

Palmetto Token™

Tokenomics and Monetary Policy

Purpose

This document establishes the tokenomics and monetary policy of Palmetto Token™ (PALMETTO). Its purpose is to provide a clear record of the total supply, initial distribution, treasury release structure, liquidity allocation, and other economic characteristics that determine how PALMETTO enters and circulates within the market. PALMETTO was created with a permanently fixed maximum supply of 73,000,000 tokens. The entire supply was created at deployment, and the token contract contains no mechanism allowing additional PALMETTO to be minted. The monetary structure of PALMETTO therefore begins with a known maximum supply that cannot be expanded by the founder, treasury, or any other party. The existence of 73,000,000 PALMETTO does not mean that the entire supply is immediately available for circulation. At launch, only 73,000 PALMETTO were released for the establishment of the original public market. The remaining 72,927,000 PALMETTO were placed within the Treasury Release Vault and made subject to a predetermined ten year release schedule enforced by smart contract. This distinction between total supply, treasury availability, and market circulation is central to the monetary structure of PALMETTO. Tokens may exist as part of the fixed supply without being available to the

treasury or circulating within the market. Likewise, PALMETTO released to the treasury does not automatically become circulating supply unless those tokens are subsequently transferred, distributed, sold, or otherwise introduced into the market. Palmetto Token™ does not use additional minting, token burning, rebasing, or discretionary changes to maximum supply as monetary policy tools. The supply model instead relies upon a permanently limited total supply and the controlled availability of tokens that already exist. The purpose of this monetary policy is not to establish or guarantee a particular market value for PALMETTO. Supply limitations cannot create demand or ensure price appreciation. They establish the rules governing the quantity and availability of the asset while allowing market participants to determine its value through actual use and exchange.

Maximum Supply

The maximum supply of Palmetto Token™ is permanently fixed at 73,000,000 PALMETTO. All 73,000,000 tokens were created when the token contract was deployed on Base Mainnet. The contract contains no minting function or other mechanism through which additional PALMETTO can be created. The maximum supply represents the absolute quantity of PALMETTO that can exist under the token contract. Treasury releases do not increase this number. Tokens released from the Treasury Release Vault

are part of the original 73,000,000 PALMETTO and merely move from a restricted contract address to the designated treasury address when they become eligible for release. Palmetto Token™ cannot increase the maximum supply in response to market demand, project expenses, liquidity requirements, merchant adoption, future development, or any other circumstance. If additional PALMETTO is needed for a future project purpose, it must come from existing tokens that have become available under the established treasury release schedule or otherwise be acquired from the existing supply. The token contract also does not contain a burn function capable of reducing the recorded total supply. PALMETTO may become inaccessible if tokens are transferred to an address from which they cannot be recovered, but such tokens remain part of the 73,000,000 PALMETTO recorded by the contract. The monetary policy therefore does not depend upon future supply reductions or discretionary token burns. This creates a supply structure with a permanently known upper boundary. Market circulation may change substantially over time as PALMETTO moves between wallets, liquidity pools and the treasury, but those movements occur entirely within the original 73,000,000 token supply. The maximum supply is therefore not a target, estimate, or project policy that may later be reconsidered. It is a characteristic established by the deployed PALMETTO token contract.

Genesis Distribution

The complete 73,000,000 PALMETTO supply was accounted for at the time Palmetto Token™ was deployed. No portion of the supply was left uncreated for future issuance, and no additional supply can be produced later. The genesis distribution divided the existing supply between the initial market release and the Treasury Release Vault. A total of 73,000 PALMETTO, representing 0.1 percent of the maximum supply, was designated as the initial release. These tokens were used to establish the original PALMETTO and USDC liquidity pool on Uniswap v2. Approximately 149.942 USDC was paired with the 73,000 PALMETTO, creating the first public market for the token. The remaining 72,927,000 PALMETTO, representing 99.9 percent of the maximum supply, was transferred to the Treasury Release Vault. These tokens existed from genesis but were placed under the restrictions of the vault contract rather than made immediately available to the treasury or public market. No PALMETTO was reserved as a founder allocation. The founder did not receive a percentage of the supply, a separate grant of tokens, or a private allocation as part of the genesis distribution. Any PALMETTO personally acquired by the founder is separate from the genesis distribution and must be obtained independently from the existing supply.

