

New Life

A Blockchain Token-based E-commerce Platform

New Life, the first landing App combined blockchain-based Token economy with e-commerce, is ready to overturn the traditional business model and production relations. Members of this community play not only the part of the seller or consumer but the platform owner. Each participant can now begin to reap the benefits in this brand-new business ecosystem.

White Paper

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Summary

Against the backdrop of global economic integration, global e-commerce has been witnessing a rapid growth in its Gross Merchandise Volume (GMV). Thanks to the progress made in Internet technology, platforms, payment instruments and logistics technology, along with the positive factors—stronger purchasing power, security requirement, curiosity, and pricing, the number of user in the e-commerce platforms is climbing, with an increasing growth in personal online shopping spending month by month. These trends herald a faster and promising progress in e-commerce in the near future.

While e-commerce, admittedly, is still confronted with many difficulties and challenges in the course of its rapid development. E-commerce platforms as the actual owner of traffic and data, have manipulated the access and management of data and profit distribution. The users, vital contributors in e-commerce platforms, are placed into an unfair situation, as evidenced by the fact that their personal data is seized and used, while failing to get benefits matching with their contributions. Apparently, it is the users who are squeezed.

New Life is a blockchain-based and token-oriented e-commerce platform. With the aim of ensuring yields shared by all, New Life will harness the power of brand-new production relations and business models for the innovation in e-commerce industry. Only with a simple click can you download New Life APP, then you can make a purchase through the APP. Be the success of download or in-app purchase, you can get a free NLF Token. As a share of Proof of Stake (POS) in New Life, NLF Token can be realizable in digital asset trade platforms, more importantly, making it possible for you to enjoy the growing profits shared by New Life. The vision of New Life's business is that the user can be a producer, consumer, even owner.

1. Overview of E-Commerce Development

The twenty-first century has seen the strong momentum of the information technology revolution over the world. Amid that, e-commerce, as a novel transaction method, has been rapidly spread and applied throughout the world, bringing about a profound changing in our production and way of life.

With the impressive headway made in global e-commerce, e-retailing as a proportion of retail sales has risen significantly, particularly in North America and Asia. Statistics from eMarketer indicate that the GMV of e-retailing around the world, from 2011 to 2016, increased from US \$0.86 trillion to US \$1.92 trillion, registering an average annual growth of 17.4%. Accompanied by the increasing smartphone ownership, consistently mounting usage of Internet, and rapidly rising emerging market, the next five years will still see a double-digit growth in global e-retailing. It is estimated that over US \$4 trillion will be obtained in global e-retailing GMV in 2020, accounting for 14.6% of total retail sales, compared with 7.4% in 2016.

E-commerce is applied early and widely in Europe and the United States. In 2016, E-retailing GMV in America reached US \$371 billion, a 8.5% increase from 2015, accounting for nearly 8% of total retail sales in America. At moment, 80% manufacturers in America possess their own websites, while 60% small businesses, 80% medium-sized companies, and 90% large-sized companies get access to carry out e-commerce applications. 2015 witnessed that the value of B2C transactions made by 28 EU countries amounted to EUR €407.4 billion, a 13.4% increase. The top-five market shares fell in Britain, France, Germany, Spain, and Italy, accounting for 77.5% of total volume in EU e-commerce market; while top-five penetration rate of online shopper fell in Britain, Denmark, Luxembourg, Germany, and the Netherlands, all exceeding 70%.

E-commerce features a large volume and rapid development in Asia. Although e-commerce originated in Europe and the United States, it has flourished in Asia.

Asia's contribution to global e-retailing GMV reached 46%, with an average annual growth over 20% in China, India and Malaysia. From 2013 to date, e-retailing GMV in China has ranked first in the world. Among the top-ten e-commerce enterprises, China owns four, while Japan, one. Over the past few years, e-commerce market in India has maintained a high growth rate of approximately 35%. When it comes to the number of netizen worldwide, 28% turns out to be Chinese and Indian, which is followed by an annual increase of 100 million netizens in China and India. This signifies that giant yields delivered by netizens will continue to be the powerhouse for the development in Asian e-commerce market.

