$KWEG
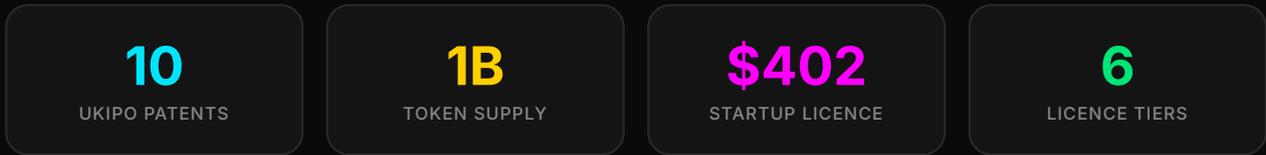# TOKENOMICS

How the IP Vending Machine works. Graduated software licences. Identity-bound activation. **The token IS the licence.**

10	1B	$402	6
UKIPO PATENTS	TOKEN SUPPLY	STARTUP LICENCE	LICENCE TIERS

DOCUMENT

$KWEG Tokenomics — Public Overview

How the graduated software licence works.

CLASSIFICATION

PUBLIC DOCUMENT

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What Is $KWEG?

$KWEG is a **graduated software licence** to a 10-patent portfolio filed at the UK Intellectual Property Office (UKIPO). It is **not** a security. It is **not** a bearer instrument. The bonding curve (F-010 patent) prices tokens deterministically — no market-maker, no order book. Buy from the curve, sell back to the curve.

> ### THE CORE PRINCIPLE
>
> The token IS the licence. The licence IS on the blockchain. Holding $KWEG grants you tiered commercial rights to the patent portfolio. The more tokens you hold, the higher your licence tier, the more you can do with the IP.

The 6 Licence Tiers

TIER	NAME	$KWEG REQUIRED	CURVE COST	RIGHTS
0	Read	1	~Free	View patent abstracts, public documentation
1	Research	10,000	~$0.50	Full patent text, reference in academic work
2	Startup	1,000,000	~$402	Build commercial products using the patents
3	Enterprise	10,000,000	~$40,200	Unlimited commercial deployment, sublicensing
4	Patent Lab	100,000,000	~$4.02M	Direct input into patent extraction process
5	Governance	1,000,000,000	~$100.5M	Governance participation, portfolio direction

> ### DETERMINISTIC PRICING
>
> The bonding curve is a mathematical function — not a market. Every token has a fixed price determined by total supply sold. No slippage. No manipulation. The curve is the pricing mechanism, defined by patent F-010 filed at UKIPO.

The Bearer Instrument Question (Not Howey)

The conventional approach asks: "Is this a security?" (the Howey test). That is the wrong question. The real regulatory question is: **"Is this a bearer instrument?"**

Why Bearer Shares Were Abolished

Bearer shares — corporate equity determined entirely by physical possession — were abolished globally. Not because of how returns are generated, but because of three structural defects:

1. Anonymous Governance

Whoever holds the instrument controls voting rights. No registry of who actually governs. Pseudonymous addresses enable concealed control.

2. Untraceable Transfers

Instruments change hands without identity records. Beneficial ownership is invisible to regulators and tax authorities. AML frameworks are defeated by design.

3. Concealed Ownership

A single actor can accumulate controlling stakes across multiple pseudonymous addresses. No beneficial-ownership registry. The structure of the instrument defeats transparency.

$KWEG + $401 IDENTITY = NOT A BEARER INSTRUMENT

$KWEG with **$401 Confidence Level 2** (Veriff KYC via Bit-Sign.online) solves all three defects. Beneficial owners are identified. Transfers are traceable between verified identities. Governance power is transparent.

$401 Confidence Levels

Level 0 — Self-Attested	Handle claimed, token minted
Level 1 — Signed Bundle	Encrypted identity bundle at Bit-Sign.online
Level 2 — Third-Party Verified	Veriff KYC — document verification
Level 3 — Publicly Attested	Level 2 + public record (press, filings, video)

Licence Activation
& $WONG

$KWEG can be purchased without KYC — it is a software licence. To **activate** the licence (lock $KWEG and earn participation benefits), you need $401 Confidence Level 2+ identity verification via Veriff KYC at Bit-Sign.online.

The Activation Model

BUY $KWEG

Press the vending machine at kwegwong.com. No KYC required. You receive $KWEG tokens — a graduated software licence to the patent portfolio.

Status: Inactive licence (tradable)

ACTIVATE LICENCE

Verify identity via Veriff KYC at Bit-Sign.online ($401 Level 2+). Lock your $KWEG. Receive $WONG 1:1. Earn participation benefits from protocol activity.

Status: Active licence (earning)

What Is $WONG?

$WONG is a **$403 security token** — a tradable receipt for an active licence commitment. The activation boundary (locking $KWEG → receiving $WONG) IS the $402/$403 boundary. You don't need KYC to buy from a vending machine ($402). You DO need KYC to hold a security ($403). $WONG can only exist in the hands of $401 Level 2+ verified holders. When you lock $KWEG, you receive $WONG 1:1. $WONG is **freely tradable** — a liquid claim on your locked $KWEG position. When you deactivate, you return $WONG to the issuer and receive your $KWEG back.

The $WONG Lifecycle

LOCK → RECEIVE → TRADE → UNLOCK → RETURN

1. Lock $KWEG

Activate your licence by locking $KWEG against your $401 Level 2+ verified identity.

2. Receive $WONG (1:1)

Receive $WONG tokens equal to the $KWEG locked. $WONG is your activation receipt.

3. Trade $WONG Freely

$WONG is a $403 security token. Trade, hold, or transfer it. It represents a liquid claim on locked $KWEG.

4. Unlock $KWEG

To deactivate your licence, initiate an unlock. Your locked $KWEG is released back to you.

