



VAULTO

WHITEPAPER

**AGENTIC AI SYSTEM BUILT FOR
STABLE COINS AND PRIVATE
INVESTING**

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Contents

CONTENTS	2
INTRODUCTION	4
VISION AND MISSION OF VAULTO	5
<i>Vision.....</i>	5
<i>Mission.....</i>	5
PROBLEM STATEMENT	6
<i>Illiquidity and Inaccessibility of Private Markets</i>	6
<i>Stability and Trust Deficiencies in Stablecoins</i>	6
<i>Fragmented User Experience and Cognitive Overload</i>	7
<i>The Common Thread: A System Defined by Complexity and Disconnection</i>	7
VALUE PROPOSITION	8
AN ECOSYSTEM WHERE PRODUCTS REINFORCE EACH OTHER	8
WHY VAULTO IS DIFFERENT	9
OUR APPROACH.....	10
TEAM	12
CHARLIE BICKER CAARTEN, CO-FOUNDER & CEO	12
DAVID ANDONOVSKI, CO-FOUNDER & COO.....	13
TEAM CONCLUSION	14
DEFINITIONS	15
PROJECT OVERVIEW: THE VAULTO ECOSYSTEM	17
PERSONALIZED AI INVESTMENT ASSISTANT	17
<i>Intelligent Search & Analysis.....</i>	17
<i>Blockchain Analytics & DeFi Integration</i>	17
<i>Web3 Wallet Integration & Secure Messaging</i>	17
<i>Personalized News & Market Intelligence.....</i>	18
<i>Technology Stack & Reliability.....</i>	18
<i>Feature Summary.....</i>	18
VAULTO STABLECOINS.....	19
<i>vltUSD</i>	19
<i>vltUSDy.....</i>	20
<i>vltUSDe.....</i>	21
TOKENIZATION OF REAL-WORLD ASSETS.....	22
<i>Private Markets</i>	22
<i>SPV & Tokenization Framework</i>	23
<i>Delaware DAO SPV LLC Structure.....</i>	23
VAULTS	25
RISE OF TOKENIZED ASSETS	26
STABLECOIN GROWTH AND REGULATORY SHIFT.....	26

<i>Regulatory Shift</i>	26
<i>Stablecoin Growth</i>	27
REVENUE MODEL	28
AI PLATFORM FREEMIUM PRICING.....	28
STABLECOIN ISSUANCE AND RESERVE YIELD	28
TOKENIZATION & TRANSACTION FEES	29
API & TREASURY SERVICES	30
PROCEDURES	31
PURCHASING VAULTO TOKENS AND ASSETS.....	31
PROCEDURE FOR ISSUING DIGITAL TOKENS.....	32
RISKS	35
ISSUER-RELATED RISK FACTORS.....	35
PROJECT-RELATED RISKS	35
TOKEN-RELATED RISKS	36
MARKET RISKS	37
OTHER RISKS	37
OVERALL RISK ASSESSMENT	38
KYC AND PERSONAL DATA PROTECTION	38
CONTROLLER	38
PURPOSE OF PROCESSING AND LEGAL BASIS.....	39
DATA RECIPIENTS.....	40
DATA TRANSFERS.....	40
DATA RETENTION.....	41
USER RIGHTS	41
CONTACT	41
DISCLAIMERS & LEGAL NOTICES	42

Introduction

The global financial system is experiencing a major transformation, driven by the convergence of decentralized technology, tokenized assets, and artificial intelligence. As blockchain matures and regulatory guidelines become clearer, digital finance is rapidly moving beyond speculative crypto trading. It now encompasses real-world applications, programmable capital markets, and intelligent automation powered by AI. This new era is changing how people interact with capital, manage data, and approach risk—lowering barriers, removing intermediaries, and enabling new forms of asset ownership and portfolio management.

By 2030, tokenized real-world assets (RWAs) are projected to surpass \$10 trillion in value¹. This shift is revolutionizing the way traditional assets—like public equities, private equity, private credit, real estate, and commodities—are issued, traded, and used as collateral on-chain. At the same time, the stablecoin market has expanded to over \$266 billion in circulation as of mid-2025², with both institutional and sovereign entities embracing them for payments and settlements. Meanwhile, breakthroughs in artificial intelligence—especially in reinforcement learning and agentic systems—are reshaping consumer finance, offering always-on, personalized financial insights and decision-making that requires no human intermediaries.

Yet, despite these technological leaps, today's crypto ecosystem remains fragmented, intimidating, and largely out of reach for everyday users. Setting up wallets, interacting with smart contracts and navigating volatile markets can be overwhelming, and many real-world asset platforms remain inaccessible to the broader public, catering primarily to institutional participants. The lack of seamless AI integration, user-friendly asset management tools, and interoperable stablecoin systems continues to limit DeFi's ability to serve as a truly global, open, and intelligent financial infrastructure.

Vaulto was founded to bridge this divide.

Vaulto is building an AI-driven platform designed to make crypto and tokenized assets accessible to everyone. At the heart of our platform is a personalized AI assistant that empowers users to make informed investment decisions, manage their wallets, and execute automated strategies in real time. Users can create secure, decentralized wallets; transfer crypto; mint Vaulto stablecoins; buy fully backed, publicly traded stocks; and gain exposure

¹ McKinsey & Co

² RWA.xyz

to tokenized shares of world-leading private companies—all through an intuitive self-custodial interface.

Beyond its AI capabilities, Vaulto is establishing the foundation for a resilient, next-generation decentralized finance infrastructure—anchored by its own innovative ecosystem of stablecoins. This includes fiat-backed tokens for everyday stability, yield-bearing coins backed by short-term Treasuries, and innovative DeFi-native stablecoins backed by delta-neutral options while earning staking yields. Together, these assets provide the liquidity, stability, and flexibility needed for an integrated marketplace of tokenized real-world assets and on-chain investment opportunities.

This architecture makes Vaulto a true full-stack solution for decentralized portfolio management—seamlessly connecting crypto and traditional finance through AI-driven, real-world-ready systems.

Our founding team combines deep expertise in AI research, Web3 engineering, DeFi product development, and financial innovation. Bootstrapped and already live with our MVP at <https://vaulto.ai>, we are gaining traction across core user segments and engaging with early-stage investors. With a strong vision, an operational product, and an ambitious growth plan, Vaulto is positioned to become the intelligent gateway to digital finance for the next generation of investors.

Vision and Mission of Vaulto

Vision

Vaulto envisions a future of decentralized finance powered by artificial intelligence and tokenized assets to create an inclusive, intelligent, and self-directed investment ecosystem. We aim to remove barriers to participation in crypto and traditional markets alike, by transforming how individuals' access, manage, and grow capital through AI-native interfaces and on-chain financial infrastructure.

Mission

Vaulto is building an AI-powered financial platform that redefines how individuals engage with digital assets. Our personalized AI assistant empowers users to confidently navigate crypto markets, create fully local wallets, transfer assets, mint stablecoins, and gain access to tokenized investment opportunities—all through a seamless, self-custodied interface that removes technical friction and enhances decision quality.

But Vaulto is more than just an intelligent interface. We are architecting the core infrastructure for the next generation of decentralized finance, anchored in three strategic pillars:

- **Stablecoins:** A resilient ecosystem of fiat-backed, yield-bearing, and crypto-native stablecoins designed to provide liquidity, transparency, and dependable digital dollars.
- **Private Market Tokenization:** A framework for tokenizing real-world assets, enabling fractional access to private equity, blue-chip securities, and other traditionally gated markets.
- **Vaulting:** Smart, on-chain vaults that allow users to pool, structure, and manage capital programmatically, with transparent governance and automated distribution of returns.

Together, these components form a unified financial operating system designed to deliver access, liquidity, and AI-driven intelligence across digital and traditional markets. Vaulto empowers users not only to participate in DeFi, but to truly own their strategies, assets, and outcomes, within a secure, self-custodial environment.

Problem Statement

Illiquidity and Inaccessibility of Private Markets

Private capital markets, which represent over **\$11 trillion** in global assets, remain largely inaccessible and illiquid. Participation across segments such as private equity, real estate, structured credit, and venture assets is typically reserved for institutions or accredited investors. Even when individuals can gain access, these assets are often hindered by lengthy lock-up periods, limited tradability, and inefficient secondary markets. This persistent illiquidity not only constrains capital formation but also prevents individuals from pursuing higher-yielding, alternative investments.