E-commerce features a small scale and large potential in Latin America, the Middle East and North Africa. Latin America, one of the fastest-growing regions in the world for B2C e-commerce, has remained double-digit growth in volume of transactions over the past five years. In 2015, its volume of transactions hit US \$59 billion. Three things are cited as major factors behind the potential of the e-commerce in Latin America: the growing yields delivered by netizen; the more convenient and widespread access to Internet; the local technical innovations. While in Africa, rigid demand is counted as the driving force for the development of e-commerce, as evidenced by the reality of vast territory, uneven population distribution, few brick-and-mortar stores, as well as resident's shopping difficulties. In recent years, African countries have placed more emphasis on the development of e-commerce, intensifying serious efforts to develop e-commerce infrastructure. According to an estimation by research institution, e-retailing GMV of major countries in Africa will account for 10% of its total volume of retail sales in 2025.

Further advance in mobile internet technology, together with acceleration of globalization, has breathed new life into e-retailing market worldwide during its development. Eventually, e-commerce market will nurture a large growing weight of economy.

2. Analysis of Defects of the Traditional E-Commerce Platform

2.1 Monopoly in E-Commerce Platform

The past decade has seen the rapid development of the Internet, with global business scene gradually shifting online. Giants such as Amazon, eBay, Alibaba, and JD.COM, they have all experienced the soaring growth of the bonus period, then evolving into a platform-type monopoly structure. Cut-throat competitions have emerged after bonus-bursting times, contributing to a fact that few surviving e-commerce platforms have taken absolutely decisive positions in the chamber of e-commerce.

The monopoly in the platforms has inflicted detriment on the development of e-commerce, and more severely, it has dragged on the entire Internet industry.

First, the environment of healthy development will be contaminated. Once one or two online retailers play a dominant or superior role, their peers and suppliers will experience a harder hit, and user experiences also will be impaired, let alone legitimate rights and interests of users. At the same time, malignant competitions caused by monopoly-oriented e-commerce platforms will undoubtedly weigh down the human, financial, and material resources of both sides. In the long run, this will hinder the development of e-commerce. On top of that, here comes “the second government” when the monopoly-oriented e-commerce platforms avail itself of data with manipulative intention. As a result, public power of the government will inevitably be gnawed away.

Second, e-commerce innovations will be stifled. The players in monopoly-oriented e-commerce platform are bound to remain their dominant positions. For this reason, the monopolists must strike their peers with no mercy, such as putting obstacles in the way of rival’s promotion of innovative technologies. On one hand, high-handed

measures will discourage their peers from innovating, reducing vitality in e-commerce. On the other hand, as suppliers are squeezed and held in play by the monopolists, room is increasingly limited for them to finance others in the platform while boost innovations. Meanwhile, nasty “innovation” pops up and prevails, leading to the paralyzed genuine innovation. As online retailers resort to dirty tricks to inflate sales, counterfeit goods, inferior goods and click farming, known as fake sales, go viral in e-commerce platform, giving rise to an obvious scarcity of innovation.

Third, the yields delivered by the new economy are monopolized. The “Catfish Effect” in the Internet industry enables the monopolists to remain dominant. That is to say, the monopoly-oriented e-commerce platforms are exploiting the very situation—the internet implications of “the winner takes it all”, forcing the startups to merge into the giants unless they want to be kicked out. At that point, mergers and acquisitions give birth to a new round of monopoly, whose influence is going to reach every single consumer. There are the monopoly-oriented platforms that have invested hundreds of companies in a direct or indirect way, and continuously expanded the regions and boosted the number of their targets. Those platforms have succeeded to penetrate into people’s life yet somehow acted as infrastructures.

The benign development of e-commerce industry is being eroded by the monopoly bombarding in the platforms. The core parts of e-commerce, including product quality, user experiences and logistics supply, are undermined and even utterly destroyed due to the unfair distribution of interests. In such cases, advance of online business scene is unlikely to happen.

