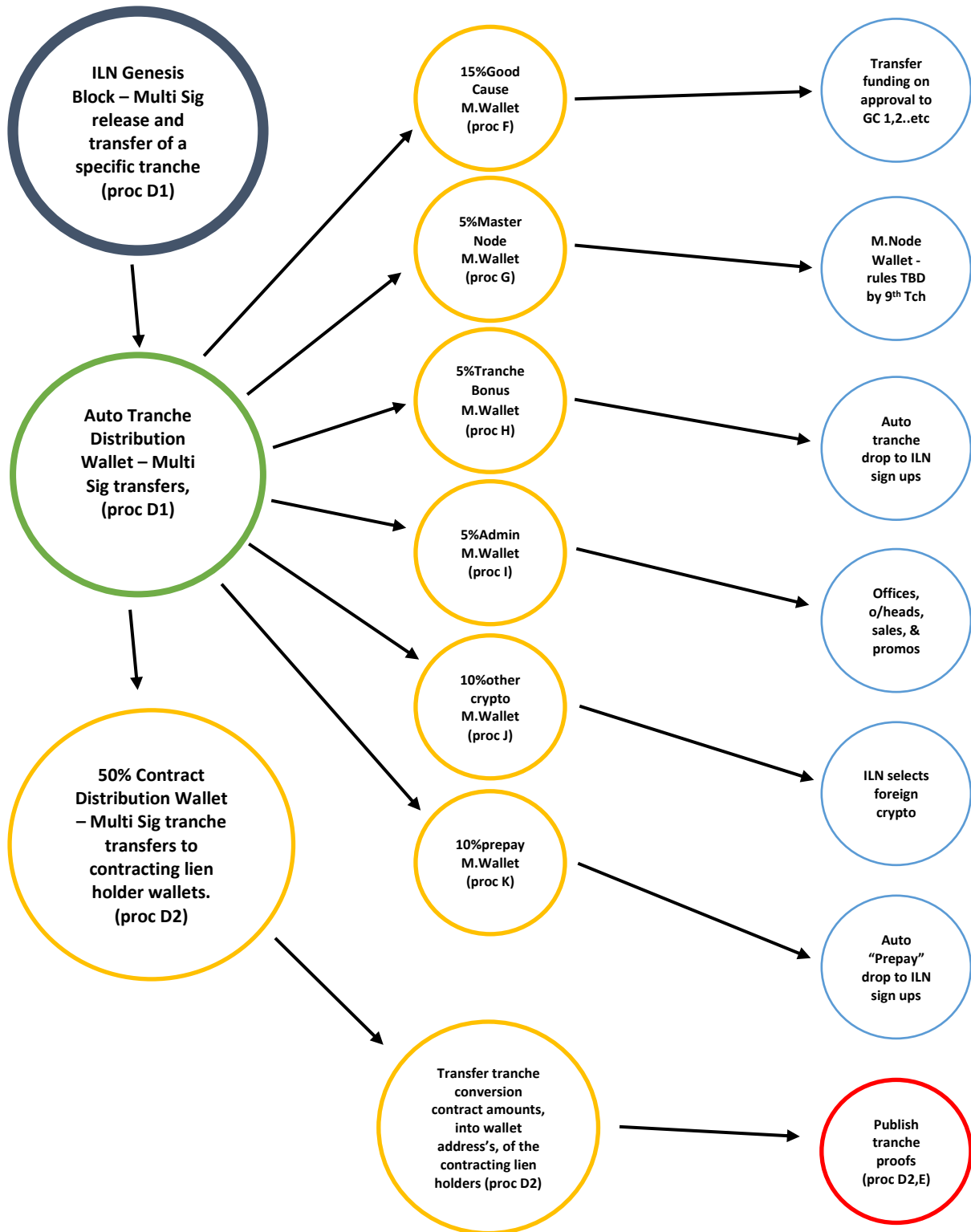


Typical Tranche Routing Procedure/Schematic – Public Procedure D3



Typical tranche routing schematic: The tranche value, created by the tranche cumulative conversion contracts, is released & activated by instruction 1, and issues by multi sig from the ILN “genesis block”; This activated tranche value, is transferred into the ”tranche distribution wallet” per procedure D1;

Typical Tranche Routing Procedure/Schematic – Public Procedure D3

The transferred amount in the “tranche distribution wallet”, is then transferred into the respective master wallets pursuant to the percentages shown in this procedure D3 (and also pursuant to the conversion contracts), and 50% of the value is transferred into the “50% Contract Distribution Wallet” for further sub distribution to the contracting lien holders, per procedure D2;

Instruction 2 per procedure D2, transfers the contracted amounts from the “50% Contract Distribution Wallet” to the wallet public address’s, of the contracting lien holders, pursuant to each conversion contract, in that tranche;

Copies of the following proofs of stake and proofs of work documents for that tranche, are uploaded and published on the blockchain or on a publishing website, namely: 1. settlement receipts, 2. satisfied and closed conversion contracts, 3. debtor forgiveness certificates, 4. satisfied and closed originating public lien notices; And further copies of these documents are issued out, pursuant to the ilien team obligations, in the conversion contracts;

Summary: The procedural schematic above is outlining the various procedures for the various distributions in relation to any tranche; This is the procedure that the team have followed for the first three tranches, however it has been agreed to make changes to the percentage distribution spreads, for 2020; The 10% allocated to friendly foreign cryptos gifting has been reduced to 5% (proc j), the mater node 5% has upgraded to 10% (proc g) and assigned as a specific ILN user bonus until master nodes come into play after tranche nine; The 10% pre pay wallet (proc k) has been assigned as a specific ILN user bonus; The reason for this is that it seemed pointless in building up a war chest of ILN coin in these wallets prior to the nine tranche handover; see section [Current status of ilien and ilien blockchain – general overview](#) in white paper for more detail on the first nine tranches; Procedure D3 will be updated during the website beta period and all tranches from four onwards will reflect the new percentages in the contractual conversion offers issued out;