Stability and Trust Deficiencies in Stablecoins

Despite underpinning much of decentralized finance, most stablecoins today continue to face challenges around design robustness and transparency. The **\$266B+** stablecoin market is still largely dominated by custodial, fiat-backed issuers, who while providing periodic attestations often operate with less transparency and public oversight than many in the community desire. Algorithmic stablecoins, although innovative, have also suffered notable failures stemming from flawed incentive structures and insufficient collateral models. In periods of heightened volatility, loss of user confidence has sometimes triggered depegging events and capital outflows, threatening stability across DeFi protocols. Without more

resilient backing mechanisms and better collateral transparency, stablecoins may continue to struggle in evolving from primarily speculative liquidity instruments into truly reliable digital dollars.

Fragmented User Experience and Cognitive Overload

For retail users, today's DeFi landscape is a labyrinth. Wallets, exchanges, protocols, and portfolio tools all operate in isolation, forcing users to navigate across multiple platforms, juggle numerous tokens, and contend with onboarding friction and a steep learning curve—limiting adoption to only the most technically proficient. Even experienced investors encounter inefficiencies, missed opportunities, and risks arising from human error or incomplete information. Meanwhile, the potential of AI to simplify, personalize, and automate these processes remains largely untapped.

The Common Thread: A System Defined by Complexity and Disconnection

While these challenges—illiquidity in private markets, instability in stablecoins, and poor user experience, may seem distinct, they are, in fact, deeply interconnected symptoms of a broader structural problem: **the absence of a unified, intelligent, and interoperable financial layer**. Without accessible tokenization frameworks, capital remains locked away. Without robust stablecoin infrastructure, liquidity is fragile. And without intuitive, AI-driven interfaces, user participation is hindered by unnecessary complexity. These inefficiencies combine to create a fragmented ecosystem where value remains trapped.

Value Proposition

Vaulto's greatest strength lies in the synergy of timing and thoughtful design. We are stepping into the market at a pivotal moment, as regulatory clarity increases, stablecoin adoption accelerates, and the growth of tokenized assets gains unstoppable momentum. The success of Circle's IPO has signaled to Wall Street that stablecoins are here to stay, lending further legitimacy to the digital asset space. Meanwhile, both private and public market tokenization are projected to swell into multi-trillion-dollar markets by 2030, unlocking entirely new realms of liquidity and investment opportunity. Simultaneously, advances in artificial intelligence are fundamentally reshaping the way individuals interact with and manage their finances.

Vaulto stands at the convergence of these powerful trends. Rather than offering just a single product, we are building an integrated ecosystem, one designed to harness these forces, multiplying utility for our users and compounding value for our investors. By aligning groundbreaking technology with shifting regulatory and market tides, Vaulto is uniquely positioned to lead the next wave of innovation in digital finance.

An Ecosystem Where Products Reinforce Each Other

Vaulto's architecture is deliberately designed so that every product flows into the next:

- **Step 1: vltUSD as the entry point.**

All participation begins by minting vltUSD. Users need it to purchase tokenized private equity shares, gain exposure to 24/7 tradable stocks, or subscribe to Vaulto's premium membership. This makes vltUSD the base currency of the ecosystem—anchoring liquidity, adoption, and fee generation.

- **Step 2: Yield-bearing upgrades**

Users who wish to put idle balances to work can seamlessly upgrade into vltUSDy, earning returns from Treasury-backed strategies. For more advanced investors, vltUSDe offers higher yield via transparent options strategies combined with low-risk DeFi lending. These layers reward users for staying within the ecosystem and provide Vaulto with sustainable revenue streams.

- **Step 3: Tokenized market access**

With vltUSD in hand, users can access fractionalized shares of blue-chip public stocks or high-growth private companies through Vaulto's Delaware DAO SPVs. Tokenization

turns previously gated opportunities into liquid, composable building blocks that can be held, traded, or used as collateral across the platform.

– **Step 4: Intelligence as the multiplier**

Vaulto's AI assistant ties it all together. Acting as a user's financial co-pilot, it recommends when to convert into yield-bearing coins, how to diversify into tokenized assets, and which vault strategies to deploy. This intelligence lowers the barrier to entry and amplifies the utility of every Vaulto product—turning complexity into a guided experience.

This creates a **self-reinforcing flow**: users mint stablecoins to participate, stablecoins drive liquidity into tokenized markets, tokenized assets deepen collateral pools, and AI ensures strategies are optimized in real time. The more users engage, the more each layer of the ecosystem compounds value.

Why Vaulto Is Different

Large corporations are moving slowly into these markets, constrained by bureaucracy, legacy systems, and cautious timelines. Vaulto is different. We are a small, deeply knowledgeable team with expertise in AI, DeFi infrastructure, and financial engineering. Our size is our advantage: in a fast-moving, volatile industry, we are agile enough to adapt, pivot, and capture opportunities that larger incumbents cannot.

Where others build in isolation, stablecoins without tokenization, tokenization without AI, or AI without liquidity, Vaulto builds a system where each component strengthens the next. For customers, that means a platform where one action unlocks multiple benefits. For investors, it means capital inflows are multiplied across stablecoin issuance, yield generation, asset tokenization, and membership services.

Vaulto's value proposition is simple yet truly distinctive: we are launching at precisely the right moment, entering the market as key technological, regulatory, and adoption trends converge. Our ecosystem is carefully architected so that each product not only stands strong on its own but also amplifies the capabilities and benefits of the others—creating powerful network effects for both users and investors. This level of integration enables seamless user experiences and unlocks new forms of utility, compounding value as more components come online.

Just as important, our team operates with the agility and resilience required to thrive in one of the world's fastest-evolving industries. We move quickly, adapt to changing market conditions, and continually iterate on our technology and strategies. This agility gives us the

unique advantage to anticipate shifts, respond to emerging trends, and seize opportunities as the landscape of digital finance transforms.

By combining impeccable timing, an integrated ecosystem, and a nimble, visionary team, Vaulto is uniquely positioned to set the pace for the next generation of financial innovation.

Our Approach

Vaulto is not starting from zero, we have already shipped our MVP: a live AI-powered investment assistant that integrates real-time crypto data, blockchain analytics, wallet management, DeFi yields, and news aggregation into one seamless interface. This foundation demonstrates our ability to execute and validate user demand for an intelligent, conversational gateway into digital finance.

Building on this core, our approach is to expand systematically, sequencing new products so that each reinforces the others:

Step 1: AI as the Gateway

Our MVP personalizes the digital finance experience, allowing users to analyze markets, manage wallets, and discover DeFi opportunities through a conversational interface. This establishes the first user touchpoint and distribution channel for every future product.

Step 2: Blue-Chip Public Stock Tokenization

Next, users will be able to buy fully backed, tokenized shares of blue-chip companies directly through Vaulto. This expands utility beyond crypto into 24/7 access to traditional equity markets, but with blockchain-native ownership and liquidity.

Step 3: vltUSD Launch

The foundation of our financial layer, vltUSD, is the on-chain stable dollar that powers all interactions across the platform. It will be the medium of exchange for tokenized stock purchases, future private equity access, and Vaulto memberships—ensuring stablecoin demand is directly tied to product adoption.

Step 4: Yield-Bearing and Crypto-Native Stablecoins

Following the launch of vltUSD, we will expand with two differentiated stablecoins:

- vltUSDy, a yield-bearing dollar backed by short-term Treasuries, designed for users seeking low-risk, dollar-denominated returns.
- vltUSDe, an innovative, crypto-native stablecoin using options strategies and conservative DeFi yields to target 8–10% APY.

Together, these coins diversify user options while creating a liquidity engine that channels capital back into our ecosystem.

Step 5: Private Market Tokenization

Finally, Vaulto will open access to traditionally gated opportunities in private markets, fractionalizing investments into \$50k-per-company Delaware SPVs. This allows investors to use their vltUSD to gain exposure to private equity and other alternative assets, deepening liquidity and creating the kind of RWA marketplace that large institutions are only beginning to explore.

An Ecosystem by Design

This phased approach ensures that each launch compounds the value of the last: AI drives adoption → adoption drives stablecoin demand → stablecoins unlock tokenization → tokenization fuels vaults and yield strategies → AI ties it all together. Unlike larger incumbents, our small and highly specialized team can move fast, adapt to market changes, and continuously ship products in this volatile environment.

Team

Charlie Bicker Caarten, Co-Founder & CEO

Charlie Bicker Caarten is a rising senior at UCLA, where he is completing a dual major in Economics and Data Science. His academic foundation combines rigorous quantitative training with economic analysis, providing him with the ability to approach financial markets and decentralized systems from both a technical and strategic perspective. This dual lens has shaped his career trajectory, which has consistently focused on applying data science, software engineering, and economic modelling to real-world financial challenges.

Prior to founding Vaulto, Charlie built and deployed multiple blockchain-based applications. These include **StateChain**, a real estate tokenization platform designed to fractionalize property ownership; **Palisades Rebuild**, a disaster-relief fundraising initiative that leveraged tokenization to raise and distribute funds directly to victims; and **Runna**, a decentralized rideshare system governed entirely through smart contracts. Each project demonstrated his ability to bridge user needs with blockchain innovation, validating both his technical skill and his vision for real-world adoption of Web3.

