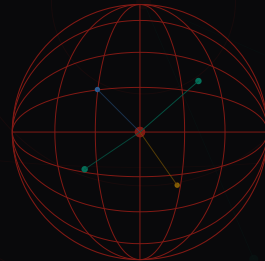


— OFFICIAL WHITEPAPER

FRY 3.0

THE UNIFIED DEPIN TOKEN PROTOCOL

FRY 3.0 consolidates four legacy tokens into a single Algorand Standard Asset powering miner rewards, DAO governance, dApp fees, and project revenue — built for the Fry Edge Miner, a unified DePIN client with toggleable partner integrations, and governed by a community-driven Network-Responsive Emission protocol designed for perpetual sustainability.



DePIN Algorand · ASA 6B Max Supply
DAO Governance Fry Edge Miner Hybrid Burn

NOT FINANCIAL ADVICE · For informational purposes only

Algorand Standard Asset · ASA ID assigned at launch

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6B
MAX SUPPLY

5K+
COMMUNITY MEMBERS

1
UNIFIED TOKEN

§ 01

EXECUTIVE summary

FRY 3.0 replaces the existing four-token ecosystem — FRY 2.0, fNODE, tFRY, and fVPN — with a single unified Algorand Standard Asset designed to serve every function of the Fry Networks protocol: miner rewards, DAO governance, dApp fees, and project revenue.

Fry Networks has grown from a small DePIN experiment into a production infrastructure protocol with a 5,000-member community and a multi-product ecosystem. Following FIP-016, all legacy miner types were consolidated into the single Fry Edge Miner (FEM), and operators with deprecated devices received FEM keys in exchange. That consolidation exposed the limitations of the multi-token architecture: fragmented liquidity across four separate trading pairs, confusing onboarding for new participants, and unnecessary complexity in the reward pipeline. FRY 3.0 eliminates these friction points by consolidating all token functions into one asset.

The token economy is anchored by the Network-Responsive Emission (NRE) protocol — a dynamic reward system where weekly epoch emissions are distributed proportionally among all healthy, registered FEM devices. Because FEM launches as a new miner type with zero initial registrations, early adopters earn outsized rewards that naturally decrease as more devices join the network. A 15% annual emission decay ensures the 2.7 billion token rewards pool is mathematically inexhaustible. Verification staking — via FRY 3.0/USDC liquidity pool tokens — amplifies individual rewards through tiered multipliers while simultaneously deepening DEX liquidity. Unlike FRY 2.0, there is no registration stake — operators mine immediately with zero upfront token cost.

All protocol fees generated through dApp usage and marketplace transactions are processed through a hybrid mechanism: 50% of collected fees are permanently burned (reducing total

supply), while the remaining 50% flow to the DAO-governed treasury. The burn-to-treasury ratio is adjustable by governance vote, allowing the community to shift economic policy as the network matures.

Existing token holders migrate to FRY 3.0 through a blockchain-snapshot-based conversion system. FRY 2.0, fNODE, tFRY, and fVPN convert at a 1:1 ratio. Legacy FRY 1.0 converts at 80:1. All converted tokens vest linearly over 12 months to prevent launch-day sell pressure. Unclaimed legacy rewards at the snapshot date are permanently nullified — only tokens already in wallets are eligible. A 12-month claim window ensures holders have ample time to initiate the conversion, while the pre-announcement snapshot prevents post-announcement speculation on legacy tokens.

KEY NUMBERS

6,000,000,000 maximum supply · \$0.005 recommended launch price (\$30M FDV) ·
5,000,000 FRY/week starting emission · 15% annual emission decay · 50/50 fee burn/treasury split · Weekly reward epochs · Algorand L1 blockchain

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FEM
SINGLE MINER TYPE

5
PARTNER INTEGRATIONS

5K+
DISCORD MEMBERS

§ 02

THE FRY NETWORK

Fry Networks is a Decentralized Physical Infrastructure Network (DePIN) that incentivizes individuals to contribute computing resources — bandwidth, storage, processing power, and environmental data — from personal devices at the network edge.