2.2 The Puppet Consumer

Consumer, a nominal god, has been severed from his/her right to control data, even the legitimate ownership. It is not uncommon events that a deluge of recommendations and advertisements crops up on user interface without the authorization or permission, leading consumers to make a consumption-induced

options not basically in their original list. Moreover, the data of consumers is seized and used by the platform, with the very profits slipping away from consumers, while slipping into the pocket of the platform. However, the behavior and perception of consumers have undergone a transformation thanks to the technological advancements. Maslow's hierarchy of needs suggests that what consumers need is more than shopping itself but due respect, meaning consumers need to be in charge in the process of consumption, and defend the data privacy. Such needs, whereas, are unlikely to be met if it is up to the current e-commerce platforms featuring monopoly, as their profits feed on consumers' data.

2.3 Unfair Rules in Yields Distribution

The traditional e-commerce platforms serve as middlemen. They promote the transaction between online retailers and consumers. The whole process, seemingly, infringes the interests of neither side. But the point is that it is the consumptions made by consumers that drives the development of the platforms. Based on that, consumers' consumptions are ought to be categorized as laboring which is capable of producing value, even though such value flows imperceptibly to the platforms. In view of that, a conclusion can be drawn that yields distribution rules are unfair, and the platforms therefore should endow consumers with appropriate share of yields aligning with their contributions.

3. Blockchain Application in E-Commerce Platform

The birth of the blockchain technology has become a great blessing to the Internet era where giants monopolize the access to data, and besides, it can be a perfect solution to the problem faced by e-commerce platforms. Built on blockchain featuring

transparency, traceability and irreversibility, and Token economy with its unique advantages, this brand-new e-commerce platform drives the emergence of an all-new win-win business model with high reliability and low transaction costs.

3.1 Anti-Counterfeiting and Traceability

A blockchain is a series of blocks that record data in hash functions with timestamps so that the data cannot be changed or tampered with. Timestamping is not a new technology, but that it is applied to the blockchain is a great innovation. The timestamp, used as the proof of existence of the block data, helps to create a tamper-proof and anti-counterfeiting blockchain database. Every participating node in the network will record the write time of a transaction by timestamp in a new block, and once the data is validated by a majority of the participating nodes, the new block is then permanently added to the blockchain in a time-stamped chronological order and distributed to the entire network. On the chain, transaction information is permanently stored and cannot be changed.

Timestamp helps to create an immutable and anti-counterfeiting blockchain database. Each time-stamped block links to the previous one in chronological order, thus time dimension being skillfully introduced into blockchain. The tamper-proof database and time dimension render the blockchain anti-counterfeiting and traceable, allowing feasible solutions for problems including inferior, counterfeit products in the supply chain, shipment tracking in logistics, and Internet trade regulation.

The most effective way to solve the problem of online sales of counterfeit goods is to strengthen supervision of the source. With the application of blockchain, each commodity will be attached to an electronic ID tag at the beginning of production. Information about each commodity, such as the raw material source, production process, pre-delivery inspection, transaction and shipment, will be recorded, and get appended to a block that will be then broadcast to the entire network. Every time there are updates or changes on shipment status, newly generated data will be broadcast to

each node and then stored in different blocks. Given that each block is given a unique digital signature, whenever there is a problem, it will be exposed if the signature verification fails.

3.2 Supply Chain

The supply chain is the vast network of different entities and individuals, including global suppliers, distributors, warehousing companies, logistics companies, customers, and after-sales services. All parties involved in the supply chain are supposed to work together to boost its operational efficiency. However, data and information scatter across different parties—all struggling with a lack of interoperability, which seriously impedes the process of supply chain integration. As a result, enterprises cannot make a quick response to customer needs, and even worse, inventory management turmoil and interruptions to procurement and logistics happen occasionally. Moreover, lack of information accuracy makes it difficult to establish mutual trust mechanisms among enterprises. Once there is a dispute between parties, the burden of proof will become a struggle for them. On that occasion, enterprise reputation might be lost, and the inferior consumers might be troubled by fake and inferior products, unsatisfactory shipment and after-sales service.