5. Return $WONG to Issuer

$WONG is returned to The Bitcoin Corporation. It is not burned — it returns to the issuer.

Revenue Model

The $KWEG vending machine generates revenue through two press tiers. 100% of press revenue is distributed to **activated licensees** — not "stakers," not "investors." Active licensees earn because they participate in the licensing ecosystem.

1¢	**$0.99**
PENNY PRESS	VIDEO PRESS
$KWEG tokens + meme	$KWEG tokens + clip + meme

Revenue Distribution

Every press of the vending machine	→ Generates revenue
Press revenue (100%)	→ Activated licensee pool
Distribution basis	→ Pro-rata to activated $KWEG

Issuer cut: **0%** | Platform cut: **0%** | To activated licensees: **100%**

Activated Licensee Benefits

LICENCE FEE REBATES

100% of vending machine revenue is distributed as licence fee rebates to active ecosystem participants. This is not a dividend — it is a benefit of holding an active licence.

CREATIVE DIRECTION

$WONG holders have access to creative direction input, the patent extraction lab (at higher tiers), and governance participation for the IP portfolio.

THE FRAMING MATTERS

This is not passive income from holding tokens. This is a **licence fee rebate** to active participants in a licensing ecosystem. Activated licensees earn because they have committed identity-verified capital to the patent portfolio. The mechanism is structurally identical to a loyalty programme for licence holders.

The Protocol Stack

Three HTTP-status-code protocols form the regulatory taxonomy. Each protocol handles a distinct layer: identity, commerce, and securities. $KWEG operates across all three.

$401 — Identity — The Passport

On-chain identity protocol at **path401.com**. 4 confidence levels (Self-Attested → Publicly Attested). Veriff KYC via **Bit-Sign.online** activates Level 2 (Third-Party Verified). Identity strength and confidence level are independent axes.

$402 — Commerce — The Vending Machine

Content and commodity tokens at **path402.com**. $KWEG is a $402 token (graduated software licence). No KYC required to purchase. The vending machine is the retail interface. The activation boundary (locking $KWEG → receiving $WONG) is where $402 ends and $403 begins.

$403 — Securities — The Stock Certificate

Securities tokens requiring KYC at **path403.com**. Requires $401 Confidence Level 2+ (Veriff KYC). **$WONG is a $403 security token** — the activated licence position that earns revenue share. $WONG can only exist in hands of $401 Level 2+ verified holders. This is the use case $403 was designed for.

How The Stack Connects

Veriff KYC → **Bit-Sign.online** (signs identity certificate) → **$401 Confidence Level 2**
↓
$KWEG licence activation unlocked — lock $KWEG ($402), receive $WONG ($403)
↓
$WONG IS the $403 use case — KYC-required security representing activated licence position

$401
IDENTITY

$402
COMMERCE

$403
SECURITIES

Frequently Asked Questions

"Is $KWEG a security?"

$KWEG is a graduated software licence to a 10-patent portfolio. The regulatory question is not whether it passes the Howey test — it is whether the instrument is a **bearer instrument**. With $401 Confidence Level 2 identity verification (Veriff KYC), $KWEG has identified beneficial owners, traceable transfers, and transparent governance. It is not a bearer instrument. It is a licence.

"Do I need KYC to buy $KWEG?"

No. You can purchase $KWEG from the vending machine without any identity verification. KYC (via Veriff at Bit-Sign.online) is only required to **activate** your licence — lock $KWEG, receive $WONG, and earn participation benefits from protocol activity.

"What is $WONG?"

$WONG is a **$403 security token** issued 1:1 when you activate (lock) your $KWEG. The activation boundary IS the $402/$403 boundary — you don't need KYC to buy $KWEG from the vending machine ($402), but you DO need $401 Level 2+ KYC to receive $WONG ($403). It represents a liquid claim on your locked licence position and earns revenue share. $WONG is freely tradable among verified holders. When you deactivate your licence, $WONG is returned to the issuer (The Bitcoin Corporation).

"Where does the revenue come from?"

Every press of the vending machine generates revenue. The penny press (1¢) yields $KWEG tokens and a meme. The video press ($0.99) yields $KWEG tokens, a Grok-generated clip, and a meme. **100%** of press revenue goes to activated licensees as licence fee rebates.

"Can I trade $KWEG?"

Yes. $KWEG is tradable on **fnews.online**. The licence transfers with the tokens — whoever holds the $KWEG holds the corresponding licence tier rights to the patent portfolio.

"What if the patents aren't granted?"

The licence is a **contractual right** independent of patent prosecution outcome. The patents are filed at UKIPO and are publicly searchable. Even if a specific patent is not granted, the licence remains valid as a commercial agreement for the IP portfolio.

CONCLUSION

The token is the licence.
The licence is on the blockchain.
Identity makes it compliant.

$KWEG is a graduated software licence to a 10-patent portfolio filed at UKIPO. The bonding curve prices tokens deterministically. Identity verification via $401 + Veriff KYC ensures beneficial owners are identified, transfers are traceable, and governance is transparent.

The regulatory question is not "is this a security?" The question is "is this a bearer instrument?" With identity-bound activation, the answer is no. $KWEG is a compliant, identity-verified software licence on the blockchain.

Press the vending machine. Activate your licence. Join the ecosystem.

LINKS

kwegwong.com/patents — Patent portfolio

kwegwong.com/licence — Licence terms

path401.com — $401 Identity protocol

fnews.online — Trade $KWEG

bit-sign.online — Veriff KYC + $401

path402.com — $402 Commerce protocol ($KWEG)

path403.com — $403 Securities protocol ($WONG)

Download this document: **kwegwong.com/kweg-tokenomics.pdf**

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