WHAT IS DEPIN

Decentralized Physical Infrastructure Networks reverse the traditional model of infrastructure deployment. Instead of a single corporation building and maintaining data centers, cell towers, or sensor arrays, DePIN protocols incentivize thousands of independent operators to contribute their own hardware to a shared network. Operators earn token rewards proportional to their contribution, while the protocol benefits from geographically distributed, resilient infrastructure at a fraction of centralized costs.

Fry Networks applies this model across multiple infrastructure verticals simultaneously. A single Fry Edge Miner device can contribute VPN bandwidth via Mysterium, serve search queries via Presearch, provide disk storage to the Autonomys Network via SpaceAcres, run AI inference workloads via Diiisco, and perform web data collection via Olostep — all at once, from the same machine, managed through one interface. This multi-vertical approach maximizes per-device revenue and creates compound network effects that single-vertical DePIN projects cannot achieve.

CURRENT NETWORK STATE

As of mid-2026, Fry Networks operates a production ecosystem with an active 5,000-member Discord community. Following the passage of FIP-016, all legacy miner types have been consolidated into a single miner class — the Fry Edge Miner (FEM). Operators who held deprecated miner types received FEM keys in exchange. The ecosystem includes a DeFi platform (fry.farm), an NFT marketplace (fry.market), a device management dashboard (dashboard.frynetworks.com), an administrative control panel, and a DAO governance system (vote.frynetworks.com).

FRY 1.0 — LESSONS LEARNED

FRY 1.0 was the original Fry Networks token with a total supply of 8 billion — a supply so large it suppressed per-token value and made meaningful price appreciation structurally difficult. Worse, the max supply was locked on a 70-year unlock schedule, releasing tokens at regular annual intervals. This created chronic sell pressure as unlocked tokens flooded the market each year, leading to reward pool exhaustion and persistent poor price action. The token's value eroded faster than the network could grow.

FRY 1.0 was also created without freeze or clawback authority on the ASA. When community members fell victim to phishing attacks or social engineering scams, stolen tokens could not be frozen or recovered. The protocol had no mechanism to intervene — stolen funds were gone permanently. This absence of safety rails caused real financial harm to early community members.

FRY 2.0 – PROGRESS AND LIMITATIONS

FRY 2.0 addressed the worst of FRY 1.0's problems: the supply was reduced to 2 billion, freeze and clawback authority were enabled on the ASA, and a multi-token model was introduced to separate concerns: FRY 2.0 for governance, fVPN for monetized bandwidth miner rewards, fNODE for monetized node and AEM rewards, and tFRY for devices not yet monetized — designed to be 1:1 convertible to the corresponding Fry Networks vertical token upon that vertical's monetization (e.g., tFRY would convert to fWX once the weather mining vertical went live). This separation made architectural sense at the time because Fry Networks operated multiple distinct miner types — each with its own software, registration flow, and reward token.

However, with FIP-016 and the consolidation of all miner types into the single Fry Edge Miner (FEM), the multi-token model became redundant. One miner type does not need four tokens. The fragmentation that once reflected genuine architectural separation now creates friction: liquidity is fractured across four independent trading pairs, new users must understand which token does what before they can participate, and reward mechanics require cross-token calculations that add complexity and surface area for bugs. FRY 2.0 also required a registration stake (\$50 USD worth of fNODE per device for AEM and node types), adding onboarding friction that discouraged new participants.

FRY 3.0 – THE UNIFICATION

FRY 3.0 is the direct answer to the accumulated lessons from two prior token generations. One token replaces four. The supply is set at 6 billion with a perpetually sustainable emission model (no 70-year unlock cliffs). Freeze and clawback remain enabled. And critically, **there is no registration stake** — operators can onboard FEM devices and begin mining immediately with zero upfront token cost. The only friction is installing the software and registering a device. Verification staking remains available for operators who want amplified rewards, but it is entirely optional.