A block consists of a header and a body. The header contains meta-information about the block, including the hash of the previous block, bits, Merkle-root, timestamp, etc. The body contains all the transaction details, including the number of transactions, validated transaction records. Given this, all the information in the blockchain network is completely transparent, public-key encryption renders data immutable, and timestamp and chronologically-linked block ensure the traceability of data. The three key traits make a perfect solution for data sharing and retrieval possible. The open and transparent data keeps the information flow complete and consistent within the supply chain. Thanks to the tamper-proof trait, the accuracy of the internal information is highly improved. Traceability avoids inter-business disputes and the problems like

swindling consumer.

3.3 Token Economy

Token and blockchain build upon each other, which has significant advantages in solving the problem of profit distribution. Compared to traditional e-commerce platforms, the new token-based platform provides a way to essentially resolve the major contradiction between e-commerce platforms and consumers.

Chasing profit primarily drives the emerge of formidable e-commerce platform monopolies. Once the platform benefits are reasonably distributed by Token, e-commerce platforms and consumers naturally involve themselves in a community of interests. All participants of the platform keep the ownership by holding Token, and consumers can enjoy the benefits generated by their consumption that contributes to the platform. In this scenario, there is a good solution to such a profit-driven problem faced by e-commerce industry.

4. New Life Overview

4.1 The Mission of New Life

New Life is the pioneering representative of the burgeoning token economy and will overturn traditional production relations and business models, bringing a new business community with the aim of benefits for all participants.

Equipped with advanced technology, New Life is ready to advance the development of e-commerce industry into the age of consumer sovereignty, break Internet giants' monopoly, and ensure consumers enjoy the ownership and profits of the platform.

1) **Empowering Users:** Token economy brings all-new production relations, which

means members in the platform play not only the part of the seller or consumer but the platform owner.

- 2) **Breaking Monopoly:** With consumer sharing the ownership of the platform, the monopoly driven by profits in e-commerce industry will end, while a reasonable profit distribution mechanism will promote the sound development of this ecosystem.
- 3) **Improving Service:** Thanks to blockchain's key traits of rendering data traceable and immutable, both the anti-counterfeiting and tracing work and supply chain will be improved. Given this, the platform will provide high-quality services for users.

4.2 Orientation and Philosophy of New Life

- 1) New Life takes the e-commerce industry and Token economy as an opportunity:
 - The e-commerce industry is very representative of mass consumption, and besides, both the users and trade volume are large;
 - The e-commerce in combination with Token economy can create marvelous business interests;
 - Token economy, overturning traditional business model, changes the production relations, which caters to consumer perception.
- 2) New Life's Design Philosophy: Creating a blockchain-based e-commerce platform with Token economy where consumers share the ownership.

4.3 New Life APP

The New Life APP, including the NLF Token system, serves as a carrier that connects the New Life platform with consumers. Users will be rewarded with free NLF Tokens when downloading the New Life APP or ordering goods in this APP, which means All

New Life APP users can benefit from the platform. In addition, New Life APP will provide a premium shopping environment where high-quality daily necessities are available.

4.4 NLF Token

NLF Token (abbreviated as NLF) is the equity token of New Life platform.

There are three ways to get NLF:

- Downloading the New Life APP for the first time;
- Completing each order in New Life APP;
- Buying it in the digital asset trading market.

There are two ways to handle NLF:

- Trading NFL for cash in the digital asset trading market;
- Holding it and enjoying the profits generated by the development of New Life platform (New Life periodically repurchasing NLF to ensure holders' profits).

5. The Total Volume of NLF Issued

NLF plays the major part in the New Life platform. After a careful evaluation by the New Life team, 500 million NLFs will be issued.

6. NLF Core Team

The core members of the New Life team are recruited from the world's leading e-commerce platform companies. With more than ten years of experience in R&D and operation in the e-commerce industry, they will bring about the smooth

implementation of the New Life project. At present, many elite blockchain engineers have successively joined the New Life R&D team.

7. Legal Notices and Related Content

This paper is for technical reference only and does not constitute any investment advice or invitation to offer to buy any product. The white paper outlines our current plans, which could change in line with the actual condition, and the success of which will depend on many factors outside our control, including market-based factors, factors within the cryptocurrency industries, and regulations, among others. Any statements about future events are based solely on our analysis of the issues described in this document, and our analysis may prove to be incorrect.

New Life Team