The genesis accounting can therefore be expressed completely. 73,000 PALMETTO were designated for the initial market release and 72,927,000 PALMETTO were placed within the Treasury Release Vault. Together, these amounts account for the entire 73,000,000 PALMETTO maximum supply. This distribution established an important distinction from the beginning of Palmetto Token™. Nearly the entire supply existed at launch, but nearly the entire supply was also restricted from immediate availability. The monetary structure therefore does not depend upon creating new PALMETTO over time. It depends upon the controlled release of PALMETTO that has existed since genesis.

Treasury Release Schedule

The 72,927,000 PALMETTO held within the Treasury Release Vault are governed by a predetermined release schedule established when the vault contract was deployed. The schedule determines when portions of the treasury allocation become available and prevents the entire treasury supply from becoming accessible at once. The treasury allocation is divided into 40 equal releases of 1,823,175 PALMETTO. One release becomes available every 91 days and 6 hours. Across all 40 release intervals, the complete schedule extends for 3,650 days, or ten years. The release schedule does not create new PALMETTO. Every token governed by the schedule already exists as part of the original 73,000,000 PALMETTO maximum supply. Each scheduled release simply removes

the applicable amount from the restrictions of the Treasury Release Vault and transfers those tokens to the treasury address designated within the vault contract. A scheduled release cannot occur before its applicable release time. The founder, treasury, or another party cannot accelerate the schedule, increase the amount available during a release, or withdraw the remaining vault balance early. These restrictions are enforced by the Treasury Release Vault contract rather than through a discretionary project policy. The release function itself is permissionless. Once PALMETTO has become eligible for release, any blockchain participant may initiate the release transaction. The person initiating the transaction does not receive the PALMETTO and cannot select another destination. Released tokens are transferred only to the treasury address permanently designated within the vault contract. The release of 1,823,175 PALMETTO from the vault should not be interpreted as the addition of 1,823,175 PALMETTO to public market circulation. A scheduled release changes the availability of those tokens to the treasury. Released PALMETTO may remain in the treasury, be distributed over time, contribute to liquidity, support project operations, be used in merchant or adoption initiatives, or serve another legitimate project purpose. Market circulation depends upon what subsequently occurs with the released tokens. The ten year schedule establishes the maximum rate at which the original treasury allocation can become available to Palmetto Token™. The project may use less than the amount available at

any particular time, but it cannot use PALMETTO that has not yet become eligible for release. Treasury availability may therefore proceed more slowly than the contract permits, but it cannot proceed more quickly. This structure separates maximum supply from treasury availability. The 73,000,000 PALMETTO maximum supply was established at genesis, while the Treasury Release Vault determines the rate at which 72,927,000 of those existing tokens may become available for future use.

Circulating Supply

Circulating supply represents the portion of PALMETTO that is considered available to the public market rather than merely existing as part of the total supply. This distinction is particularly important for Palmetto Token™ because the entire 73,000,000 PALMETTO supply was created at genesis while the majority of that supply was placed under restrictions governing when it may become available. At launch, 73,000 PALMETTO were released for the establishment of the original PALMETTO and USDC market. The remaining 72,927,000 PALMETTO were placed within the Treasury Release Vault and are subject to the ten year release schedule. Tokens remaining within the vault are not available for public trading and should not be treated as circulating merely because they already exist as part of the total supply. A scheduled release from the Treasury Release Vault does not necessarily mean that the entire released amount

immediately becomes circulating supply. Once released, PALMETTO is transferred to the project treasury. Tokens remaining under treasury control and reserved for future project purposes may continue to be treated as noncirculating under the methodologies used by independent market data providers. PALMETTO becomes economically available to the broader market as treasury tokens are distributed, transferred for project purposes, provided as liquidity, sold, or otherwise introduced into public circulation. Palmetto Token™ will distinguish between total supply, vault restricted supply, treasury held supply, and PALMETTO that has entered public circulation. This distinction is intended to provide a more accurate representation of the monetary structure than simply treating every token released from the Treasury Release Vault as immediately circulating. Independent exchanges, market data providers and analytical platforms may apply their own methodologies when calculating circulating supply. Palmetto Token™ cannot require those services to use the project's internal accounting terminology. When supplying information to those services, the project intends to identify relevant vault and treasury addresses and provide publicly verifiable information concerning their purpose and restrictions so that each provider can make its own determination. For example, CoinGecko currently calculates circulating supply for smart contract tokens by excluding categories of uncirculated holdings, including locked tokens and project treasury holdings that are not intended for immediate

