure

三、Overall structure

The YDS Blockchain consists of three parts: Foundation Blockchain, Annex Chain and Open Storage Architecture. It is based on the core rules of the underlying protocol and consensus mechanism based on the contradiction mechanism. The components of the open economic ecology perform different functions and cooperate with each other and verify each other to form a complete trust guarantee and value maintenance mechanism, which can solve the decentralization, scalability and security. Puzzle.



YDS Blockchain Overall logical architecture

四、Technical support

四、Technical support

4.1 YDS Data Format

All data in YDS is stored in the form of "recursive length prefix encoding (PLP)". This encoding format concatenates arrays of strings of arbitrary length and dimension into strings.

4.2 YDS Innovative consensus mechanism

YDS innovative consensus mechanism: a new mechanism using TPOS (SuperProofofStake) + POW + DPOS. Compared with the traditional POS/POW/DPOS mechanism, the system efficiency and transaction processing capability are greatly improved, and the commercial level is improved. Based on the experience of digital currency in the past years, a feature that is important for the workload proof function is " Memory is difficult"--The legal workload proves that it requires not only a lot of calculations, but also a lot of memory.

Today, there are two main "memory-hard" feature categories - scrypt and prime currency mining, but neither is perfect; no memory that needs the ideal memory-hardness feature, both of which suffer from time-memory replacement attacks In the attack, the attacker can complete the legal

workload proof at the expense of some computational efficiency and far below the memory size required by the algorithm. Using an alternative algorithm called "short sword", a memory-hardness proofing mechanism based on a moderately connected acyclic graph, which is far from optimal, but has far more memory than other existing algorithms. Difficulty. The hash algorithm maps binary values of arbitrary length to shorter fixed-length binary values. This small binary value is called a hash value. A hash value is a unique and extremely compact, numerical representation of a piece of data. If you hash a plaintext and even change only one letter of the paragraph, subsequent hashes will produce different values. It is computationally impossible to find two different inputs that are hashed to the same value, so the hash of the data can verify the integrity of the data.

Generally used for fast search and encryption algorithms, the string randomly generated code is as follows:

#include<stdio.h>#include<stdlib.h>#include<string.h>#in clude<ctype.h>#include<time.h>#defineSTRINGSIZE10#defi neSTRINGCOUNT1000//If it is constantly in a program loop Call this function, then there is no effect, although it is also the

time function of the system used to initialize the random number generator, but the execution speed of the program is too fast, the number of seconds that may be executed 1000 cycles is the same as the time return

```
Timestamp /*voidget_rand_str(chars[], intnum){
/ / Define a random generated string table char * str =
"0123456789ABCDEFGHIJKLMNOPQRSTUVWXYZabcdefghi
jklmnopqrstuvwxyz";inti,lstr;
Lstr=strlen(str);//calculate string length
Srand((unsignedint)time((time_t*)NULL));
/ / Use the system time to initialize the random number
generator
For(i=0;i<num-2;i++)
/ / Returns the corresponding string {s[i]=str[(rand()%lstr)];
}s[i++]='\n';s[i]='\0';printf("%s",s);}
*/
Intmain(){FILE*fp1;
/ / Define a file stream pointer, used to open the read file
chartext [10];
/ / Define a string array for storing the read characters inti =
0, j = 0, lstr;
Char*str="0123456789ABCDEFGHIJKLMNOPQRSTUVWXYZ
```

```
abcdefghijklmnopqrstuvwxyz";lstr=strlen(str);
  / / Calculate the string length
  Fp1=fopen("d:\\test.txt","r+");
 //while(fgets(text,1024,fp1)!=NULL)
  / / Read the contents of the file pointed to by fp1 to the text
  line by line
  Srand((unsignedint)time((time_t*)NULL));
  / / Use the system time to initialize the random number
  generator
  For(j=0;j<STRINGCOUNT;j++){
  For(i=0;i<STRINGSIZE-2;i++) should
  / / Returns the phase string by the specified size
  {text[i]=str[(rand()%lstr)];}text[i++]='\n';text[i]='\0';fputs(tex
t,fp1);
  / / Write the content to the file pointed to by fp1
  }fclose(fp1);
  / / Close the file a.txt, there must be closed when there is
  open
  }
```