Charlie's professional background includes roles in **data engineering, software development, and management consulting**, where he has applied his expertise in financial modelling, software engineering, and data science. His projects at UCLA and abroad have ranged from developing real-time cloud-based financial dashboards to building comprehensive investment notebooks in Google Colab that integrate sentiment analysis, options pricing models, and multi-factor market indicators. His work reflects a capacity to design systems that combine cutting-edge AI tools with practical financial applications, ensuring they are not only technically robust but also aligned with user demand.

As **Co-Founder and CEO of Vaulto**, Charlie leads the company's strategic direction, product roadmap, and market positioning. He is responsible for aligning the platform's technical architecture with its broader vision: bridging Web3 infrastructure, asset-backed stablecoins, and tokenized real-world assets with an AI-powered financial assistant. Under his leadership, Vaulto has already launched its MVP, attracted an early user base and establishing the foundation for its upcoming stablecoin suite and tokenization initiatives. Charlie's role extends beyond vision and strategy—he remains deeply involved in the technical development of the platform, ensuring Vaulto maintains a competitive edge in execution, scalability, and compliance.

In addition to his academic and entrepreneurial work, Charlie is a member of Mensa International, underscoring his aptitude for problem-solving and critical reasoning. This analytical strength complements his practical experience in financial software engineering and blockchain development, positioning him as both a strategist and builder. His leadership

style is defined by an ability to synthesize complex systems into accessible user experiences, a skill that is central to Vaulto's mission of democratizing access to sophisticated financial tools.

David Andonovski, Co-Founder & COO

David Andonovski is a rising senior at the University of California, Los Angeles (UCLA), majoring in Business Economics with a minor in Data Science. He has consistently excelled academically, achieving a 3.8 GPA, earning placement on the Dean's Honor List five times. David also completed coursework at The Wharton School of the University of Pennsylvania, where he studied financial markets and the global economy, earning top marks. This combination of academic rigor and practical exposure has positioned him at the intersection of economics, data, and finance.

At just **21 years old**, David already has over a year of professional experience at one of the world's leading asset management firms, **Oppenheimer & Co. Inc.** He most recently served as an **Equity & Derivatives Trading Intern** on Oppenheimer's top-performing private client team, supporting the lead trader in executing multi-leg derivatives strategies—including vertical spreads, covered calls, and protective puts—for ultra-high-net-worth clients. His responsibilities included market monitoring, options strategy development, delta hedging, and portfolio Greeks management, giving him firsthand experience in high-pressure trading environments.

Earlier, David worked as a **Portfolio Management Associate Intern** at Oppenheimer Asset Management, a division managing **\$5.7 billion in client assets**. There, he gained exposure to portfolio optimization, tax-advantaged real estate strategies, and comprehensive risk management. He played a direct role in securing a new 1031 tax-deferred investment solution for client portfolios, demonstrating his ability to combine financial structuring with practical execution. Beyond Oppenheimer, David also worked as a **Summer Analyst at KB Publikum Invest**, contributing to asset performance analysis and portfolio rebalancing for a \$100 million fund, and at **Nextsense**, where he supported international financial system deployments across Europe and Africa.

As **Co-Founder and Chief Operating Officer of Vaulto**, David leads the company's financial strategy, and private equity tokenization initiatives. He is responsible for designing the **private market tokenization framework**, including the use of Delaware DAO SPV LLC structures to fractionalize access to high-growth private equity. His background in asset management informs Vaulto's approach to risk, compliance, and market positioning, ensuring that the company's products align with both institutional standards and retail accessibility.

David has also demonstrated leadership beyond the workplace. At UCLA, he serves as **President of the Scholars of Finance chapter**, mentoring peers and engaging in thought leadership at the intersection of ethics and capital markets. He has held leadership roles in international Model United Nations and European Parliament programs, showcasing his ability to operate effectively in global and interdisciplinary environments.

Committed to building a long-term career in finance and Web3 innovation, David has already passed the **Securities Industry Essentials (SIE) exam** and is preparing to sit for the **FINRA Series 7 exam** within the coming months, positioning himself to be a fully registered securities professional. His unique combination of **traditional finance experience, academic excellence, and entrepreneurial drive** makes him ideally suited to lead Vaulto's operational and financial strategy, bridging institutional credibility with Web3 innovation.

Team Conclusion

The financial world is changing faster than ever before, and the winners will be those who can adapt at the pace of innovation. Vaulto was built on that principle. Our approach is not about waiting for legacy institutions to catch up, but about setting the standard for how capital will move, grow, and be managed in a decentralized, AI-augmented economy.

What makes Vaulto different is not just what we are building, but how we are building it. Every product we launch is designed to flow into the next, multiplying its utility for the customer and creating a compounding effect across the ecosystem. Stablecoins provide the entry point, tokenization unlocks new markets, vault's structure capital efficiently, and AI ties it all together into a user experience that feels effortless. This is not a collection of products, it is a financial operating system designed to scale.

Our team is small, but deliberately so. We are agile, adaptable, and unencumbered by bureaucracy. Each of us brings domain expertise that has already been tested in high-stakes environments, from trading desks to tokenization platforms, and we are prepared to evolve quickly as the industry does. In a space where timing and adaptability matter as much as vision, Vaulto has both.

We are not simply participating in this transformation; we are determined to lead it.

Charlie Bicker Caarten, Co-Founder & CEO

David Andonovski, Co-Founder & CFO or COO

Definitions

- **White Paper:** A formal disclosure document prepared by Vaulto LLC that outlines the company, its products, associated risks, and technical infrastructure, enabling investors and users to make informed decisions.
- **Artificial Intelligence (AI):** Advanced computational systems capable of analyzing large datasets, generating insights, and executing tasks traditionally requiring human intelligence. In Vaulto’s platform, AI powers the investment assistant, delivering real-time analytics, portfolio management, and automated strategy execution.
- **Blockchain:** A decentralized and distributed digital ledger that records transactions securely and immutably across a network of computers, ensuring transparency and eliminating the need for centralized intermediaries.
- **Decentralized Wallet:** A non-custodial digital wallet that allows users to securely acquire, store, and transfer cryptocurrencies or tokenized assets without reliance on a third-party custodian. Ownership and access are maintained exclusively by the user via private keys.
- **Stablecoin:** A digital currency designed to maintain a stable value relative to a reference asset, such as the U.S. dollar, gold, or a diversified basket of assets. Vaulto’s stablecoin ecosystem includes fiat-backed, yield-bearing, and crypto-native stablecoins.
- **Tokenization:** The process of converting rights to real-world assets (RWAs)—such as stocks, bonds, commodities, or private equity—into blockchain-based tokens that can be traded, fractionally owned, and transferred with enhanced liquidity.
- **Real-World Assets (RWAs):** Physical or financial assets originating in traditional markets (e.g., equities, private credit, real estate, or commodities) that are digitized and made accessible via blockchain tokenization.
- **Private Markets:** Financial markets for assets not listed on public exchanges, including private equity, venture capital, and private credit. Vaulto provides fractionalized and tokenized access to such traditionally exclusive opportunities.
- **Vault:** A blockchain-native investment vehicle where users allocate capital into structured strategies or pools. Vaults are governed by smart contracts that programmatically manage funds and distribute returns.
- **Smart Contract:** A self-executing program deployed on a blockchain that automatically enforces and executes financial agreements or transactions when predefined conditions are met.

- **Minting:** The issuance of new digital tokens (such as Vaulto stablecoins or tokenized securities) on a blockchain in exchange for collateral or deposits.
- **Burning:** The process of permanently removing digital tokens from circulation, typically by sending them to an irretrievable blockchain address, in order to maintain supply balance or enable redemption against reserves.
- **Custodial / Escrow Reserves:** Safeguarded accounts where fiat or crypto assets are held by trusted third parties to guarantee the stability, liquidity, and redemption of Vaulto's stablecoins.
- **Collateralization:** The practice of backing a digital asset (such as a stablecoin) with underlying reserves—whether fiat currency, commodities, or tokenized securities—to maintain stability and mitigate risk.
- **Liquidity:** The degree to which an asset can be quickly bought, sold, or exchanged without materially affecting its market price. Vaulto's ecosystem is designed to provide deep liquidity for stablecoins and tokenized assets.
- **DeFi (Decentralized Finance):** A blockchain-based financial system that offers services such as payments, trading, and yield generation without intermediaries, relying instead on smart contracts and decentralized protocols.
- **KYC/KYB (Know Your Customer / Know Your Business):** Regulatory compliance processes used to verify the identity of individuals (KYC) and organizations (KYB) before granting access to financial products, ensuring security and adherence to legal standards.
- **AI Assistant:** Vaulto's proprietary digital agent that provides personalized market insights, risk assessment, and trade execution through a conversational interface, enhancing decision-making and accessibility for users.

