INTRODUCTION

Hello everyone and thank you network supporters. We appreciate you all taking the time to analyze and consider our proposal presented by those supporting PAC Global Holdings LLC. We are happy to share this breakdown of our expected release in conjunction with our next major core development update for the PAC Protocol network.

We take pride in our work and our ability to release an update which, we believe is tremendously advantageous for all current and new PAC Protocol users. While much of our time as a development company is spent under the hood and fine-tuning our process, we also realize transparency is needed for the Masternode operators and individual users, so they can have access to our plans and gain a much deeper understanding of the network updates and product enhancements.

Technical documentation is also being prepared for release. However, this proposal's purpose is to provide a brief overview of the core components anticipated, as well as a breakdown of the $PAC we are requesting to be minted and used to support PAC Global Holdings LLC upon release of this MainNet update.

MAINNET UPDATE

For the last few years, PAC Global Holdings LLC has made it a goal to provide as many use cases to the PAC Protocol network as possible. With the introduction of IPFS (Interplanetary File System), we firmly believe the robust, expanding PAC Protocol network can provide the perfect digital architectural design for an ever-growing industry. Data is everywhere, storage is always going to be needed and more and more security and ease of mind to go along with it.

We have witnessed the wide adoption rate of NFT usage as well, from art and contracts to goods and services. As a native chain, PAC Protocol needed to have very in-depth changes to support the ability to mint an NFT, or a fungible new

token within the environment. Our IPFS solution via the yanNETWORK and yanDNA is also a vital part of the ecosystem. Using IPFS to securely host the metadata for a token or NFT provides a layer of trust and security that most in the blockchain space have failed to realize is desperately needed.

Those who have participated with our development team in TestNet have had a sneak peek of what the flagship product yanSAFE will have to offer, along with its already impressive features. We all witnessed and enjoyed the launch of yanSAFE and its easy Masternode installation, along with user-friendly UI and ease of use. Many Masternode operators have chosen yanSAFE to manage their PAC Masternode connections, and many have already experienced minting an NFT or creating your own token supply during TestNet stages.

To accomplish all our network goals, change is needed. We propose a chain swap to an upgraded codebase. With this upgrade, we are preparing PAC Protocol for the future. The new blockchain will have many advantages for the network and the community. The chain will start from block zero making the blockchain size much smaller and the synchronizing faster. Next to that it allows us to rebuild the protocol with the knowledge we have today compared to the many past updates that we worked around past issues such as in 2018 and the transaction attack that occurred and the lengthy block times due to inadequate POW mining. We are introducing Quantum proof block signatures; each stake requires the block to be “signed” at the end of each block. We will take the standard signature and wrap it in a quantum signature function making it verifiable using the new quantum-proof methods. Another big advantage, we will include the use of the new network interface IPv6, allowing for better scalability as IPv4 has reached its worldwide maximum. This also would most likely allow hosting a Masternode to be noticeably cheaper for individuals to maintain.

Next to that, we are reworking the staking kernel to be more energy/compute efficient. This will affect staking by putting less strain on the computer running the wallet. With this upgrade we are removing the coin join function to appease

upcoming legislation. We are also upgrading the network to the Dash 0.18 codebase with all the upgrades that come with it.

Once the new Blockchain has been released yanSAFE 3.0.0 update will be available, however the Token/NFT Page (UI in yanSAFE) will still not be visible just yet. It is estimated to be within 1 month after MainNet we will update YanDNA and yanSAFE 3.1.0 for the NFT support. We want to clarify that this only means the UI of yanSAFE. The PAC Protocol Token Layer will already be enabled beforehand, and there is no additional update for the Blockchain nor Masternodes. This would only be a yanSAFE update. Once this is complete, everyone will have the ability to use yanSAFE to connect to your yanDNA account and mint an NFT with the metadata entries secured. yanDNA performance relies on layers of redundancy and security, an internal IPFS network hosted purely by PAC Global Holdings LLC development team, providing long-term storage for users that reserve storage space within yanDNA accounts using the method of reserving storage through a credit/debit payment portal. Our future plan includes introducing a method of securing storage space with both $PAC and $YAN token.