public circulation. Its current methodology specifically recognizes that treasury tokens may remain excluded even when technically unlocked. Circulating supply should therefore be understood as a changing measurement rather than another fixed characteristic of PALMETTO. The maximum supply remains permanently fixed at 73,000,000 PALMETTO, while circulating supply may increase or decrease in accordance with actual token distribution, market activity, treasury holdings, and the methodology of the service reporting the figure.

Treasury Introduction to Circulation

The release of PALMETTO from the Treasury Release Vault does not require those tokens to be immediately introduced into public circulation. A scheduled release establishes the amount of PALMETTO that has become available to the Palmetto Token™ treasury. Treasury availability and public market circulation are separate stages within the monetary structure of PALMETTO. Released PALMETTO may remain within the treasury for an indefinite period when there is no immediate project purpose requiring its use. Palmetto Token™ is not obligated to distribute, sell, or otherwise place the entire amount of each quarterly release into circulation. The Treasury Release Vault establishes the maximum rate at which treasury PALMETTO may become available, not a required rate at which PALMETTO must enter the market. When treasury PALMETTO is introduced into

circulation, the method and amount should reflect the purpose of the transaction and prevailing market conditions. Treasury PALMETTO may enter circulation through market liquidity, merchant adoption initiatives, project distributions, payments for legitimate project purposes, or other activities supporting the development and use of Palmetto Token™. Treasury releases are not intended to function as automatic quarterly market sales. Directly selling a large quantity of newly released PALMETTO into a market with limited liquidity could produce substantial price impact and disrupt normal market activity. Treasury management should therefore consider available liquidity, market depth, circulating supply, project requirements and the potential effect upon existing market participants before introducing substantial quantities of PALMETTO into circulation. One method of introducing treasury PALMETTO into the market infrastructure is through the addition of liquidity. PALMETTO may be paired with USDC and contributed to the existing PALMETTO and USDC liquidity pool. Providing liquidity requires both PALMETTO and the corresponding paired asset and results in liquidity provider tokens representing the treasury's proportional ownership of the added liquidity position. Palmetto Token™ intends for liquidity provider tokens resulting from treasury supplied liquidity added to the original PALMETTO and USDC pool to be transferred to the existing Liquidity Lock contract. Additional compatible liquidity provider tokens transferred to that contract become part of the

balance held by the Liquidity Lock and cannot be released before the existing contract expiration. At expiration, the contract releases its entire balance of the designated liquidity provider token to the permanently designated treasury beneficiary. Additional treasury liquidity transferred to the existing Liquidity Lock does not begin a new ten year lock period. It becomes subject to the remaining duration of the Liquidity Lock established at launch. As the August 2036 expiration approaches, Palmetto Token™ may establish additional liquidity policies or locking arrangements appropriate to circumstances existing at that time. Liquidity supplied independently by holders is separate from treasury supplied liquidity. An individual may provide PALMETTO and another compatible asset to an existing or independently created liquidity pool and retain ownership of the resulting liquidity position. Such independently owned liquidity is not subject to Palmetto Token™ treasury policy or the project's Liquidity Lock unless its owner independently chooses to place it under a separate restriction. The objective of treasury distribution is therefore not to place PALMETTO into circulation merely because it has become available. Treasury PALMETTO should enter circulation when its use serves a legitimate purpose and when the method of introduction is appropriate for the market conditions existing at that time.