Project Overview: The Vaulto Ecosystem

Personalized AI Investment Assistant

The Vaulto AI platform is a comprehensive, AI-powered investment assistant that seamlessly integrates real-time cryptocurrency data, blockchain analytics, and intelligent search capabilities to deliver personalized insights and portfolio management tools. It is designed to act as the user's gateway into digital finance, combining the depth of blockchain data with the accessibility of natural language interaction.

Intelligent Search & Analysis

The assistant leverages multiple AI models, including GPT-4o mini and Perplexity, to power an advanced search interface. Users can ask natural language questions about market conditions, specific cryptocurrencies, or investment strategies and receive real-time, streaming responses that combine live market data with AI-generated analysis. Vaulto provides comprehensive cryptocurrency monitoring, including live TradingView price feeds, sparkline charts, and detailed metrics such as 24h, 7d, and 30d price changes, market capitalization, and trading volume. Coverage spans major assets including Bitcoin, Ethereum, and over 50 additional cryptocurrencies, with data sourced from CoinGecko and CoinMarketCap APIs.

Blockchain Analytics & DeFi Integration

Beyond market data, the platform delivers sophisticated blockchain analytics, including real-time transaction monitoring, and address-level insights. DeFi opportunities are surfaced directly in the interface, with integrated staking and yield data, complete with risk assessment and APY comparisons across protocols such as liquid staking, native staking, and DeFi yield farming.

Web3 Wallet Integration & Secure Messaging

Vaulto integrates seamlessly with Web3 wallets through WalletConnect v2, supporting networks such as Ethereum, Base, and Optimism. Users can manage portfolios, initiate transactions, and monitor balances directly within the platform, with secure wallet backup and recovery features built in. The assistant also provides a **portfolio allocation view**, helping users understand their asset distribution across chains and tokens in real time.

For transfers, Vaulto introduces a unique **two-factor authorization via messaging**. Before sending funds, users can send a message directly to the recipient wallet and verify their identity through a personal question or confirmation, reducing the risk of scams and

impersonation. In an environment where crypto holders are frequently targeted by fraud, this feature establishes a new level of trust and security for peer-to-peer transfers, empowering users to transact with confidence.

Personalized News & Market Intelligence

A built-in aggregation engine delivers real-time cryptocurrency and blockchain news, filtered and prioritized by relevance to user interests and market impact. Intelligent caching and fallback systems ensure consistent delivery even during outages, helping users stay informed in volatile markets.

Technology Stack & Reliability

Vaulto is built on Next.js 14 with a modern React architecture, using real-time streaming APIs, intelligent caching, and responsive design principles for a smooth user experience across devices. Advanced error handling and redundancy systems ensure platform stability even during network or API interruptions.

Feature Summary

- **Market Sentiment Analysis:** AI-powered analysis of crypto market trends and sentiment.
- **Portfolio Tracking:** Real-time monitoring of holdings with performance metrics.
- **Risk Assessment:** Automated evaluation of DeFi protocol risks and yields.
- **Transaction History:** Comprehensive on-chain activity tracking with analytics.
- **Multi-Chain Support:** Seamless interaction across multiple blockchain networks.
- **Secure Transfers:** Built-in messaging verification to prevent scams during wallet-to-wallet transactions.

In summary, the Vaulto AI platform represents a **next-generation investment assistant**: a fusion of artificial intelligence, live blockchain data, and intuitive design. It equips users with the insights and tools they need to make informed investment decisions in the rapidly evolving cryptocurrency market, transforming what is today a fragmented, complex process into a guided and intelligent experience.

Vaulto Stablecoins

vltUSD

vltUSD is the foundational stablecoin of the Vaulto ecosystem: a fully collateralized, dollar-pegged digital currency designed to provide reliability, liquidity, and compliance as the entry point for all Vaulto products.

Users mint vltUSD by depositing either traditional fiat currency or supported cryptocurrencies. Fiat deposits are safeguarded in segregated custodial accounts at well-established U.S. banks, with balances insured by the FDIC up to statutory limits. These accounts are maintained separately from company operating funds, ensuring depositor protection and transparency. When users deposit cryptocurrencies, the assets are transferred into audited smart contracts that govern the minting process, after which the protocol issues an equivalent amount of vltUSD.

Every single vltUSD is **backed 1:1 by reserves** held in custody in U.S. dollars or equivalent liquid assets such as Treasuries and government money market funds. Put simply, each vltUSD functions as a digital receipt for one U.S. dollar (or dollar-equivalent) stored securely in reserve. From an investor's perspective, this means that if there are 100 million vltUSD in circulation, there are also 100 million dollars (or equivalents) held securely in banks and reserve accounts. Holders can always redeem vltUSD for the same amount of fiat or supported crypto, ensuring stability, preventing dilution of value, and guaranteeing that the token consistently maintains its \$1 peg under normal market conditions.

Reserves are managed through a **two-tier structure**:

- **Custody** is handled through regulated U.S. banking partners, ensuring full segregation and proof-of-reserves reporting.
- **Asset Management** is delegated to licensed managers who place reserves into short-term Treasuries and government money market funds.

Yields generated by vltUSD's reserves are not distributed to vltUSD holders but are redirected exclusively to vltUSDy holders as part of Vaulto's premium yield model. **Only premium subscribers holding vltUSDy benefit from reserve yield distribution**, creating a clear differentiation between the two products.

In addition to financial safeguards, Vaulto has placed a strong emphasis on technical resilience. The smart contracts that power vltUSD have undergone extensive internal testing and are in the process of being audited by leading Web3 cybersecurity firms. These audits validate the robustness of the minting, burning, and redemption mechanisms, ensuring user funds remain secure under all conditions.

By combining **1:1 collateralization**, **FDIC-insured custodial protection**, **professional reserve management**, and **independent security audits**, **vltUSD** provides a uniquely compliant and transparent alternative to existing stablecoins. It represents the base layer of trust and liquidity across the Vaulto ecosystem—powering tokenized stock purchases, private market investments, premium memberships, and future yield-bearing stablecoin products.

vltUSDy

vltUSDy is Vaulto’s **yield-bearing stablecoin**, available exclusively to premium members through the Vaulto+ subscription. It maintains the same \$1 peg as vltUSD but provides holders with stable, predictable returns from traditional financial instruments, amplified by Vaulto’s unique yield distribution model.

The minting process mirrors that of vltUSD: users deposit fiat or supported crypto, which is transferred into smart contracts before being off ramped into U.S. dollars. From there, the reserves follow a **two-tiered structure**:

Custody: Fiat deposits are held in segregated accounts with well-established U.S. banks, insured by the FDIC up to statutory limits. These custodial arrangements ensure that capital is fully protected, transparent, and independent of Vaulto’s operating accounts.

Asset Management: Once custodial placement is secured, reserves are allocated by licensed, independent asset managers into highly liquid, short-term U.S. Treasuries and regulated government money market funds. At present, these instruments yield approximately 4.5% APY.

Enhanced Yield Distribution

Unlike conventional stablecoins, vltUSDy holders benefit from two distinct yield streams:

- The direct returns generated by the reserves backing **vltUSDy** itself.
- A **secondary yield stream**, sourced from the Treasuries and money market funds backing vltUSD. Instead of being retained by the protocol, these additional returns are redistributed exclusively to **vltUSDy** holders.

This design creates a multiplier effect: as adoption of vltUSD grows and its reserves expand, vltUSDy holders receive proportionally higher rewards. Depending on the scale of reserves, effective yields for vltUSDy can reach **up to 7% annually**, positioning it as one of the most attractive yield-bearing stablecoins in the market.

By combining **full 1:1 collateralization**, **FDIC-insured custodial protection**, **professional asset management**, and **access to compounded yield streams**, vltUSDy transforms a

stablecoin into a next-generation digital savings instrument. For Vaulto+ members, it represents both a store of value and a vehicle for steady, transparent, and enhanced income.

vltUSDe

vltUSDe is Vaulto's **crypto-native yield-bearing stablecoin**, pegged 1:1 to the U.S. dollar and **collateralized by Ethereum deposits**. Unlike fiat-backed stablecoins, vltUSDe is anchored directly in ETH, with reserves deployed into **structured options strategies** and **conservative DeFi lending protocols**. This design allows it to maintain dollar stability while targeting a blended return of **8–10% APY**, offering holders both reliability and attractive yield.