Additionally, we are committed to offering a public IPFS network that will be free to download and install on a server of your ownership, such as your Masternode server if download space is available. This is an opt-in feature, and those that participate in downloading the IPFS software will be part of a potentially limitless data storage network. The public yanNETWORK download will come in due time as we monitor the success of the internal private yanNETWORK hosted by the development team.

Having both an internal yanNETWORK hosted by the LLC along with a decentralized growing yanNETWORK layer provides potential decentralized growth and reliability for the longevity of the data stored within the network. An additional component of yanDNA is a cold storage layer using S3 compliant servers, in the event a file is not found or there is no access to the internally hosted IPFS network. Files uploaded to IPFS are encrypted from the user end,

which means only the people allowed access are those with permissions granted by the file owner, except as otherwise required in compliance with service of lawful process. This type of data storage network will play a vital role in the ability to safely mint an NFT or create your own token supply using yanSAFE.

The token layer is something we are excited to introduce as well. With a 1:1 token ratio, a user can create their own project supply of tokens for whatever use case or need is presented. The yanSAFE update makes it simple to enter all the data required to describe the token and the project's details. The decision to have the token layer consist of a 1:1 ratio is designed to make sure the PAC Protocol network is always home to projects that have "skin in the game. "

For example, if one wanted to create a new token with a supply of 21 million, the same amount of $PAC is needed, which is effectively burned or renamed within the network. Now the supply of the new token is known by all users on the network, and the owner of all the newly minted tokens is the project creator. After studying cases within another network where tokens can be created such as an ERC20, many projects have had troubling beginnings or FUD towards project token ownership. We believe with a 1:1 ratio requirement, all participants can be assured of the project's intentions, and the ownership of how those tokens are diversified is solely that ownership's coins and choice. A project willing to match the supply with $PAC also brings a potential driving block for acquiring $PAC, either through listed markets or the use of the OCB (On Chain Budget).

ON CHAIN BUDGET (or superblock)

The OCB has been part of the PAC Network for many years. With constant innovations and beneficial changes adopted by this network during its growth, we found a bug within the superblock operation. Proposals were still effectively being posted on the network, but the trigger to release the $PAC has been stalled for a while now as we continued to investigate and find a solution. It is good to note this did not affect other network activity nor did it create security flaws. Even still,

the payout of $PAC was needed to be fixed for future proposal issuers, and a fix is expected to be included in the MainNet update.

Every month the OCB has roughly 170 mil $PAC accessible to those that submit a proposal, like this one, to the Masternode operators who will review and decide whether to vote YES or NO. The amounts requested can come as small as 1 $PAC to roughly 170 million. Upon final vote hour, the OCB is designed to schedule the release of any $PAC requested if funded YES. IF the vote reaches a NO consensus, the $PAC would never be minted, nor sent to the proposal owner, which would effectively lower the MAX supply of $PAC any time the OCB is not fully used.

For some quick math to understand this point, let's use the 170 million $PAC available every month. 12 months in a year would create roughly 2 billion $PAC for proposal purposes, which is part of the MAX supply of $PAC. If this amount is not used, the MAX supply is now considered 2 billion $PAC less. This is completely up to the Masternode operators to vote upon release of any $PAC via superblock.

The OCB is also a great place to propose network features and potential updates for the core so that Masternode operators can be part of any major updates or changes any development group, including ours, would like to present for opinion and implementation. It is good to note that in the event of a protocol change being discussed and voted YES or NO by the Masternode operators, it is not a guarantee once the core protocol changes are released for download and adoption. In the event of an update considered a hard fork, the PAC Protocol Daemons itself need to find majority consensus upon network communication from one node to the next. This is completed by the majority of Masternode operators swiftly following through with the new software installation(s) upon release.

$YAN TOKEN

$YAN token is to be the first token, along with the native $PAC to eventually be used primarily for reserving storage space within the yanNETWORK. With a supply

of 300 million $YAN, the 1:1 ratio is still to be in effect and will be provided once it is implemented within yanDNA to be receivable for storage reservation. These protocol changes for NFT support, token layer, quorum, Masternode updates and product releases has been the inspiration for the $YAN token primary use case.