Monetary Expansion and Dilution

The monetary structure of PALMETTO distinguishes between expansion of circulating supply and expansion of total supply. The total supply of Palmetto Token™ cannot expand beyond 73,000,000 PALMETTO. Circulating supply, however, may increase over time as existing PALMETTO becomes available from the Treasury Release Vault and is subsequently introduced into broader circulation. This distinction is important when considering dilution. Holders of PALMETTO cannot be diluted through the creation of additional tokens beyond the original 73,000,000 supply. There is no minting mechanism through which Palmetto Token™ can increase the maximum supply, issue an additional class of PALMETTO, or create new tokens to fund project activities. Existing holders may nevertheless experience the economic effects associated with increases in circulating supply. PALMETTO held within the Treasury Release Vault already exists, but those tokens are initially unavailable to the market. As portions of that supply become available to the treasury and are later introduced into circulation, the quantity of PALMETTO available for ownership, transfer, liquidity, or exchange may increase. An increase in circulating supply should not automatically be interpreted as monetary inflation in the same manner as creation of new tokens. No additional PALMETTO is being created. The change represents distribution of an existing and previously restricted portion of

the permanently fixed supply. The timing and method by which treasury PALMETTO enters circulation may nevertheless affect supply and demand conditions within the market. The Treasury Release Vault limits the rate at which the project can gain access to the restricted supply, while treasury policy governs how available PALMETTO may subsequently be used. These mechanisms operate separately. A scheduled vault release establishes availability to the treasury, but only subsequent treasury activity can introduce those tokens into broader circulation. Palmetto Token™ does not maintain a target rate of circulating supply expansion. Treasury PALMETTO may remain unused when market conditions or project needs do not justify additional distribution. Conversely, legitimate project development, liquidity requirements, merchant adoption, or other uses may result in portions of available treasury PALMETTO entering circulation. The amount introduced should therefore reflect actual project activity rather than an obligation to distribute tokens according to a predetermined circulation target. The economic effect of future circulation will ultimately depend upon both supply and demand. An increase in available PALMETTO may place downward pressure on market value when additional supply exceeds demand, while increased adoption or demand may absorb additional circulating supply without producing the same effect. Palmetto Token™ cannot guarantee how the market will respond to any future treasury distribution. PALMETTO therefore has a permanently fixed maximum supply but a

gradually developing circulating supply. The monetary policy protects holders against dilution through additional token creation while openly recognizing that distribution of the existing treasury supply may affect market conditions as Palmetto Token™ develops.

Treasury Reserve Policy

PALMETTO released from the Treasury Release Vault does not automatically require distribution or use. Once a scheduled release has been transferred to the Palmetto Token™ treasury, any portion not needed for an immediate project purpose may remain within the treasury as reserve assets. Treasury held PALMETTO represents available but undistributed supply. The treasury reserve provides Palmetto Token™ with the ability to retain released PALMETTO for future needs rather than introducing tokens into circulation simply because they have become available. There is no requirement that a scheduled release be spent, sold, distributed, or contributed to liquidity within the quarter in which it is received. Released PALMETTO may remain within the treasury across multiple release periods. As a result, the treasury reserve may accumulate over time. If 1,823,175 PALMETTO becomes available during a scheduled release and only a portion is required for legitimate project purposes, the remaining balance may continue to be held. A subsequent scheduled release may then increase the treasury reserve without

requiring the previously held balance to be distributed. Treasury reserves may provide resources for future liquidity, merchant adoption, project development, infrastructure, services, community initiatives, distributions, or other legitimate purposes associated with the continued development of Palmetto Token™. The existence of a treasury reserve does not require that every potential use be identified in advance. Future circumstances may create needs or opportunities that could not reasonably be anticipated when PALMETTO was launched. The treasury reserve is not intended to function as inventory that must be sold into the market. Decisions concerning the use of treasury PALMETTO should consider the purpose of the transaction, available treasury resources, existing circulating supply, market liquidity, potential market impact, and the long term interests of the project. Retaining PALMETTO within the treasury may be preferable when no meaningful purpose justifies its introduction into circulation. Treasury held PALMETTO remains part of the permanently fixed 73,000,000 PALMETTO supply. Moving tokens from the Treasury Release Vault to the treasury does not alter total supply. Likewise, retaining those tokens within the treasury does not create additional PALMETTO or require them to be considered publicly circulating solely because the vault restrictions have expired. The publicly identified treasury address allows treasury balances and transfers to be independently observed on Base Mainnet. Palmetto Token™ intends to maintain records that distinguish

PALMETTO remaining within the Treasury Release Vault, PALMETTO held within the treasury reserve, and treasury PALMETTO subsequently used or distributed. Significant treasury activity may be accompanied by public information explaining the purpose of the transaction when additional context is appropriate. The treasury reserve therefore serves as a buffer between scheduled availability and actual distribution. The Treasury Release Vault determines when PALMETTO may become available to the project, while the Treasury Reserve Policy allows Palmetto Token™ to determine whether those available tokens should remain held or be used for a legitimate project purpose.