Collateralization & Options Strategy

When users mint vltUSDe, they deposit ETH into a smart contract vault. This ETH is immediately allocated into a **delta-neutral options strategy** designed to eliminate exposure to ETH's price direction while capturing consistent premium income. The primary approach is an **iron condor** structure, which involves simultaneously buying and selling calls and puts at staggered strike prices.

This strategy earns predictable returns from ETH's volatility while neutralizing directional risk. Unlike speculative options trading, the focus is not on price bets but on generating stable premium income from liquidity demand in ETH options markets.

Dynamic Delta-Neutral Hedging

To ensure resilience under extreme conditions, the strategy is engineered to adjust automatically. If ETH volatility rises above predefined thresholds, the smart contract will readjust strike prices and widen the condor spreads to maintain neutrality.

- Under normal volatility, the condor is tighter, maximizing income.
- When volatility spikes, the spreads widen, reducing exposure.

This self-correcting mechanism ensures the vault remains risk-neutral and the stablecoin's peg remains intact—even during sharp ETH price swings.

Supplementary DeFi Yield

Any ETH collateral not required for options margin is deployed into **low-risk DeFi yield** sources, such as overcollateralized lending (e.g., Aave, Compound) or blue-chip liquidity pools. These additional yields, combined with options premiums, produce a blended annual target return of **8–10%**, depending on minting levels and prevailing market conditions.

Yield Distribution

All returns are aggregated and distributed directly to holders via monthly airdrops, proportional to their holdings. Users do not need to stake or lock tokens—simply holding vltUSDe entitles them to their share of protocol-generated yield.

Risk Management & Transparency

- **ETH Collateralization:** Every vltUSDe is backed 1:1 with ETH-based reserves.
- **Delta-Neutral Options:** Structured strategies eliminate exposure to ETH's price while harvesting volatility premiums.
- **Automated Hedging:** Strike prices dynamically reset when volatility thresholds are breached, widening spreads to ensure risk neutrality.
- **On-Chain Proof:** Each vault has a dedicated Ethereum address, enabling public verification of reserves in real time.
- **Prudent DeFi Allocation:** Only reputable, highly liquid DeFi protocols are utilized for supplementary yield.
- **Independent Audits:** All contracts undergo third-party audits, and reserves are continuously monitored to preserve stability.

Role in the Ecosystem

vltUSDe completes Vaulto's stablecoin suite by offering a crypto-native, ETH-backed alternative that complements the fiat-based stability of vltUSD, and the Treasury-yield returns of vltUSDy. Together, the three coins provide users with a spectrum of choices, ranging from maximum stability to traditional yield, to crypto-native yield, anchored in a unified and transparent ecosystem.

Tokenization of Real-World Assets

Private Markets

Private equity is one of the largest and fastest-growing asset classes globally, with trillions of dollars in value locked away in privately held companies. Yet access remains severely restricted. Under current SEC rules, investors must qualify as "accredited", earning at least \$200,000 annually (\$300,000 jointly with a spouse) or holding over \$1 million in net worth (excluding their primary residence). Even for accredited investors, allocations into high-growth private companies are scarce, typically reserved for ultra-high-net-worth individuals, institutional funds, or insiders.

This has created a market defined by **illiquidity, exclusivity, and inefficiency**. Employees and early investors in private companies often have no liquidity options for years, while retail investors are shut out of the fastest-growing companies in the world, from OpenAI to SpaceX, until they go public, by which time much of the upside has already been realized.

Vaulto's mission is to **democratize private market access** by tokenizing ownership in privately held companies, making it possible for everyday investors to participate with as little as **\$100**.

Accredited Investor Qualification

Vaulto LLC itself will operate as the accredited investor of record, either by holding \$5 million in assets under management or through the accredited status of its co-founders. This allows Vaulto to legally purchase shares of privately held companies through the same mechanisms institutional investors use today.

Acquisition Pathways

Vaulto plans to acquire private company equity through two primary channels:

- **Secondary Marketplaces:** Platforms such as EquityZen, Forge, or MicroVentures facilitate transactions with existing shareholders (employees, early investors). These marketplaces typically require a \$50,000 minimum per company. Vaulto will register, verify accreditation, and purchase shares through their escrow and compliance processes.
- **Direct Purchases:** In certain cases, Vaulto may negotiate directly with founders, employees, or early backers seeking liquidity. These transactions generally require company approval due to right-of-first-refusal (ROFR) provisions but can offer direct access to high-demand equity.

SPV & Tokenization Framework

Vaulto LLC, or its designated SPV entities, will qualify as an accredited investor and acquire shares of leading private companies through one of the two methods previously discussed. By centralizing ownership within Vaulto's SPV, the portfolio company sees only one entry on its cap table, ensuring compliance and cap-table cleanliness.

Delaware DAO SPV LLC Structure

Once acquired, shares are placed into a Delaware DAO SPV LLC, a purpose-built vehicle that holds the equity on behalf of token holders.

- Fractionalization: Vaulto issues blockchain-based tokens that represent pro-rata ownership of the SPV. Each token = indirect ownership of the private-company shares.
- Legal Protection: Shares remain securely custodied by the SPV; token holders' rights are contractually tied to the LLC, not the underlying issuer.

This structure mirrors how top secondary platforms manage allocations, but Vaulto adds blockchain transparency, fractional ownership, and 24/7 liquidity.

Investor Protections & Liquidity

- Security of Ownership: The SPV legally owns the shares, while token holders own membership interests in the SPV. This ensures enforceable rights even if the underlying company changes its policies or undergoes restructuring.
- Exit Liquidity: If the company IPOs, is acquired, or undergoes another liquidity event, the SPV liquidates its equity position and distributes proceeds pro-rata to token holders. Someone who committed \$100 could see returns typically reserved for million-dollar investors.
- Secondary Trading: Tokens will be listed on blockchain-based secondary exchanges. Holders may trade their positions freely, bringing liquidity to an asset class that is otherwise locked up for years.

Democratizing Access to Elite Companies

Vaulto's plan is to focus on the most successful and highest-growth private companies in the world, names like OpenAI, SpaceX, Anduril, and Perplexity. Historically, ownership in these firms has been restricted to ultra-high-net-worth individuals, sovereign wealth funds, and top-tier venture firms. By fractionalizing \$50,000 equity purchases into tokens as low as \$100 per unit, Vaulto will allow retail investors to participate in the same wealth-creation opportunities as the financial elite.

This is not only democratization, but also financial inclusion at scale. For the first time, the average investor will be able to build a diversified portfolio of private market holdings, accessing opportunities that were previously impossible to touch.

The Selling Point: Exclusivity Meets Accessibility

Private equity has historically outperformed public markets, yet only a fraction of investors could ever access it. Vaulto unlocks this asset class for the masses. The exclusivity of owning shares in companies like SpaceX or OpenAI, combined with the growth potential of such firms, creates an irresistible proposition. For retail investors, it is a once-in-a-generation chance to gain exposure to the world's most transformative companies early, with liquidity

built into the design. For Vaulto, it represents a massive user acquisition driver, attracting not just crypto-native investors but a much broader audience of ambitious retail investors eager to claim their share of the future.

Vaults

Vaults are at the heart of Vaulto's investment infrastructure: **on-chain, programmable investment vehicles** that allow users to pool capital into structured strategies with transparency, automation, and built-in governance.

At their core, Vaults function as **permissioned smart contracts** deployed on the Ethereum blockchain. Contributors send funds directly to a registered vault address, where assets are securely held under smart contract control. Only the vault creator — who must meet predefined governance and compliance criteria — has permission to deploy the pooled capital into investment strategies. This could range from traditional instruments such as Treasuries, to DeFi strategies like staking, lending, or liquidity provision, to allocations into tokenized real-world assets.

What makes Vaults powerful is their **automated distribution logic**. When the underlying strategy is liquidated, or yield is generated, the smart contract programmatically calculates and pays out each contributor's share based on their proportional ownership of the vault. This removes the need for intermediaries, eliminates manual reconciliation, and ensures that returns flow **directly and trustlessly** to participants.

Unlike traditional pooled funds, Vaulto Vaults are:

- **Transparent:** Every transaction, allocation, and return can be tracked on-chain in real time.
- **Programmable:** Strategies can be structured with conditional logic (e.g., yield reinvestment, stop-loss triggers, or auto-conversion into stablecoins).
- **Composable:** Vaults can integrate directly with Vaulto stablecoins and tokenized assets. For example, a vault may accept vltUSD deposits, allocate into tokenized private equity, and automatically redistribute returns in vltUSDy for yield compounding.
- **AI-Enhanced:** Vaulto's AI assistant can recommend vault strategies tailored to user profiles, risk tolerance, and market conditions, bridging personalized advice with automated execution.