REQUESTED $PAC MINT

The total amount of $PAC being requested is 2.8 billion $PAC.

This amount of $PAC does not add to the MAX supply of $PAC. Since the last mint that was taken place, over 2.8 billion $PAC has not been accessible due to the internal bug that prevented a proposal to be paid out even if the Masternode network voting results were YES. Without access to a functional OCB, we have continued to work as usual in preparation for the update we want to present to you now. The 2.8 billion $PAC requested to be minted is to be used by supporters of our development to continue to stabilize the Masternode Network, and to provide $PAC liquidity that will be needed for the different ecosystems we are putting effort into building out. An example of this is the decentralized bridge we are planning to build to be able to wrap $PAC to the ETH, BSC, and Polygon chain. Others include marketplace ecosystems for the different industries we will be targeting, which will require $PAC for NFT project creations and distribution.

PAC Protocol is a blockchain that can be built upon and presented with protocol upgrades/changes by any development company or group. All upgrades presented to the protocol by our development team are with the full intention of expanding PAC Protocol's usage and abilities. No part of PAC Protocol is core-coded to put aside any amount of $PAC to be sent directly to any development company or group; the OCB is the primary opportunity to request such amounts.

The 2.8 billion $PAC being requested in this proposal is NOT intended to be used for market/exchange activity. Pure use of this $PAC is to increase the network

stability, support and grow the PAC brand and recognition through development pathways and opportunities and continue to provide priority support and innovations to the PAC Protocol network. Ultimately some of this $PAC will be held in cold storage wallets by individual members, not the company LLC, until needed for usage. Some will be directed towards development testing for any issues or ideas that arise, while some will be sent to core supporters of the work accomplished over the last year and a half to provide optimal ability to showcase to potential partners or adopters.

The products we have delivered are powered by PAC Protocol and the need for $PAC is justified in order to be able to have trial presentations/usage. We are constantly being approached with requests for us to provide development services. As these different opportunities arise, we always want to have users of PAC Protocol enjoy any symmetry we can provide by linking PAC Protocol with possible partnership use cases. In order to do so, we need to have significant participation within the PAC Protocol ecosystem. An example of this was the ability to send 100 million $PAC to Flare Finance so users on the PAC Protocol network can enjoy what they offer upon their release.

CHAIN SWAP

The chain swap will be trustless and rigorously tested to ensure it is both easy to use and secure. On release we will have a special webpage that will give you all the information you need to swap to the new chain. Next to that we will produce videos on how to swap and create your Masternodes on the new blockchain. With people moving their $PAC to the new blockchain and effectively destroying their Masternodes the queue will be drastically shorter. To prevent exploitation of this transitional period the bridge will only allow $PAC that already currently exists before the launch of the new Blockchain. This means there is no cut off for the swap period since there will be no risk of users on the old Blockchain exploiting POS or Masternode rewards to swap over dishonestly. At chain launch it will be your choice if you want to swap to the new blockchain.

Another very important note that should be explained is the process needed to make sure the correct amount of $PAC is available for all current $PAC holders to swap over to the new Blockchain if you choose to. The following may be difficult to understand, however the explanation should be included so there are no variables not mentioned for this process. For the chain swap to be completed correctly, we need to create an amount of new $PAC that slightly exceeds the current circulating supply of $PAC and add the 2.8 billion $PAC mint request if this proposal is approved. **This will not affect the MAX supply of $PAC.** The additional $PAC that is not needed when comparing the current Blockchains circulating supply to the new Blockchain will immediately be burned in a very noticeable way when looking at the explorer. The purpose of doing this method is to negate any possibility of not being able to match the supply on both chains at the time of the swap so there are no discrepancies. To explain this in a technical way, below is the information.

We know that all addresses are just long hex strings of numbers.