Treasury Use and Distribution

PALMETTO held within the treasury reserve may be used when Palmetto Token™ determines that a legitimate project purpose justifies distribution of the tokens. Treasury activity is intended to support the development, operation, liquidity, adoption, and long term usefulness of PALMETTO rather than create a predetermined requirement to distribute treasury holdings. Treasury PALMETTO may be used to provide or expand market liquidity, support merchant and payment adoption, compensate individuals or organizations providing legitimate services to the project, support technical development and infrastructure, conduct community or promotional initiatives, facilitate integrations, or address other needs that arise as

Palmetto Token™ develops. These potential uses are not intended to establish mandatory spending categories or predetermined allocations. Treasury distributions should be evaluated according to the circumstances existing at the time of the proposed use. Considerations may include the amount of PALMETTO already circulating, available market liquidity, treasury reserves, the purpose and expected benefit of the transaction, potential market impact, and the amount of PALMETTO reasonably necessary to accomplish the intended objective. PALMETTO used for project expenses should not be distributed merely because tokens are available within the treasury. When goods or services can reasonably be obtained without introducing substantial additional PALMETTO into circulation, Palmetto Token™ may choose to preserve treasury PALMETTO and use other available resources. Conversely, PALMETTO may be used directly when doing so provides a legitimate benefit to the project or contributes to practical use and adoption of the token. Treasury liquidity contributions should be distinguished from ordinary market sales. When PALMETTO and a paired asset are contributed to a liquidity pool, the treasury receives a corresponding liquidity position rather than simply exchanging PALMETTO for another asset. For additional treasury liquidity contributed to the original PALMETTO and USDC pool, Palmetto Token™ intends to transfer the resulting compatible liquidity provider tokens to the existing Liquidity Lock as described within this monetary policy. Treasury PALMETTO may also be

distributed directly when appropriate for merchant programs, project initiatives, services, or other legitimate purposes. Once PALMETTO has been transferred to an independent recipient, Palmetto Token™ generally cannot control whether that recipient holds, transfers, exchanges, or otherwise uses those tokens. The potential effect of a treasury distribution therefore includes not only the initial transfer but the possibility that the recipient may subsequently introduce the PALMETTO into the public market. The treasury is not intended to provide preferential access based solely upon the wealth, size, or institutional status of a recipient. Treasury transactions may involve businesses, service providers, exchanges, merchants, individuals, or other organizations when there is a legitimate project purpose, but such relationships do not create a separate class of PALMETTO or special ownership rights in the token. Significant treasury transactions should remain capable of public verification through the treasury address and applicable blockchain records. When the purpose of a transaction would not be apparent from blockchain data alone, Palmetto Token™ may publish additional information identifying or explaining significant treasury activity when appropriate. Transparency concerning treasury use should provide meaningful information without requiring disclosure of confidential information when legitimate business circumstances require confidentiality. Treasury authority provides flexibility over PALMETTO that has already become available, but that flexibility remains subject

to the permanent limitations established elsewhere within the Palmetto Token™ structure. Treasury activity cannot create additional PALMETTO, accelerate future Treasury Release Vault releases, alter the fixed maximum supply, or modify the underlying token contract. The purpose of treasury management is not to maximize the amount of PALMETTO distributed. It is to use treasury resources deliberately when doing so provides a reasonable benefit to the continued development, adoption, liquidity, or operation of Palmetto Token™.