4.3 YDS Smart contract technology

Many blockchains are integrating a common scripting language to define all operations. These designs ultimately

define the business logic processor as a virtual machine, and all transactions are defined as scripts that are run by this virtual machine. This solution has a single-threaded performance limit on real processors, and the problem is exacerbated by forcing everything through a virtual processor. A virtual processor that uses the implementation of the compiler technology (JIT) will always be slower than a real processor, but the speed of computing is not the only problem with this "anything is a script" solution. When transactions are defined at such a low level, it means that static checking and encryption algorithm operations will still be included in the business logic processing, which will reduce the overall throughput. A scripting engine should never ask for a request for an encryption algorithm signature check, even if the request is implemented through a native mechanism.

4.4 Quick confirmation of transaction

YDS adopts an efficient and adaptive consensus algorithm to ensure the consensus completion, that is, the transaction confirmation, and optimizes other links in the transaction confirmation process, such as signature algorithm and account storage mode, and realizes the millisecond-level

confirmation transaction.

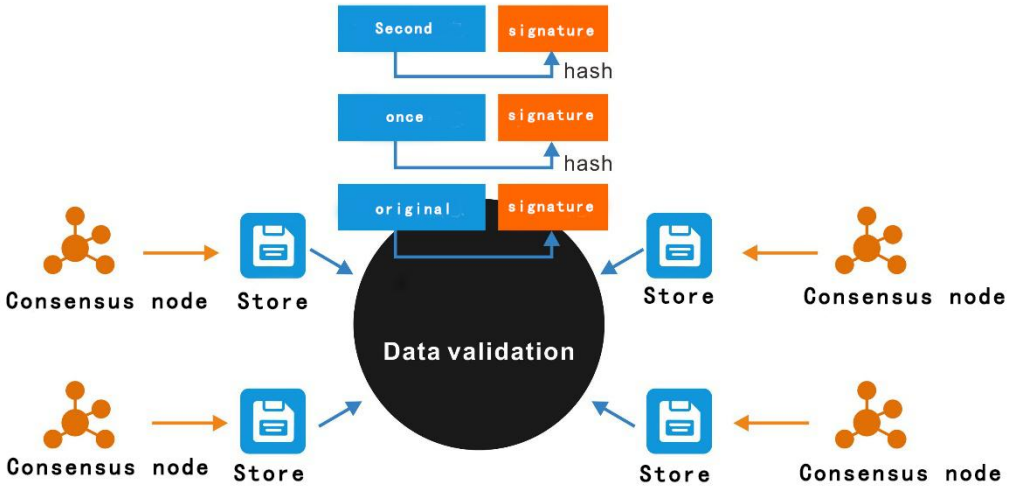
4.5 Mass storage and high concurrency support

YDS supports multiple ways of local database storage, file system storage, and cloud storage. Local storage implements hot and cold separation, database storage uses a sub-database partitioning model, and cloud storage supports expansion according to cloud clustering rules.

4.6 Reliable and consistent record storage

YDS guarantees that the service request cannot be tampered with during the transmission process through the asymmetrically encrypted digital signature. The consensus mechanism ensures that the data of each node is consistently stored. The data records already stored are guaranteed by the self-checking and quasi-real-time multi-node data check in the node to ensure that the stored data records cannot be modified. Self-checking of nodes: The blockchain structure is used to store data records. The modification of some records will destroy the integrity of the blockchain structure, and can be quickly verified and restored from other nodes. In addition, each accounting node of YDS has its own private key. Each block header contains the signature of the private key of the

node. The modification of the data in the block can be verified by signature. Multi-node quasi-real-time data verification: When the private key of the node is stolen, the malicious user has the possibility to modify all the data in the ledger chain. YDS provides a quasi-real-time data comparison mechanism between multiple nodes, which can find a certain time. The case where the node book data has been tampered with.