For example: **PQdM6e9zkB5jF6gfJMsByJ2F3m8FtHPnDj** is viewed as: **afeb24e33f0bd1cfb6bd5bf8c45b9abad47214f9**

afeb24e33f0bd1cfb6bd5bf8c45b9abad47214f9 is significant. As it is the hashed public key (derived from a private key).

We choose the hashed result: **0000000000000000000000000000000000000000** for a public key that doesn't exist, which wasn't derived from a possible private key. The reason we chose it is because it is not spendable. It is not possible to determine either pubkey/privkey that results in that hash.

If wanting addition proof of burner address that it cannot be re-spent anymore:

Every address has script pub key, the script pub key is like a raw address which can be converted to the public address as we know.

Now - our burner address for PAC Protocol is:
P8bB9yPr3vVByqfmM5KXftyGckAtAdu6f8 and in order to see it as script pub key simply enter**: getaddressinfo P8bB9yPr3vVByqfmM5KXftyGckAtAdu6f8**

The script public key would be shown as:
76a914000000000000000000000000000000000000088ac

This plenty of zeros is an indication that this is a public address which is very impossible to generate per private key. With a private key - it would have been a randomized letters (= hex) script public key. And without the private key - the coin is effectively being burned.

More Information can be found under (version 55):
https://web.archive.org/web/20200805235643/http://earlz.net/tags/altcoin/1

This was decided as the best possible option to allow all PAC Protocol users the ability to swap over if they choose to, and to make sure that anything remaining after a complete swap matching the circulating supply at the time of the new Blockchain swap will be completely burned in a very public way for all to see and verify.

VOTING

With this proposal you vote for the release of 2,800,000,000 $PAC to PAC Global Holdings LLC. And to release the update, all proposals on PAC Protocol need a net total of 10% yes votes of all the Masternodes on PAC Protocol to pass.

HOW TO VOTE

YES

yanSAFE:

- On the bottom left click on **>_**

- Type**: gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding yes**

Core:

- In the top navigation bar click on **Tools > Debug console**

- Type: **gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding yes**

NO

yanSAFE:

- On the bottom left click on **>_**

- Type**: gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding no**

Core:

- In the top navigation bar click on **Tools > Debug console**

- Type**: gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding no**

Abstain

yanSAFE:

- On the bottom left click on **>_**

- Type: **gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding abstain**

Core:

- In the top navigation bar click on **Tools > Debug console**

- Type: **gobject vote-many a17b4bbc176beb04584da6307b46c0e7636ce4d896449e03d27480217c2d7b35 funding abstain**

HOW TO VIEW PROPOSALS

yanSAFE:

On the bottom left click on **>_**

- Type: **gobject list**
- Now you will see a list of governance objects on the PAC Protocol network. Each object (proposal) has a hash. This is to identify the object.

To view the details of a proposal use: **gobject get {HASH}**

To view the current votes of a proposal use: **gobject getcurrentvotes {HASH}**

Core:

In the top navigation bar click on **Tools > Debug console**

Type: **gobject list**

- Now you will see a list of governance objects on the PAC Protocol network. Each object (proposal) has a hash. This is to identify the object. This will also be used in other commands.
- To view the details of a proposal use: **gobject get {HASH}**
- To view the current votes of a proposal use: **gobject getcurrentvotes {HASH}**

We hope to achieve the required threshold so these features and new chain can be released to welcome a fresh experience to all those who operate on the PAC Protocol Network. This is all entirely in the hands of those operating a Masternode and willing to vote on the proposal. We encourage all to thoroughly read this proposal and understand what all our development team has put together to offer, and we sincerely give thanks to those that have supported up to this point. We understand the length of time this has taken to prepare; this should add to the confidence in our development team that due diligence and legal compliance has been followed up to this point. If you do not have a Masternode this does not mean your voice is not heard. Follow up in social forums and give your opinions, you may sway an opinion of a Masternode holder by speaking up and giving your viewpoint.

“I sincerely hope this gives a full overview of what is to come upon the proposal being accepted. I would like to give my personal gratitude to all that have supported our work, those that have helped provide budget to get to this point and those that look forward to these changes presented.” – Drew Saunders