Market Liquidity Policy

Market liquidity allows PALMETTO to be exchanged between buyers and sellers without requiring Palmetto Token™ to act as the counterparty to each transaction. Liquidity is therefore an important component of the PALMETTO market, but the amount, ownership, and distribution of liquidity may change substantially as the project develops. The original PALMETTO and USDC pool on Uniswapv2 serves as the initial public market for PALMETTO. Palmetto Token™ intends to treat this pool as the primary PALMETTO market while the project remains in its early stages. Additional liquidity may be contributed to the existing pool over time when deeper liquidity is appropriate for the level of market activity and development of the project. Treasury supplied liquidity requires both PALMETTO and the asset paired with it. When treasury PALMETTO is contributed to the

existing PALMETTO and USDC pool, a corresponding amount of USDC must also be provided according to the pool conditions existing at the time of the contribution. The resulting liquidity provider tokens represent the treasury's proportional ownership of the added liquidity position. Palmetto Token™ intends for compatible liquidity provider tokens resulting from future treasury contributions to the original PALMETTO and USDC pool to be transferred to the existing Liquidity Lock contract. Once transferred to that contract, the additional liquidity provider tokens become inaccessible until the existing lock expires. Additional deposits do not establish a new ten year period and instead remain subject to the expiration date established by the original Liquidity Lock. Adding PALMETTO to liquidity should not be treated in the same manner as selling PALMETTO into the market. A direct market sale exchanges treasury PALMETTO for another asset and may create immediate selling pressure. A liquidity contribution places PALMETTO and a paired asset into a market making position and provides the treasury with liquidity provider tokens representing its share of the pool. PALMETTO placed into liquidity becomes available for market participants to acquire through swaps, but the transaction establishing the liquidity position is not itself an ordinary sale of those tokens. Palmetto Token™ is not required to provide all liquidity supporting PALMETTO. Independent holders may contribute liquidity to an existing pool or create additional markets using PALMETTO and other compatible assets on Base

Mainnet. Liquidity positions created and owned by independent participants remain under the control of those participants and are not subject to Palmetto Token™ treasury policies or project liquidity restrictions. Additional PALMETTO markets may develop over time. Potential markets may pair PALMETTO with assets such as WETH, stablecoins, tokenized representations of Bitcoin, or other compatible digital assets available on Base Mainnet. The creation of an additional market should be evaluated according to actual demand, available liquidity, the reliability of the paired asset, and whether the new market provides a meaningful benefit to PALMETTO participants. Palmetto Token™ does not intend to create additional liquidity pools merely to increase the number of markets displaying PALMETTO. Dividing limited liquidity among numerous pools may reduce market depth and increase price impact within individual markets. During periods when available liquidity remains limited, concentrating liquidity within established markets may provide a more functional trading environment than spreading the same resources across multiple shallow pools. Prices may differ temporarily between independent PALMETTO markets. Market participants may respond to those differences through trading and arbitrage, which can contribute to price alignment between markets. Palmetto Token™ does not establish a mandatory exchange rate between PALMETTO and USDC, WETH, Bitcoin related assets, or any other paired asset. The existence of project supplied, locked, or independently supplied liquidity does not guarantee that

PALMETTO can always be purchased or sold in a particular quantity or at a particular price. Market depth changes as trading occurs, liquidity providers enter or leave positions, paired assets change in value, and broader market conditions develop. Liquidity policy is intended to support functional markets, not guarantee market value. The objective of Palmetto Token™ liquidity policy is therefore to develop market depth deliberately as actual demand and use of PALMETTO grow. The original PALMETTO and USDC market provides the foundation, future treasury liquidity may strengthen that foundation, and independent participants remain free to expand the broader PALMETTO market without requiring changes to the token itself.

Supply and Market Reporting

Palmetto Token™ intends to maintain clear public information concerning the supply and distribution of PALMETTO as the project develops. Because the entire 73,000,000 PALMETTO supply already exists while substantial portions remain restricted or held outside public circulation, a single supply figure does not provide a complete description of the monetary structure. The maximum supply will remain permanently fixed at 73,000,000 PALMETTO. This figure does not change as treasury releases occur, PALMETTO enters circulation, liquidity is added, or tokens move between holders. Total supply therefore provides the permanent upper boundary against which other supply