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6B

MAX SUPPLY

4

CORE UTILITIES

ASA

ALGORAND L1

§ 03

FRY 3.0 TOKEN

A single Algorand Standard Asset with a fixed maximum supply of 6,000,000,000 tokens, engineered to serve every economic function of the Fry Networks protocol without requiring participants to hold or understand multiple assets.

TOKEN SPECIFICATION

Name	Fry (FRY)
Ticker	FRY
Blockchain	Algorand (Layer 1)
Standard	Algorand Standard Asset (ASA)
ASA ID	Assigned at token creation
Decimals	6
Maximum Supply	6,000,000,000 FRY
Recommended Launch Price	\$0.005 USD
Fully Diluted Valuation	\$30,000,000 USD

FOUR UNIFIED UTILITIES

Where the legacy architecture split functionality across four separate tokens, FRY 3.0 combines all four utility classes into one asset. Every FRY 3.0 token simultaneously carries governance rights, reward eligibility, fee-payment capability, and protocol income participation.

MINER REWARDS

FRY 3.0 is the sole reward token distributed to Fry Edge Miner devices through weekly epoch emissions. Replaces both tFRY and fNODE reward flows.

DAO GOVERNANCE

Staked FRY 3.0 grants voting rights in FryGovernance DAO. All protocol parameters — emission rates, multiplier tiers, fee ratios — are governed by token-weighted votes.

DAPP FEES

Transaction fees across fry.farm (DeFi), fry.market (NFT marketplace), and future protocol applications are denominated and collected in FRY 3.0.

PROJECT REVENUE

Protocol-generated revenue from infrastructure services, bandwidth marketplace, and API access is captured in FRY 3.0, with fees split between burn and treasury.

ZERO REGISTRATION FRICTION

Unlike FRY 2.0, which required a \$50 USD worth of fNODE registration stake for AEM and node-class devices, FRY 3.0 requires no registration stake. Operators install FEM, register their device, and begin earning at the 1x base rate immediately. Verification staking is available to amplify rewards but is entirely optional — no upfront token cost is needed to participate in the network.

LAUNCH PRICE RATIONALE

The recommended launch price of \$0.005 USD per FRY 3.0 is calibrated to balance three competing objectives: protocol sustainability, miner accessibility, and market credibility. At this price, the fully diluted valuation of \$30M is proportional to the network's current scale (5,000+ community members, production DeFi and NFT infrastructure). The price is low enough to give early participants meaningful upside potential as the network grows, while high enough that weekly mining rewards carry tangible value from day one.

At \$0.005, early adopters earn substantial rewards. With only 500 FEM devices online, an unstaked device earns approximately \$42 per week; a device with a 6-month verification stake (3x multiplier) earns approximately \$125 per week. As the network scales to 10,000+ devices, these per-device earnings decrease to sustainable long-term levels — but by then, token price appreciation from network growth may offset the per-device reduction.

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§ 04

TOKEN ALLOCATION

The 6 billion FRY 3.0 supply is distributed across eight allocation pools, each with defined purposes, vesting schedules, and governance constraints.

Mining Rewards	45%	2,700,000,000
Team & Development	15%	900,000,000
Treasury / Operations	12%	720,000,000
Legacy Conversion	10%	600,000,000
Liquidity Provision	8%	480,000,000
Ecosystem & Partnerships		300,000,000
Community Airdrops		180,000,000
Advisors & Contributors		120,000,000

VESTING SCHEDULES

POOL	VESTING	CLIFF	UNLOCK
Mining Rewards	Emitted weekly via NRE	None	Per epoch
Team & Development	4-year linear	1 year	Monthly after cliff
Treasury / Operations	DAO-governed release	None	Per governance vote
Legacy Conversion	12-month linear vest	None	Monthly from launch
Liquidity Provision	Deployed at launch	None	LP-locked 12 months
Ecosystem	3-year linear	6 months	Quarterly grants
Community Airdrops	Distributed over 12 months	None	Campaign-based
Advisors	2-year linear	6 months	Monthly after cliff

CIRCULATING SUPPLY AT LAUNCH

At launch, circulating supply will consist only of tokens deployed to DEX liquidity pools (portion of the 480M liquidity allocation), initial community airdrop distributions, and the first weekly epoch emission (~5M). Team, advisor, ecosystem, and treasury tokens remain locked per their vesting schedules. Legacy conversion tokens enter circulation only as holders actively claim them. Estimated initial circulating supply: 200M-400M FRY (~3-7% of total supply).