For investors, Vaults represent a **secure, flexible, and transparent alternative** to hedge funds or asset managers, with significantly lower barriers to entry. For strategy creators,

they provide a compliant, on-chain framework to attract capital, manage investments, and build track records in an open ecosystem.

By embedding Vaults into the broader Vaulto platform, we are building a system where **stablecoins provide liquidity, tokenized assets provide access, and vaults provide structured growth**, together forming a unified financial operating system.

Rise of Tokenized Assets

From the site rwa.xyz which is widely considered the most accurate and up to date information about tokenization. The market is currently \$25.26B. But if you include stablecoins in this number (which are arguably tokenized assets), the number skyrockets to \$286B. With the value of tokenized assets expecting to exceed \$10T by 2030. These numbers are expected to grow dramatically in the next couple years. Currently the leader in tokenized assets (excluding stablecoins) is Private Credit. Platforms like Morpho, Aave and Compound lead this charge by creating over-collateralized decentralized lending opportunities which are more equitable than traditional finance. The rates through the DeFi space are typically far below equivalent rates in the traditional market. These comparisons are not always fair though as the TradFi Private Credit industry requires high interest to reduce monetary risk due to significant under collateralization. DeFi solves this problem by ensuring that all people are overcollateralized leading to riskless lending for the provider and lower rates as discussed above.

Stablecoin Growth and Regulatory Shift

Regulatory Shift

Under the Biden Administration the head of the SEC, generally the organisation which provides the most risk to crypto organizations, the head was Gary Gensler. He generally ruled the organisation as “regulation by enforcement” meaning that the SEC would simply decide on their own accord whether they believed any organisation was doing something which

they felt was against SEC rules. The problem with this was there wasn't enough clarity about what activities were or were not allowed. Which led a lot of companies to be persecuted by the SEC simply because they were even unsure about the regulatory state. This has since changed under president Trump. He has appointed a new SEC chair Paul Atkins, a self-proclaimed crypto advocate. Since the beginning of Trump's term two key pieces of legislation have been passed, the GENIUS Act, a stablecoin bill defining reserve requirements, design architecture, ensuring complete regulatory certainty. In addition the CLARITY Act was passed effectively aiming to better distinguish jurisdictions between the SEC and the CFTC, with the overall goal of “pushing toward clear, implementable rules rather than case-by-case actions.

These two acts have created an immense sense of relief within the crypto community which was followed by a period of significant growth in the ecosystem. Furthermore, Chair Atkins has announced Project crypto which he describes as a roadmap to modernize securities rules for blockchain, support tokenization and coordinate with parallel congressional efforts. We believe under this very soon coming regulation we will be given a completely new market to seize.

Stablecoin Growth

The IPO of stablecoin issuer Circle sent waves through Wall Street earlier this year, with shares soaring nearly 250% on IPO date. What the crypto industry has known for years is starting to be understood by TradFi institutions, the conventional dollar is dead. Money can be moved faster and cheaper through tokenization. The entire stablecoin industry has reached an estimated \$250billion growing nearly 22% in just 2025 alone.

Revenue Model

AI Platform Freemium Pricing

Vaulto's platform follows a **freemium-to-subscription model**, designed to maximize accessibility while creating structured pathways for monetization. At the entry level, users can freely access essential features such as **wallet creation, secure crypto transfers, cross-wallet messaging, and the AI-powered search navigator**. This open-access strategy lowers barriers to adoption, allowing new users to immediately experience the platform's utility.

To drive conversion into paying tiers, Vaulto introduces **progressive feature limitations**. For example, new users enjoy unlimited searches through the AI navigator at onboarding, but after five queries, the assistant's data sources narrow to a limited set (GPT-4 mini, Perplexity, and CoinMarketCap). Unlocking broader intelligence, deeper analytics, and advanced capabilities requires upgrading to a subscription tier. This creates a natural funnel that rewards initial exploration while encouraging active users to convert into subscribers.

Vaulto offers its premium subscription, Vaulto+, at **\$7 per month if paid yearly** or **\$9 per monthly if each month**, deliberately priced to be accessible while building a scalable revenue base. Subscribers unlock expanded AI search, enhanced analytics, and, most importantly, access to Vaulto's advanced financial infrastructure: yield-bearing stablecoins (vltUSDy and vltUSDe), curated private market investments, and personalized portfolio automation. Over time, this segmentation ensures that stablecoin adoption and tokenized asset participation are directly linked to premium membership.

By tying subscription revenue to both software utility and financial enablement, Vaulto creates a self-reinforcing ecosystem. The freemium layer attracts mass users at no cost, while subscription tiers monetize engagement and deepen participation across Vaulto's stablecoin and RWA products, scaling user growth and revenues in tandem.

Stablecoin Issuance and Reserve Yield

The stablecoin layer represents one of Vaulto's most powerful revenue engines. By design, each coin in the Vaulto ecosystem is structured to either **retain yield for the protocol** or **share it with premium users**, creating a balanced model of financial stability and customer incentive.

Yield Allocation Across Products:

- **vltUSD**: Functions as the base-layer stablecoin. Reserve yields from Treasuries and money market funds are retained within the protocol, strengthening liquidity buffers and providing Vaulto with a consistent, risk-free income stream.
- **vltUSDy**: Reserved for Vaulto+ subscribers, this coin distributes not only the yield from its own reserves but also a portion of the reserve income generated by vltUSD. This dual-yield mechanism enables holders to capture **enhanced returns of up to ~7% APY**, scaling as vltUSD adoption grows.
- **vltUSDe**: Designed for advanced users, this stablecoin generates yield through **delta-neutral Ethereum strategies** (e.g., iron condors with adaptive strike prices) combined with low-risk DeFi lending. By programmatically rebalancing strategies, the system maintains a \$1 peg while targeting **8–10% APY**, with monthly distributions to holders.

Revenue Engine for Vaulto:

The protocol monetizes this layer through two mechanisms:

- **Yield Spread**: retained earnings from vltUSD reserves and management fees on yield-bearing products.
- **Adoption Scaling**: as circulation of vltUSD expands, the yield distributed to vltUSDy grows proportionally, driving more users to upgrade to Vaulto+, while Vaulto retains the base yield stream.

This structure allows Vaulto to capture the reliability of traditional reserve yields while offering users differentiated products across the risk-return spectrum. In effect, stablecoins are not just infrastructure, they are **recurring, compounding revenue assets** that scale with ecosystem adoption.

Tokenization & Transaction Fees

Tokenization is not only a cornerstone of Vaulto's product strategy but also a high-margin revenue driver. By providing a compliant, blockchain-based framework for fractionalizing private equity, Vaulto earns fees from both **investors** and **issuers** at different points in the lifecycle.

Investor Tokenization Fees

When new investors purchase fractional tokens representing ownership in a private company via Vaulto's SPV structure, a small **issuance fee** is applied. This mirrors placement

fees in traditional private equity but is far more accessible, as investors can participate with as little as \$100 instead of \$50,000+.

Issuer & Exit Fees

The largest source of revenue comes from the **companies, funds, or early shareholders** seeking liquidity. Whether it is a VC fund spinning off a portfolio position, a private company raising fresh growth capital, or an early employee exiting pre-IPO shares, Vaulto charges a **structuring and tokenization fee**. These fees are higher than investor fees, reflecting the premium value of unlocking liquidity for previously illiquid assets.

Revenue Flywheel

- **New Investments** → Investors pay issuance fees to access previously exclusive private market deals.
- **Liquidity Events** → Companies, VCs, or founders pay structuring/exit fees to unlock liquidity.
- **Network Growth** → More tokenized deals attract more investors, increasing issuance activity and reinforcing the platform's liquidity pool.

This dual-sided fee structure ensures that Vaulto captures value at both ends of the transaction lifecycle, modest issuance fees when investors enter new tokenized offerings, and higher structuring fees when companies, funds, or shareholders tokenize or exit positions. Together, these revenue streams create a balanced model that grows in line with platform activity while maintaining alignment with both investors and issuers.

API & Treasury Services

Beyond retail investors, Vaulto will generate institutional income through API integrations and treasury management solutions. The Vaulto API will provide direct programmatic access to stablecoin issuance, redemption, and transaction monitoring, enabling fintechs, exchanges, and payment platforms to embed Vaulto stablecoins and tokenized assets into their own products.

For institutions, Vaulto will also offer white-labeled treasury services, allowing firms to hold reserves in vltUSD or vltUSDy, automate compliance reporting, and optimize yield through integrated money market allocations. These services extend Vaulto's infrastructure into B2B channels, creating recurring, service-based revenue streams.

By combining API monetization with treasury and compliance tools, Vaulto positions itself not only as a retail platform but as a backbone infrastructure provider for the broader digital asset ecosystem.