4.7 User privacy and transaction confidentiality

User information and blockchain addresses in YDS are isolated. From the record storage of each node, the associated user information cannot be obtained. User information storage has multiple layers of protection such as access

control, access authentication, and encrypted storage. Users with higher transaction confidentiality can also choose the transaction irrelevance mechanism. Each transaction of the same user is mapped to different addresses on the blockchain, thus ensuring that multiple users of a user cannot be obtained on the transaction book. The relevance of the transaction.

4.8 Secure key management system

In the key management solution of YDS, the key safe and user account delegation functions are provided to ensure the security of the key. The key safe uses the user information to encrypt and divide the key and store it on multiple different nodes. The key safe is not accessed under the normal business process. After the user key is lost, the key can be found after the user information is authenticated. return. All YDS account operations are recorded independently on the blockchain, and there are strict frequency restrictions and independent risk control strategies for the operation of the entrusted account, which can strictly control the operational risk of the entrusted account.

五、Core advantages

五、Core advantages

Under the design concept of "stable, safe, scalable and easy to use", YDS Blockchain has the following core advantages: high performance, high security, high speed access, and efficient operation.

1.High performance: relying on the massive concurrent experience of YDS blockchain technology, the transaction supports second-level confirmation; provides massive data storage with 10,000-level processing capability per second;

2.High security: Provide rich permission policy, secure key management system and user privacy and confidentiality scheme to ensure data security;

3.High-speed access: a rich application development framework and flexible deployment methods to facilitate quick access and build applications for different types of users;

4. Efficient operation: Provide a comprehensive, real-time, and visualized operation and maintenance management

system to quickly identify system status and meet multiple levels of operational management needs.

六、 Project vision

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Developed countries have actively laid out blockchains and have blossomed in the fields of finance, payment, auditing, and internet of things. At present, the investment of the relevant international institutions is relatively small. In the past, the investment in the industry has been concentrated in the fields of mining, quotation, information consultation, etc., with low technical content and single business model. There is a lack of in-depth business model research and a certain scale of application projects.

In the past two years, the industry has begun to show development and investment trends in the commercial application and deep exploration of blockchain, but it is small and lacks large financial institutions and government support. With the increasing emphasis on blockchain by governments, the spillover effects of the latest technological advances in the world, Ethereum as a gradual confirmation of blockchain technology standards, and the maturity of the blockchain application and the increase in investable targets, blockchain It is expected to become the next hot object after "Internet +". This will stimulate the enthusiasm of entrepreneurs and

applicators, thus forming a benign path for the development of the international blockchain.

Blockchain is not a technical speculation. 2017 is the first year of the blockchain. Especially since the second half of the year, the concept of blockchain has risen rapidly. The news related to global financial institutions and blockchains has emerged in an endless stream. It has been seen that more institutions and enterprises are beginning to embrace the block. Chain technology. This is not only a short-term pursuit of technology hotspots in Europe and the United States. From the perspective of demand, blockchain technology has real market demand. Although the ideal of refactoring all Internet applications seems too ambitious, in the financial sector, it has been observed that traditional financial institutions are eager for blockchain. Blockchain technology actually gives traditional financial institutions a new Internet tool. Traditional financial institutions urgently need to use the blockchain to transform existing business processes, reduce operating costs and improve operational efficiency. From an industrial perspective, the blockchain industry will gradually move from concept to landing in 2016. In 2015, financial institutions and

start-ups began to complete proof of concept and pilot applications for blockchain applications. In 2016, with the entry of a large amount of capital, it is expected to rapidly mature the industry. At the same time, the increasing emphasis on the blockchain technology by financial institutions themselves will also accelerate the industrialization process of blockchain technology.