UNCLAIMED CONVERSION TOKENS

Any tokens in the Legacy Conversion Pool that remain unclaimed after the 12-month claim window closes are permanently transferred to the DAO-governed Treasury pool — they are not burned and not redirected to mining rewards. The DAO decides how to deploy them (additional liquidity, ecosystem grants, extended conversion window, etc.) via governance vote.

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5M

FRY / WEEK (START)

15%

ANNUAL DECAY

∞

POOL LIFETIME

§ 05

NETWORK-RESPONSIVE EMISSION

The NRE protocol governs how FRY 3.0 mining rewards are distributed — a fixed weekly emission pool divided among all healthy registered devices, with per-device earnings that naturally decrease as the network grows and a time-based decay that ensures the rewards pool is mathematically inexhaustible.

HOW IT WORKS

Every week, the protocol emits a fixed amount of FRY 3.0 from the Mining Rewards Pool (2.7B tokens). This weekly emission is distributed proportionally among all online, healthy, registered FEM devices based on each device's multiplier-weighted share.

Because FEM is a new miner type, the network launches with zero registered devices. As operators install FEM and register devices, they join a small pool and earn outsized early-adopter rewards. As the network grows, per-device rewards naturally decrease — the same fixed weekly pool is split among more participants. This creates a powerful first-mover incentive: the earlier you register and contribute, the larger your share of each epoch.

```
// Per-device weekly reward calculation
device_reward = weekly_emission × (device_multiplier / ∑ all_device_multipliers)

// Early network - 500 FEM devices online, avg multiplier ~1.2
weekly_emission = 5,000,000 FRY
∑ multipliers = 500 × 1.2 = 600
per_unit_reward = 5,000,000 / 600 = 8,333 FRY/unit

// Early adopter earning by stake tier (500 devices):
no_stake (1.0x) = ~8,333 FRY/week → $41.67/week
24h_lock (1.5x) = ~12,500 FRY/week → $62.50/week
6mo_lock (3.0x) = ~25,000 FRY/week → $125.00/week

// Mature network - 50,000 FEM devices online:
```

no_stake (1.0x) = ~77 FRY/week → \$0.38/week
 6mo_lock (3.0x) = ~231 FRY/week → \$1.15/week

This design creates a natural adoption curve. The first 500 devices earn dramatically more per device than the 50,000th device — rewarding the operators who take the earliest risk. Meanwhile, the 15% annual decay on the weekly emission cap ensures long-term sustainability by progressively reducing new token supply.

EMISSION SCHEDULE

YEAR	WEEKLY EMISSION	ANNUAL TOTAL	CUMULATIVE	POOL REMAINING
1	5,000,000	260,000,000	260M	2,440M (90.4%)
2	4,250,000	221,000,000	481M	2,219M (82.2%)
3	3,612,500	187,850,000	669M	2,031M (75.2%)
5	2,610,031	135,721,625	964M	1,736M (64.3%)
10	1,155,672	60,094,929	1,392M	1,308M (48.4%)
∞	→ 0	Geometric limit	1,733M	967M (35.8%)

PERPETUAL POOL DESIGN

The 15% annual decay creates a convergent geometric series with a finite sum of ~1,733,000,000 FRY. Since the Mining Rewards Pool holds 2,700,000,000 FRY, the NRE protocol will **never fully deplete the rewards pool** — even after infinite time. Approximately 967M FRY (35.8% of the pool) remains as a permanent reserve, available for future DAO reallocation decisions if the community votes to modify the emission schedule.