Procedures

Purchasing Vaulto Tokens and Assets

All users who successfully complete Vaulto's identification process, as described in Section 13 (KYC and Personal Data Protection), are eligible to purchase Vaulto's digital tokens, including stablecoins (vltUSD, vltUSDy, vltUSDe) and tokenized real-world assets (RWAs).

The purchase process follows these steps:

1. Account Registration

- The Investor visits www.vaulto.ai and selects the desired product (e.g., stablecoin minting, private market token, or Vaulto+ membership).
- The Investor registers a new account or logs into an existing account using verified credentials.
- Registration includes completing the Know Your Customer (KYC) or Know Your Business (KYB) process, conducted directly on the Vaulto platform via an integrated, regulated third-party provider.

2. Identity Verification

- Vaulto collects identity information as outlined in Section 13, including government-issued ID, proof of address, and for institutional investors, corporate registration data.
- Verification is performed instantly through the integrated service, with results securely stored under compliance standards.

3. Wallet Connection

- The Investor connects their personal blockchain wallet to the Vaulto platform (via WalletConnect or another integrated service).
- Vaulto never takes custody of users' private keys.

4. Purchase Request

- The Investor specifies the number of tokens to be purchased (e.g., \$500 of vltUSD, or \$100 fractional interest in a tokenized private company).
- The platform automatically calculates the equivalent value based on prevailing prices and displays the summary to the Investor.

5. Payment Methods

Investors may fund purchases using:

- Supported cryptocurrencies (ETH, USDC, USDT) transferred directly into Vaulto's audited smart contracts.
- Fiat payments via Stripe, which enables seamless connectivity to: Bank accounts (ACH, wire), Debit cards, Credit cards, and PayPal (where supported).

This multi-rail approach allows global investors to participate using the payment method most convenient to them.

6. Settlement & Token Delivery

Once payment is confirmed:

- For **stablecoins**: Tokens (vltUSD, vltUSDy, vltUSDe) are minted by smart contracts and transferred directly to the Investor's linked wallet.
- For **tokenized RWAs**: Tokens representing fractional SPV ownership are distributed to the Investor's wallet. These tokens are tradeable on supported secondary exchanges.

Transfers typically occur **within 1 business day** of confirmed payment.

7. Post-Purchase Confirmation

- The Investor receives an on-platform notification and email receipt confirming the completed transaction.
- All holdings are visible in the Investor's Vaulto dashboard, including balances, historical purchases, and performance analytics.

Note: Once payment has been made and tokens have been issued, purchases are final and cannot be cancelled.

<https://sepolia.etherscan.io/token/0x9B616E86c5fB5b4f4096aBa174F0aD0dc79467a8>

Procedure for Issuing Digital Tokens

Vaulto's token issuance framework is built on the Ethereum network using upgradeable smart contracts deployed under the UUPS proxy standard. This design ensures flexibility, transparency, and long-term resilience while maintaining compliance with evolving regulatory requirements. The platform supports a suite of three specialized stablecoins:

- **vltUSD**: A fully collateralized stablecoin pegged to the U.S. dollar, requiring 140% minimum collateralization and supported by multiple collateral types through Chainlink oracle-based validation. KYC/AML verification is mandatory prior to minting.
- **vltUSDe**: An ETH- and LSD-backed stablecoin that employs delta-neutral hedging strategies (e.g., iron condors) and integrates staking rewards. The contract enforces real-time collateral ratios with liquidation at defined thresholds to preserve stability.

- **vltUSDy**: A yield-bearing stablecoin structured under the ERC-4626 vault standard, backed by short-term U.S. Treasuries and money market funds. Holders accrue yield automatically, with rates updated via oracles that track Treasury benchmarks.

All contracts implement role-based access control covering minting, burning, compliance, yield management, and liquidation functions. Oracle integrations are secured with staleness checks, deviation thresholds, and fallback feeds. Official smart contract addresses are published on Vaulto’s website after each deployment or upgrade.

Risk Management and Contingency

Vaulto embeds multiple safeguards to protect token holders and ensure continuity of operations:

- **Emergency Pause**: Authorized administrators can pause/unpause minting or redemption in case of anomalies.
- **Oracle Redundancy**: Multi-source oracle support with deviation monitoring to prevent manipulation.
- **Upgradeable Architecture**: UUPS proxies allow contract upgrades without disrupting user balances.
- **Reentrancy Protection**: All external calls are safeguarded to prevent recursive exploits.
- **Circuit Breakers**: Automated triggers for abnormal market or contract behavior, with manual override options.

In the event of a critical incident requiring migration, Vaulto will notify token holders via its website, email, and in-app alerts. Replacement tokens will always preserve parity and user rights.

Smart Contract Parameters

Each stablecoin issuance is governed by parameters codified on-chain:

- **Configuration**: Token type, contract address, maximum supply, and upgradeable implementation logic.
- **Issuance Conditions**:
 - **vltUSD**: KYC verification, 140% collateralization, supported asset classes, and mint/burn limits.
 - **vltUSDe**: ETH/LSD collateralization, 140% ratio, 130% liquidation threshold, and staking reward accrual.

- vltUSDy: U.S. Treasury and money market asset backing, ERC-4626 compliance, and APY rate logic.
- User Balances: Real-time tracking of token holdings, collateral ratios, debt positions, and accrued yields.
- Administrative Controls: Role-based permissions, including MINTER, BURNER, KYC_OPERATOR, and COMPLIANCE roles.
- Compliance Features: Integrated blacklist controls, mint/burn restrictions, and regulatory reporting functions.

Issuance Process

The process for acquiring tokens is standardized across the ecosystem:

1. Payment – Investors contribute supported cryptocurrencies (ETH, USDC, USDT) or fiat through integrated processors such as Stripe.
2. Wallet Setup – Investors connect or create a blockchain wallet via standard Web3 interfaces. Vaulto never takes custody of wallets or private keys.
3. Verification – For vltUSD, investors must complete KYC/AML checks before issuance.
4. Minting – Upon payment confirmation:
 - vltUSD: Instantly minted against collateral deposit.
 - vltUSDe: Minted with immediate staking and collateral ratio enforcement.
 - vltUSDy: Minted with yield accrual starting from issuance.
5. Ownership – Tokens are delivered directly to the investor’s wallet. Holders gain full legal and beneficial ownership, including redemption rights, yield entitlement, and participation in liquidation distributions.

By combining Ethereum’s security guarantees, a compliance-first issuance process, and robust risk controls, Vaulto ensures that its stablecoins remain transparent, resilient, and trustworthy. The framework is designed not only to safeguard investors under current regulatory standards but also to adapt to future market and compliance developments, reinforcing Vaulto’s commitment to building the next generation of compliant digital finance.

Risks

Issuer-Related Risk Factors

Limited Operating History

Vaulto LLC is an early-stage company founded in 2025. While the team has significant experience across finance, asset management, Web3 development, and AI systems, the business itself has limited operating history and financial track record. The Vaulto platform is live in MVP form, but large-scale commercial adoption is still unproven.

Risk mitigation factor: The founding team combines domain expertise in asset management, trading, blockchain engineering, and AI deployment, with prior experience building and scaling production-grade applications. Vaulto's phased rollout — beginning with its AI platform, then stablecoins, then private market tokenization — allows the company to validate product-market fit before scaling capital-intensive operations.

Limited Founding Capital

At present, Vaulto operates with limited initial funding. Outside of the MVP, the company does not yet hold significant assets or reserves beyond founder contributions and early revenues. This means its ability to absorb operational shocks is constrained.

Risk mitigation factor: Funds raised through this offering will be used to strengthen reserves, fund stablecoin collateralization, and acquire initial private equity positions for tokenization. Additionally, Vaulto has engaged in ongoing investor discussions to ensure adequate runway, and the stablecoin model itself creates recurring cash flows from issuance and reserve yields that will scale with adoption.

Project-Related Risks

Stablecoin Regulatory Risk

Stablecoins are at the center of ongoing regulatory scrutiny in the United States and abroad. Shifts in regulation, for example, capital requirements, licensing rules, or outright restrictions, could materially impact Vaulto's ability to issue and manage its stablecoins.

Risk mitigation factor: Vaulto's structure is designed to align with anticipated U.S. legislation (e.g., CLARITY and GENIUS Acts), with reserves custodied at regulated U.S. banks and asset management delegated to licensed managers. This approach mirrors market leaders (USDC, PYUSD), while enhancing transparency via proof-of-reserves and smart contract audits.

Tokenization of Private Markets

Tokenizing private equity is complex. Risks include company refusal to approve transfers (via Right of First Refusal clauses), limited liquidity in secondary marketplaces, or changes in securities law that restrict fractionalization of SPVs.