Partial decentralization is the first in the financial field to optimize the business processes of traditional financial institutions and improve the overall operational efficiency; and complete decentralization will become the new evolution direction of the Internet industry. YDS Blockchain is essentially a centralized organization network. You can use big data to reproduce the planned economy.

In the future, YDS Blockchain technology will eventually shape a decentralized, autonomous network organization, realize the Internet expression of the invisible hand of the market, and achieve a more complete sharing economic paradigm. And relying on the underlying technology of the YDS blockchain to expand the business to all walks of life

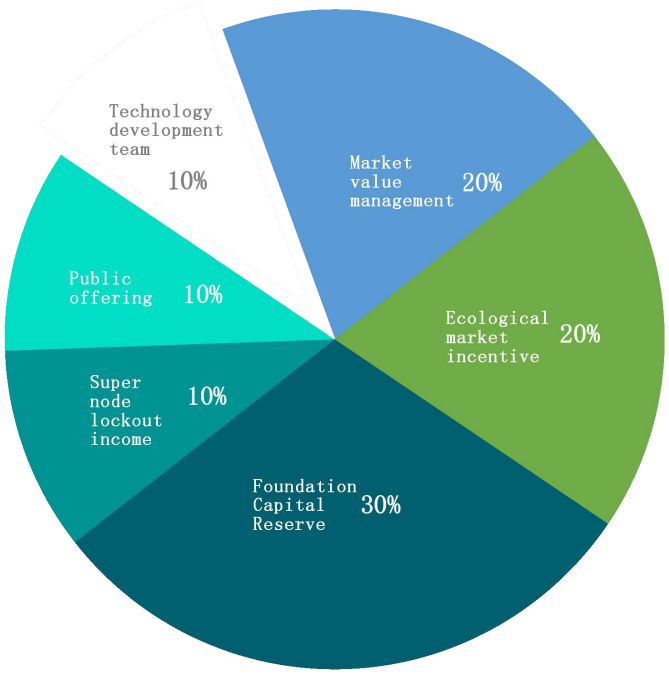
around the world, in real sense, human beings can carry out large-scale collaboration in a way that is geographically unrestricted and trusted.

七、Token distribution

七、Token distribution

The digital currency YDS Coin, referred to as YDS, is a native encrypted digital token issued by YDS and is based on POW and POS technologies. The first phase will be generated on Ethereum based on smart contracts. The second phase will be generated on its own and will be used as the sole underlying digital currency of the YDS public chain for settlement, trading, and smart contract performance.

Digital currency YDS holders can participate in voting to generate billers, and can also participate in related major issues such as the decision base and the YDS public chain platform.