VERIFICATION STAKE MULTIPLIERS

Verification staking is the primary mechanism for reward amplification. Operators stake FRY 3.0/USDC liquidity pool (LP) tokens against each registered device to increase that device's share of weekly emissions. By requiring LP tokens rather than raw FRY 3.0, the protocol ensures that every verification staker simultaneously provides DEX liquidity — more stakers means deeper liquidity, tighter spreads, and better price stability for all participants.

The economic design creates a deliberate tradeoff: short lock periods require more LP value (high capital, high flexibility), while long lock periods require less LP value (low capital, low flexibility).

TIER	LOCK PERIOD	LP STAKE REQUIRED	MULTIPLIER
Unregistered	—	—	0x
Registered, no stake	—	0	1x
24-hour lock	24 hours minimum	LP ≥ 25,000 FRY + equiv. USDC (~\$250)	1.5x
6-month lock	6 months minimum	LP ≥ 5,000 FRY + equiv. USDC (~\$50)	3x

The 24-hour lock requires LP tokens backed by at least 25,000 FRY plus equivalent USDC (~\$250 total at launch) but can be unlocked after just 24 hours — ideal for operators who want amplified rewards without long-term capital commitment. The 6-month lock requires LP tokens backed by only 5,000 FRY plus equivalent USDC (~\$50 total at launch) but tokens remain locked for the full six months — ideal for committed operators who prioritize capital efficiency. Both stake amounts, multiplier values, and the required LP pair are configurable by DAO governance vote.

The multiplier applies as long as the LP stake remains deposited. When a 24-hour lock expires, the multiplier **remains active** — the operator continues earning at the enhanced rate until they actively withdraw their stake. Only withdrawal reverts the device to 1x base rewards at the next epoch boundary. A 6-month lock cannot be withdrawn early — the LP tokens are inaccessible until the lock period expires. After expiry, the operator may leave the stake in place (maintaining the multiplier), withdraw it, or re-lock at a different tier.

WHY LP TOKENS, NOT RAW FRY

Requiring FRY 3.0/USDC LP tokens for verification staking creates a structural flywheel: as more miners stake for higher multipliers, DEX liquidity deepens automatically. This reduces slippage for all FRY 3.0 traders, improves price discovery, and makes the token more attractive to new participants — which brings more miners, which deepens liquidity further. The protocol converts **individual self-interest** (wanting higher rewards) into **collective infrastructure** (deeper liquidity for everyone).

NETWORK SCALING PROJECTIONS

Because FEM launches as a new miner type with zero initial registrations, early adopters earn dramatically more than late joiners. The table below shows projected per-device weekly earnings at each multiplier tier as the network grows, assuming Year 1 emission of 5,000,000 FRY/week.

ACTIVE DEVICES	PER DEVICE (1x)	PER DEVICE (3x)	PHASE
100	~38,462 FRY (\$192)	~115,385 FRY (\$577)	Genesis
500	~8,333 FRY (\$42)	~25,000 FRY (\$125)	Early
2,500	~1,538 FRY (\$7.69)	~4,615 FRY (\$23)	Growth
10,000	~385 FRY (\$1.92)	~1,154 FRY (\$5.77)	Scale
50,000	~77 FRY (\$0.38)	~231 FRY (\$1.15)	Maturity
100,000	~38 FRY (\$0.19)	~115 FRY (\$0.58)	Mass

Note: USD values assume the \$0.005 launch price. Actual dollar-denominated earnings depend on market price. At 10x the launch price (\$0.05), a 10,000-device network with 3x stake yields ~\$5770/week per device. Calculations assume uniform multiplier distribution for simplicity — actual earnings vary by the weighted mix of staked vs unstaked devices.

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5

PARTNER INTEGRATIONS

1

DEVICE, ALL VERTICALS

§ 06

FRY EDGE Miner

The Fry Edge Miner (FEM) is a single cross-platform desktop application that replaces the legacy FryHub installer and all five partner-specific miner software packages with one binary, one device registration, and user-toggleable integrations.