measurements may be compared. The balance remaining within the Treasury Release Vault represents PALMETTO that continues to be subject to the contract enforced release schedule. As scheduled releases occur, this balance will decline. The vault address and its transactions are publicly accessible on Base Mainnet, allowing the remaining restricted balance and historical releases to be independently examined. PALMETTO that has been released from the Treasury Release Vault but remains under project control may be identified as treasury held supply. This amount may increase when scheduled releases occur and decrease when PALMETTO is subsequently used for liquidity, distributions, project activities, merchant initiatives, or other legitimate purposes. Treasury held supply should not automatically be treated as public circulating supply merely because it is no longer restricted by the Treasury Release Vault. Circulating supply may be reported separately to provide an estimate of PALMETTO that has entered broader public circulation. This figure may require interpretation because PALMETTO can move between independent wallets, liquidity pools, exchanges, treasury addresses, and other applications without permission from Palmetto Token™. Independent market data providers may also calculate circulating supply according to methodologies that differ from project reporting. Liquidity information may be reported separately from circulating supply. PALMETTO deposited into a liquidity pool remains available for market exchange but is held within the pool contract rather than an

ordinary holder wallet. Where Palmetto Token™ provides treasury liquidity, the project may identify the applicable pool, liquidity position, and any corresponding liquidity provider tokens transferred to a project Liquidity Lock. Treasury distributions should be reported according to their actual purpose when practical rather than described generically as circulating supply increases. A transfer for liquidity, merchant adoption, project services, community distribution, or another purpose may have different economic implications even though each transaction moves PALMETTO away from the treasury. Public reporting should therefore provide sufficient context to distinguish significant categories of treasury activity.

Palmetto Token™ intends to use publicly verifiable blockchain information wherever practical when reporting supply. Wallet addresses, vault balances, liquidity contracts, transaction records, and other on chain information may provide independent evidence supporting project reported figures. Supplemental documents may provide context that cannot be determined from blockchain data alone. Supply reporting should also identify the date or blockchain reference associated with reported figures. PALMETTO balances and circulating supply may change continuously as transactions occur, meaning that a supply figure without an applicable point in time may quickly become outdated. Historical reports should remain identifiable as records of the conditions existing when those reports were produced. When Palmetto Token™ provides supply information to exchanges, market

data services, wallets, or analytical platforms, the project intends to provide accurate information concerning known project controlled addresses and applicable restrictions. The final classification or display of PALMETTO supply by an independent service remains subject to that service's own methodology. The purpose of supply and market reporting is not simply to publish numbers. It is to allow the relationship between maximum supply, restricted supply, treasury reserves, liquidity, and public circulation to be understood and independently examined as Palmetto Token™ develops.

Monetary Policy Permanence and Change

The monetary structure of PALMETTO contains both permanent characteristics established by deployed smart contracts and management policies that may evolve as Palmetto Token™ develops. Distinguishing between these categories is necessary to understand which characteristics cannot be changed and which decisions remain subject to future judgment. The maximum supply of 73,000,000 PALMETTO is permanent. Additional PALMETTO cannot be minted. The token contract does not provide a mechanism for reducing the recorded total supply through token burning, imposing a transfer tax, freezing holder accounts, blacklisting addresses, pausing ordinary transfers, or upgrading the token contract to introduce new administrative functionality. These characteristics were established at deployment and are not

dependent upon continued adherence to a project policy. The Treasury Release Vault also establishes contract enforced restrictions. PALMETTO remaining within the vault cannot be accessed before becoming eligible under the predetermined release schedule. The project cannot increase the amount of a scheduled release, accelerate the ten year schedule, or redirect a release to an address other than the treasury beneficiary permanently designated within the contract. The Liquidity Lock establishes a separate contract enforced restriction over compatible liquidity provider tokens held by that contract. Liquidity provider tokens transferred into the Liquidity Lock cannot be withdrawn before the existing expiration. The project may contribute additional compatible liquidity provider tokens to the contract, but doing so does not change the original expiration date or create an ability to withdraw the existing balance early. Other portions of Palmetto Token™ monetary policy necessarily involve management judgment. Decisions concerning how much released PALMETTO should remain in treasury reserve, when treasury PALMETTO should be distributed, how much liquidity should be provided, which additional markets should be supported, and how project resources should be used cannot reasonably be predetermined for the entire life of the project. These management policies may therefore be revised when circumstances justify a change. Market conditions, adoption, available resources, technology, regulatory requirements, security considerations, business relationships, or the