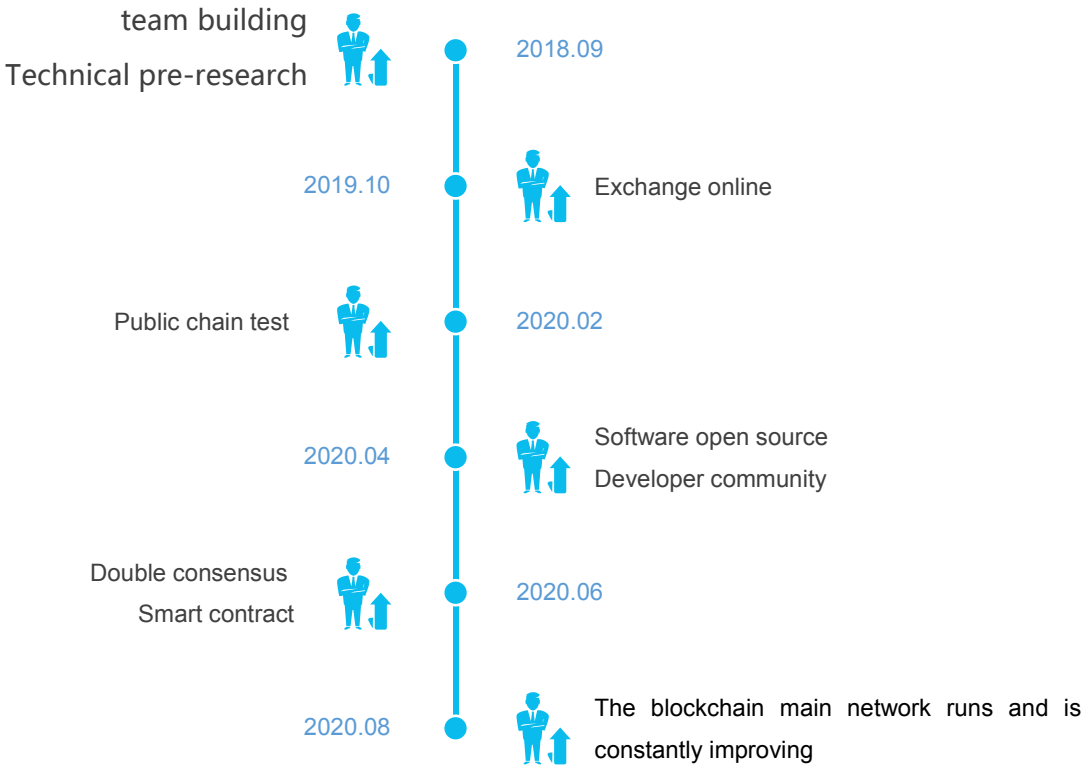
A total of 680 million digital currency YDS was issued, which was created by the YDS Foundation in one time. The total amount of the digital currency has been set and cannot be changed. It cannot be issued. The digital currency YDS is allocated to different holders according to certain rules and proportions, with an initial circulation of 136 million. 10% super node lock bin yield, 100 super nodes, one node delivers 680,000 YDS, 30,000 USDT one super node; public fundraising 10%, 68 million YDS, price 0.1USDT; technology development team 10%, starting in 2021 freed. Yuandao Foundation, Huayi Capital, 30% of the capital; 20% of market value management;

20% of ecological market incentives.

八、Road map

八、Road map

With the maturity and popularity of blockchains and smart contracts, the overall development process of YDS Blockchain will be a combination of short-term construction and long-term development. We will gradually improve the following strategic steps:



九、Founding team

九、Founding team

The YDS project team members are senior experts in the relevant fields of the industry and have rich resources and experience. Moreover, a lot of work has been carried out in the early stage of the project, and the results have been outstanding. Details are as follows:

Taylor Smith (CEO)

Master of Financial Management from Cornell University in the United States, worked at Morgan Stanley Investment Bank, and has his own unique insights in the field of payment. Shareholders of the American Pioneer Group began to lay out the blockchain in 2012, thinking that the blockchain is financial. Subversive innovations are dedicated to building a business empire in the blockchain field.

Richard Marx (CTO)

Graduated from the Ivy League School of Boston, USA, with a master's degree in computer science. He has 5 years of working experience in the famous social communication company Facebook. He masters the core technology of social applications. During his tenure, he participated in the underlying architecture, system maintenance and software of the new generation of encrypted communication. Research and development work.

Alfredo Aguirre Valdez(Development Engineer)

Former Tesla software engineer, software development in different business areas for more than 13 years. From finance to logistics, development experience has been developed in different development environments such as PHP, Python, iOS, Android, and Microsoft protocol stacks. Customers include American Express and BBVA Compass. His personal projects include multiple apps in the Apple App Store, with more than 4K downloads in GitHub's open source library, and Facebook apps with more than 2.7 million monthly page views.

Genevieve Leveille（COO）

Estonian national blockchain blockchain technology consultant, founder of the digital currency influence agency. Graduated from Columbia University, USA, with experience working in the information technology and service industries. Strong entrepreneurial spirit, good at cash, market risk, liquidity management, treasury and business transformation.