ARCHITECTURE

FEM is built on Tauri v2 with a Rust backend and React frontend, producing a 5–15MB binary with no runtime dependencies. The Rust backend manages partner integrations as supervised child processes — downloading partner binaries, spawning them, monitoring health, and restarting on failure. The React frontend presents a unified dashboard where operators toggle integrations on or off and monitor per-integration uptime, health, and reward contribution.

Each FEM device registers once on-chain with a single miner key (`FEM-<32hex>`), replacing the legacy model where each partner type required its own separate device registration and miner key. Operators earn proportional rewards based on how many integrations are active and healthy — more active integrations mean a larger contribution score and a proportionally larger share of the epoch emission.

PARTNER INTEGRATIONS

FEM launches with five partner integrations spanning four infrastructure verticals. Each integration is independently toggleable — operators choose which resources they want to contribute based on their hardware capabilities and preferences.

INTEGRATION	VERTICAL	RESOURCE CONTRIBUTED
Mysterium	VPN / Bandwidth	Network bandwidth shared via the Mysterium VPN protocol

INTEGRATION	VERTICAL	RESOURCE CONTRIBUTED
Presearch	Search	Decentralized search query processing and serving
Diiisco	AI / Compute	Local AI model inference contributing to a shared network
SpaceAcres	Storage	Disk space contributed to the Autonomys Network for decentralized storage
Olostep	Data Collection	Browser-based web scraping and structured data extraction

PROOF OF CONNECTIVITY

FEM devices prove their uptime through a 24-hour Proof of Connectivity (PoC) cycle divided into 144 ten-minute slots. In each slot, the device's integration health is checked — whether partner processes are running, responding to health pings, and actively contributing resources to their respective networks. Slots where the device is online and contributing are marked as passed; slots where the device is offline or unhealthy are marked as failed.

Each weekly epoch concludes on Friday — FRYday — when rewards are calculated and made available for claiming. Rewards are not sent automatically; operators must manually claim them from the Fry dashboard to the Algorand address they have configured in their dashboard profile. Each device's reward share is calculated as its contribution score (passed slots / total slots, weighted by active integrations) multiplied by its verification stake multiplier, relative to the weighted total of all devices in that epoch.

LOCATION & IP LIMITS

FEM itself imposes no location restrictions or IP address limits — operators can run FEM from anywhere on any network. However, some partner integrations enforce their own geographic or IP-based restrictions (e.g., maximum nodes per IP address, region-restricted availability). When a partner integration exceeds its threshold on the operator's network, FEM automatically disables that specific integration while keeping all other integrations active and earning. The operator is notified in the FEM dashboard and can re-enable the integration if their network conditions change.

SECURITY MODEL

Credentials and miner keys are stored using Tauri's secure storage plugin, backed by the operating system's native keychain (Windows Credential Manager, macOS Keychain, Linux Secret Service). Application updates use Tauri's built-in updater with ed25519 signature verification. Partner binaries are verified by SHA256 checksum before installation.

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S 07

Governance & Fee Economics

FRY 3.0 holders govern the protocol through FryGovernance DAO, a token-weighted voting system that controls every configurable parameter in the network — from emission rates to the burn-to-treasury ratio on collected fees.

FRYGovernance DAO

The DAO operates at vote.frynetworks.com, where FRY 3.0 holders submit and vote on Fry Improvement Proposals (FIPs). The voting mechanism is entirely separate from verification staking — it uses its own dedicated stake system within the DAO interface. To cast a vote, a participant stakes FRY 3.0 tokens directly in the DAO contract at a ratio of 1 vote = 1 FRY 3.0, locked for 6 months. An operator who wants to cast 100 votes stakes 100 FRY 3.0 for 6 months within the DAO system. This creates meaningful cost to voting and prevents low-cost governance attacks.