Risk mitigation factor: Vaulto will acquire shares through regulated secondary marketplaces (e.g., Forge, EquityZen) and place them in Delaware DAO SPVs. These SPVs ensure clean legal custody of the equity, while tokens represent pro-rata LLC ownership. Should an underlying company IPO or be acquired, the SPV will liquidate and distribute proceeds to token holders. This design preserves enforceability and ensures investor protections.

Dependence on External Partners

Vaulto relies on external partners such as custodial banks, payment processors (Stripe), blockchain infrastructure providers, and licensed asset managers. Disruptions with these partners could temporarily impair Vaulto's services.

Risk mitigation factor: Vaulto employs a multi-partner strategy, with backup custodians and redundant infrastructure. Funds are segregated in custodial accounts, and token issuance is designed to be chain-agnostic, allowing migration if needed.

Token-Related Risks

Loss of Private Keys

As with any blockchain-based system, token ownership depends on safeguarding private keys. Loss of access could result in permanent loss of funds.

Risk mitigation factor: Vaulto integrates optional key-recovery mechanisms, cross-wallet messaging, and two-factor verification features to reduce risks of user error or scams. However, ultimate responsibility remains with token holders.

Smart Contract Irregularities

Flaws in smart contract code could expose tokens to vulnerabilities, including minting errors or hacks.

Risk mitigation factor: Vaulto's stablecoin and RWA contracts undergo independent third-party audits by leading Web3 security firms. Continuous monitoring and upgrade mechanisms allow for patches in the event of newly discovered risks.

Cybersecurity & Hacker Attacks

As a Web3-native platform, Vaulto may be targeted by hackers seeking to exploit vulnerabilities in contracts, wallets, or APIs.

Risk mitigation factor: Vaulto's architecture applies multi-layered security controls, including bug bounty programs, penetration testing, and compliance with cybersecurity best practices (SOC 2, ISO27001 where applicable).

Market Risks

Crypto Market Volatility

Demand for Vaulto's products is linked to the broader crypto ecosystem, which is highly volatile. Extended bear markets may reduce demand for new stablecoins or tokenized assets.

Risk mitigation factor: Vaulto's model is designed for resilience, with stablecoins backed by fiat reserves, yield streams from Treasuries, and tokenized RWAs tied to real-world assets that remain attractive in any market cycle.

Liquidity Risks

While tokens are designed to be redeemable, liquidity constraints could arise if counterparties, custodians, or asset managers face stress. Similarly, secondary trading of tokenized private equity may be thinner than anticipated.

Risk mitigation factor: Vaulto builds reserve buffers and only partners with highly liquid, short-term Treasury markets. For RWA tokens, Vaulto will launch with reputable secondary exchanges and introduce buyback windows if necessary.

Other Risks

- **Macroeconomic Risks:** Inflation, interest rate hikes, or recessionary pressures may reduce investor appetite for alternative assets.
- **Regulatory Uncertainty in AI:** As Vaulto integrates AI-driven investment advice, future regulation around AI-driven financial guidance could impact product scope.
- **Geopolitical Risks:** Global conflicts, sanctions, or restrictions on capital flows could affect Vaulto's international investor base.
- **Execution Risks:** As a lean, early-stage team, Vaulto must scale quickly without sacrificing compliance, security, or user trust.

Overall Risk Assessment

While Vaulto operates in a highly dynamic sector, the combination of **regulated banking partners, institutional-grade asset management, audited smart contracts, and diversified revenue streams** significantly reduces operational and investor risk. Nonetheless, prospective investors should recognize that this is an early-stage venture in a fast-moving industry. Vaulto represents a **high potential but high-risk investment**, and participants should only allocate capital they are willing to put at risk.

Warning: Investments in Vaulto digital tokens are not insured by the FDIC, SIPC, or equivalent investor protection schemes. Neither the U.S. government, the SEC, nor other regulatory bodies guarantee or backstop Vaulto tokens.

KYC and Personal Data Protection

Vaulto is committed to ensuring the highest standards of compliance, security, and user privacy in all of its operations. As a platform that issues stablecoins, tokenizes assets, and facilitates AI-driven financial services, Vaulto collects and processes personal data in accordance with applicable U.S. and international regulations, including the **EU General Data Protection Regulation (GDPR)**, **U.S. federal and state data protection laws**, and **anti-money laundering (AML) and counter-terrorist financing (CTF) requirements**.

This section informs users and investors about the **purposes of processing personal data, the legal basis for such processing, the rights of data subjects, and Vaulto's security commitments**.

Controller

Vaulto LLC acts as the **data controller** for personal data collected during the onboarding process, issuance of stablecoins, use of the AI platform, and participation in tokenized investment opportunities.

Vaulto processes only the data necessary for specific, clearly defined purposes, and retains it only for as long as required by regulation or contractual necessity. Data accuracy, minimization, and user control are central to Vaulto's approach. Personal data is safeguarded through **technical, organizational, and contractual measures** designed to protect it from unauthorized access, misuse, or unlawful processing.

Purpose of Processing and Legal Basis

Vaulto processes personal data under several legal bases, including the fulfilment of contractual obligations, compliance with financial regulations, fraud prevention, and legitimate business interests.

Contractual Processing

When registering on the Vaulto platform, users must complete a Know Your Customer (KYC) process. For individuals, this includes:

- Full name, date of birth, address, nationality
- Email and contact number
- Government-issued identification (passport, driver's license, or ID card)
- A live verification photo (selfie)

For institutions, Vaulto requires company details (name, registration number, tax ID, address) and representative identity documents.

This data is required to establish user accounts, verify identity, and fulfill obligations under smart contract-based transactions. Failure to provide this data prevents access to stablecoins, Vaulto+, or tokenized asset purchases.

AML/CTF Compliance

Vaulto has strict obligations to comply with **U.S. FinCEN requirements**, the **Bank Secrecy Act**, and international AML/CTF laws. Vaulto integrates with regulated third-party providers (e.g., Sumsub or equivalent services) to conduct KYC/KYB checks, sanctions screening, politically exposed person (PEP) checks, and risk scoring.

Collected data may include ID document metadata, biometric verification (facial match), and screening results. Vaulto retains these records as required by law and ensures they are stored securely.

Transactional Data

When users purchase stablecoins or tokenized assets, Vaulto records wallet addresses, transaction histories, and smart contract interactions. Wallet metadata may also be processed to detect fraud, scams, or suspicious activity.

Vaulto does not collect private keys, users remain in control of their wallets.

Marketing & Platform Improvements

With user consent, Vaulto may process email addresses, phone numbers, and engagement data to provide product updates, personalized content, and targeted recommendations. Consent is optional and can be withdrawn at any time.

Data Recipients

Vaulto may share personal data with:

- KYC/AML service providers (e.g., Sumsub)
- Custodian banks and licensed asset managers (for fiat and reserve operations)
- Payment processors (for fiat deposits/withdrawals)
- Auditors, regulators, and legal advisors (for compliance)
- Technology partners (cloud hosting, fraud detection, data analytics)

All recipients operate under binding confidentiality and data processing agreements, ensuring compliance with GDPR and equivalent standards.

Data Transfers

Where data is transferred outside the U.S. or EU, Vaulto applies **appropriate safeguards** such as **Standard Contractual Clauses (SCCs)**, **binding corporate rules**, and due diligence of service providers.

Data Retention

Vaulto retains KYC and transaction data only for as long as required by applicable law, typically **5–7 years under financial regulations**. After retention periods expire, data is securely deleted or anonymized. Marketing data is stored only until consent is withdrawn.

User Rights

Vaulto enables all users to exercise their data protection rights, including the right to:

- Access and obtain copies of their personal data
- Request corrections or deletion of inaccurate data
- Restrict or object to certain processing activities
- Withdraw consent (for marketing or optional services)
- Request data portability (where applicable)
- File complaints with data protection authorities

Requests are handled within statutory timeframes (typically 30 days).

Contact

For inquiries or to exercise data rights, users may contact Vaulto at:

- General Support: support@vaulto.ai

Vaulto will respond to all verified requests within the legally prescribed timeframes.

Disclaimers & Legal Notices

A Traditional Disclaimer

vltUSD is intended to be redeemable by eligible holders on a 1:1 basis for U.S. dollars and is supported by reserves that may include U.S. dollars and U.S. Government Money Market Funds. Holders who acquire vltUSD in the secondary market may be required to complete applicable onboarding and compliance checks before redemption. Bridge services are provided by third-party providers (e.g., Chainlink CCIP) directly between wallet holders and such providers.

No legal, tax, investment, or other advice is provided. Consult your advisors regarding your circumstances. Digital assets carry risk, including price volatility and potential loss. Digital asset venues may not provide the same protections as other financial products and are subject to evolving regulation. Digital assets are not legal tender and are not covered by deposit insurance. Past performance is not indicative of future results.

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