Alexander von Preysing

（Financial advisor）

He used to be Senior Vice President and President of Distribution Services at Deutsche Börse. He joined the Deutsche Börse in 2002 and has been responsible for various departments, proficient in bonds, private equity funds, risk management, IPO and other businesses, and made good performance.

十、Risk and warning and disclaimer

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10.1 Risk warning

Risk due to user's personal wrong behavior:

1)Risk due to loss of private key

Before the YDS Token is assigned to the participant, the participant will get the public key account associated with the YDS Token. The YDS Token public key account can be entered through the private key randomly assigned by the participant, and the private key forgetting may be lost in the associated public key. YDS Token for the account. It is recommended to practice how to operate so that participants can safely back up the private key on multiple local devices, preferably in a non-network environment.

2)Risk of leakage to third parties due to private key

Any third party individual or organization may process the YDS Token of its corresponding account after obtaining the private key of the participant's public key account. Participants are advised to protect the relevant equipment to prevent unauthorized login and reduce the risk.

3)Risks that may arise due to participation in voting

YDS Token holders are likely to cause YDS loss due to malicious or irresponsible voting behavior in the voting.

Due to the risks associated with network security during the use of YDS Token:

1)Based on the related risks brought by the Ethereum network agreement

YDS will issue ERC20 tokens based on the Ethereum agreement at an early stage. Any failures and unknown functions on the Ethereum agreement may lead to unknown undesired situations in YDS. Ethereum and local unit accounts based on the Ethereum agreement may lose any value like YDS.

2)Risk of unofficial YDS network replacement

After the development of the YDS network system, it is highly probable that other open-source code and protocols will be copied by others and establish a similar network system. The official YDS network system may need to compete with these plagiarized network systems, and the negative impact on the YDS network system will require all users to bear.

3)Risk of illegal intrusion from a malicious third party

A malicious third party, such as a hacker, other team or organization, may attempt to interfere with the development of the YDS network system, which may be, but is not limited to, the following: DDOS, Sybil, spoofing, smurfing, or a consensus-based attack.

4)Risk of infrastructure software security vulnerabilities due to YDS network systems

This network system is an open source system. YDS employees or other third-party organizations intentionally or unintentionally introduce bugs into the network core system, which will lead to YDS usage risks and losses.

5)Major technological breakthroughs in the field of cryptography will create the risk of hidden weaknesses being exploited and exploited

Cryptography is an important part of blockchain technology. Advances in cryptography or other high-tech technologies may expose SDS network systems and YDS Tokens to the risk of being stolen or lost.

6)Risk of YDS network system failure

As a relatively high-tech system, the YDS network may cause network failures that are unacceptable or unexpected, and may also cause the YDS Token to disappear or other risks that may cause fluctuations in the market.

7) YDS may be at risk of being attacked by mine due to its high value

For many decentralized cryptographic tokens and virtual currency, the YDS generated by the blockchain technology of the YDS network system has the potential to be exploited, including not limited to double attacks, large mine attacks, and selfish digging. Mine attack and competitive conditional attacks, etc., may also result in unknown and new mining attacks, which poses a huge risk to the operation of the YDS network system.

Risk due to market uncertainty:

1)The risk of a small amount of users in the YDS system

The YDS system will generate corresponding value over time. If the YDS network system is not used by more commercial, personal or other organizations, it will not be able to generate more public attention and its impact on the development of

the number of users, may limit Or reduce the use and value of YDS.

2)YDS comes from the risk of insufficient liquidity caused by the exchange

At present, YDS Token has not been traded on the exchange. If the exchange is open to the exchange, it is likely that there will be less understanding of various laws and regulations because the exchange is relatively new. Compared with those that have been established for a long time, there are other mature virtual generations. For exchanges with normal currency transactions, new exchanges are prone to fraud and failure. Exchange problems can cause a large portion of YDS Token transactions to be subject to fraud or other operational risk issues, which can result in lower value and liquidity of YDS.