FIP votes employ multiple governance mechanisms depending on the proposal type. Standard proposals require a simple majority of participating voting power. High-impact proposals — such as emission schedule changes, treasury disbursements above a threshold, or smart contract

upgrades — require a super majority (typically 66% or higher). Sensitive votes may use a hidden vote mechanism where individual votes are concealed until the voting period closes, preventing bandwagon effects and vote-buying pressure.

The DAO governs the following protocol parameters, among others: weekly emission cap, annual emission decay rate, verification stake multiplier values and LP requirements, fee burn-to-treasury ratio, treasury disbursement proposals, new partner integration approvals for FEM, ecosystem grant allocations, and emergency protocol actions (pause/resume emissions, emergency treasury access).

COMMUNITY FIPS (CFIPS)

In addition to founder-submitted FIPs, the governance system supports Community Fry Improvement Proposals (cFIPs) — proposals submitted by any community member through vote.frynetworks.com. To submit a cFIP, a user authenticates via Discord OAuth and must hold a minimum FRY 3.0 stake to demonstrate genuine network participation. Submissions are rate-limited to one per Discord identity per 24 hours to prevent spam.

Each cFIP follows a structured lifecycle: submission, community discussion period (with one permitted revision), temperature check vote, founder review, and — if approved — escalation to an official binding vote. Proposals that remain unactioned beyond their discussion period are automatically archived, with a 90-day cooldown before the same proposal can be resubmitted. This pipeline ensures community voice drives protocol evolution while maintaining governance quality.

GENESIS NFT FEE DISTRIBUTION

A portion of protocol fees is permanently allocated to Genesis NFT collections — one per major dApp in the ecosystem. These are one-time, fixed-supply drops. No future collection within the same dApp will dilute the fee allocation held by that dApp's Genesis holders. As new dApps launch, each may introduce its own Genesis collection tied to that dApp's fee stream.

COLLECTION	SUPPLY	FEE SOURCE	DISTRIBUTION
fry.farm Genesis Pass	1,000	10% of fry.farm platform fees	Monthly, split evenly, paid in FRY 3.0
Fry Fee Genesis	2,000	Portion of the 30% instant claim fee	Monthly, split evenly, paid in FRY 3.0
fry.market Genesis	TBD	fry.market marketplace fees	Planned — launches with fry.market Genesis drop

INSTANT CLAIMS VS MATURED CLAIMS

FRY 3.0 miner rewards use a dual-claim model that gives operators a choice between immediacy and full value. At the end of each weekly epoch (FRYday), earned rewards become available in the Fry dashboard. Operators choose how to claim:

CLAIM TYPE	WAIT PERIOD	FEE	OPERATOR RECEIVES
Instant Claim	None — immediate	30% fee	70% of earned rewards sent immediately
Matured Claim	1 month maturation	0% fee	100% of earned rewards after 1-month maturation

The 30% instant claim fee serves three purposes: it generates revenue that flows to Fry Fee Genesis holders, it creates natural sell-pressure dampening (operators who want full value wait a month, reducing immediate selling), and it rewards patient participants. The fee is collected in FRY 3.0 and processed through the Genesis distribution pipeline before the remaining protocol fees enter the hybrid burn/treasury split.

FEE COLLECTION & HYBRID BURN

Every transaction fee collected by the protocol — across fry.farm DeFi operations, fry.market NFT marketplace sales, bandwidth marketplace transactions, API access fees, and future dApp integrations — is denominated in FRY 3.0. Genesis NFT fee allocations are routed first (fry.farm Genesis receives 10% of fry.farm platform fees; Fry Fee Genesis receives a portion of the 30% instant claim fee). The remaining balance is processed through the hybrid burn mechanism at the end of each weekly epoch.