development of new uses for PALMETTO may require policies that differ from those appropriate at launch. A policy revision does not provide authority to override a restriction established by a deployed smart contract. Material changes to Palmetto Token™ monetary or treasury policy should be documented publicly when appropriate. Revised policies should identify the change clearly enough that current practices can be distinguished from earlier versions. Previous published versions may remain available as part of the historical project record rather than being altered to create the appearance that a later policy existed from the beginning. The ability to revise management policy is intended to preserve operational flexibility without creating monetary flexibility where none was intended. Palmetto Token™ may change how available resources are managed, but it cannot use a policy change to create additional PALMETTO, gain early access to vault restricted tokens, withdraw locked liquidity provider tokens before expiration, or create administrative powers that were excluded from the token contract. The distinction is therefore straightforward. Contract enforced characteristics define what Palmetto Token™ cannot change. Monetary policy governs the decisions that remain available within those permanent boundaries.

Economic Risks and Limitations

The monetary structure of PALMETTO establishes permanent limitations on supply and controlled access to treasury holdings, but those characteristics do not eliminate economic risk. A fixed maximum supply does not create demand, guarantee scarcity within the actively traded market, establish a minimum value, or ensure that PALMETTO will appreciate over time. The gradual availability of treasury PALMETTO may affect market conditions as the project develops. Although scheduled releases from the Treasury Release Vault do not automatically increase circulating supply, subsequent distribution of treasury holdings may increase the quantity of PALMETTO available to the market. If additional supply enters circulation faster than corresponding demand develops, the market value of PALMETTO may be negatively affected. Liquidity also creates economic limitations. The existence of a PALMETTO liquidity pool does not guarantee that sufficient liquidity will always exist for transactions of a particular size. Market participants may experience price impact or slippage when available liquidity is limited. Independent liquidity providers may also add or remove liquidity according to the terms governing their own positions. Assets paired with PALMETTO introduce risks separate from PALMETTO itself. Stablecoins may experience changes in value, availability, liquidity, or issuer related risks. WETH, tokenized representations of Bitcoin, and other digital assets

may experience substantial market volatility or technical risks of their own. The creation of a PALMETTO market against another asset does not represent a guarantee by Palmetto Token™ concerning the value, security, or reliability of that paired asset. Treasury management cannot eliminate normal market forces. Decisions to retain PALMETTO, provide liquidity, distribute tokens gradually, or preserve treasury reserves may reduce certain risks associated with uncontrolled distribution, but they cannot determine how independent market participants will buy, sell, hold, or value PALMETTO. The economic design of Palmetto Token™ should therefore be understood as a set of monetary boundaries rather than a promise of financial performance. The maximum supply is fixed, the treasury release schedule is restricted, and project policies establish principles for managing available PALMETTO. Within those boundaries, market value remains determined by actual supply and demand, liquidity, adoption, participation, and broader market conditions.

Closing Statement

The monetary policy of Palmetto Token™ begins with a permanently fixed supply of 73,000,000 PALMETTO and establishes a structured separation between tokens that exist, tokens available to the treasury, and tokens introduced into public circulation. The Treasury Release Vault limits the rate at which the majority of

the supply can become available to the project. Treasury Reserve Policy allows released PALMETTO to remain undistributed when no legitimate purpose requires its use. Treasury distribution and liquidity policies provide methods through which available PALMETTO may support development and adoption without creating an obligation to place tokens into circulation merely because they have become available. These policies are intended to provide discipline without eliminating the flexibility necessary to operate Palmetto Token™ over time. Market conditions, technology, adoption and project needs will change. Management policies may develop with those circumstances, while characteristics permanently established by deployed smart contracts remain outside the authority of project management to alter. The objective is not to determine today exactly how every PALMETTO will be used during the next ten years. It is to establish the boundaries within which those future decisions will be made, document those boundaries publicly, and provide the information necessary for others to independently examine how the supply is being managed. PALMETTO has a fixed supply. Availability is controlled. Distribution is deliberate. The market determines value.