3)The development of the YDS network system cannot keep up with the risks expected by the YDS Token holders

The YDS network system is still in the development stage, and there may be a big change before the official release. The participants' expectations for the YDS Token or the network system may be different from the actual release time, and may

also be designed and executed. Changes in actual conditions have prevented the release of the plan.

4)Participants are not at risk of insurance in the face of losses

Unlike a YDS Token public key account and a bank account, other financial institution account, or other social service account, the YDS Foundation typically does not purchase insurance for the network system. When a YDS is lost or the network system loses value, no insurance institution can provide a claim service to the holder of the YDS.

5)Risk of dissolution of YDS project

There are various factors in the YDS project, such as bitcoin, the value of Ethereum, the failure of commercial operations or the claim for intellectual property rights. The YDS project may not be able to continue operations, resulting in unsuccessful release or team dissolution.

6)Risks of regulatory policies in the judicial or administrative departments of the relevant regions and countries

Blockchain technology is currently supported or recognized

worldwide, but it has also been carefully reviewed by various regulatory agencies. The functionality of the YDS network and YDS may be affected by some regulatory policies, including but not limited to restricted use or possession of a YDS Token, which may hinder or limit the development of the YDS network system.

7) Other unknown risks

Blockchain technology and corresponding digital currency technologies are relatively new and unproven technologies, and there may be more unpredictable risks, and risks may appear in more ways.

This document may be modified or replaced at any time, however, we have no obligation to update this version of the white paper or provide access to additional information for readers.

10.2 Disclaimer

This statement does not address risks associated with securities tendering and undertaking YDS operations.

Does not involve any regulated products under judicial

control: This document is a conceptual document [white paper] stated in the project. It is not a sale or solicitation of tenders and shares, securities or other regulated products of YDS products and related companies. This document is not intended to be a prospectus or any other form of standardized contract document, nor is it an investment advice that constitutes advice or solicitation of securities or any other regulated product in any jurisdiction. This document cannot be used to sell, subscribe or invite others to purchase and subscribe to any securities, and to form a link, contract or commitment based on this. This white paper has not been reviewed by judicial authorities in any country or region.

Not as a recommendation to participate in the investment: Any information or analysis presented in this document does not constitute any recommendation to participate in the decision on the investment of the token, and will not make any specific recommendations that are biased. You must listen to all the professional advice you need, such as tax and accounting.

No representations or warranties: This document is used to

describe our proposed YDS platform and YDS Token, but the YDS Foundation expressly states: 1) the accuracy or completeness of any of the content described in this document, or otherwise No declarations or warranties are given for the contents of the project, and 2) no representations or warranties of any forward-looking, conceptual representations of the achievements or reasonableness of the content; 3) Nothing in the document shall be the basis for any promise or representation to the future; 4) shall not be liable for any loss caused by the relevant personnel or other aspects of the white paper; 5) within the scope of legal liability that cannot be waived, only The maximum amount allowed by applicable law.

Not everyone can participate in the project: YDS's network system and YDS are not accessible to anyone, and participants may need to complete a series of steps, including providing information and documents indicating their identity.

The non-authorized company has nothing to do with the project: the use of the name and trademark of any other company or organization other than the YDS Foundation and

YDS does not mean that any party has an association or endorsement with it, for the purpose of explaining the relevant content.

Note related to YDS Token: "YDS Token" or "YDS" is a virtual cryptographic token for the YDS blockchain network.

YDS is not a virtual currency: YDS cannot be exchanged for goods, services and transactions on the exchange during the period of this document, nor can it be used outside the YDS Token network.

YDS is not an investment: no one can guarantee, and there is no reason to believe that the YDS Token you hold will definitely appreciate, and there may even be a risk of depreciation.

YDS is not a proof of ownership or control: holding a YDS Token is not a grant of ownership to the holder and equity in the YDS and YDS network systems; nor is it the right to directly control or make any decisions for the YDS and YDS network systems.