FEE FLOW	ALLOCATION	EFFECT
Burn (50%)	Permanently destroyed	Reduces total supply below the 6B cap, creating deflationary pressure
Treasury (50%)	DAO-governed treasury	Funds development, infrastructure, partnerships, and operational costs

The 50/50 ratio is the launch default. The DAO can vote to adjust it at any time – for example, shifting to 70% burn / 30% treasury during periods of strong revenue, or 30% burn / 70% treasury during periods where development funding is the priority. The adjustable ratio gives the community direct control over the protocol's economic policy without requiring a smart contract upgrade.

WHY HYBRID – NOT PURE BURN

Pure burn maximizes deflationary pressure but starves protocol development. For a production DePIN network running distributed infrastructure, ongoing operational funding is essential. The hybrid model ensures token holders benefit from supply reduction **and** continued protocol development – with the DAO controlling the balance between the two.

FEE SOURCES

Fee revenue is generated across the full Fry Networks product surface. As the ecosystem grows and new dApps are deployed, additional fee sources are added through FIP governance proposals.

SOURCE	FEE TYPE	DESCRIPTION
fry.farm	DeFi transaction fees	Swap fees, liquidity provision fees, staking/unstaking fees
fry.market	Marketplace commission	Percentage of each NFT sale and auction settlement
Bandwidth marketplace	Service fees	Fees on VPN bandwidth and data routing transactions
API access	Usage-based fees	Third-party access to network data and infrastructure APIs
Partner revenue	Partner payments	All partner integrations pay Fry Networks in FRY 3.0; payments made in other assets are manually converted to FRY 3.0

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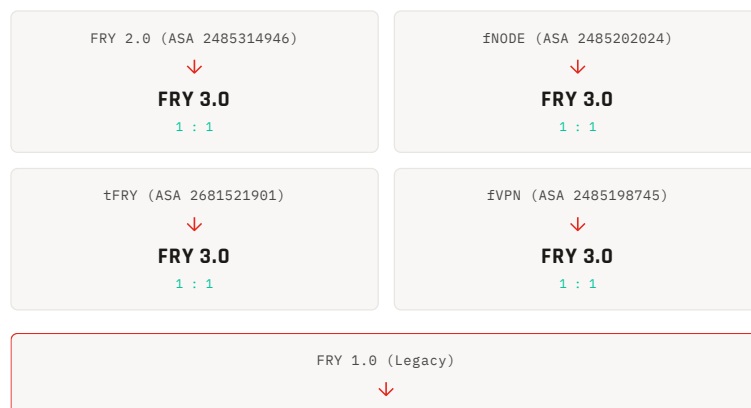
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Token Migration

All existing Fry Networks token holders migrate to FRY 3.0 through a snapshot-based conversion system designed to be fair to long-term participants and resistant to post-announcement speculation on legacy tokens.

CONVERSION RATIOS



FRY 3.0

80 : 1 (80 FRY 1.0 = 1 FRY 3.0)

| SNAPSHOT MECHANISM

The blockchain snapshot will be taken on the day that FIP-017 concludes, contingent on FIP-017 passing. FIP-017 is the governance proposal that ratifies the FRY 3.0 migration — if the community votes to approve it, the snapshot executes at a specific Algorand block height on the vote's closing day. This snapshot captures the exact balance of every wallet holding any legacy Fry Networks token and becomes the immutable reference for all conversion claims. Only balances recorded in the snapshot are eligible — tokens acquired after the snapshot block height are not convertible.

This anti-gaming measure prevents a common migration exploit: once a token consolidation is announced, speculators buy legacy tokens at their current (low) market price and convert them to the new (higher-valued) token at the announced ratio. By setting the snapshot before or simultaneously with the public announcement, only genuine pre-existing holders benefit from the conversion. The exact snapshot block height will be announced alongside the FRY 3.0 launch.

UNCLAIMED LEGACY REWARDS — NULLIFICATION

Any existing FRY 2.0 ecosystem rewards (tFRY, fNODE) that remain **unclaimed at the time of the blockchain snapshot are permanently nullified**. If a device operator has accumulated rewards but has not claimed them to their wallet before the snapshot block, those rewards are forfeited. Only tokens held in wallets at snapshot time are eligible for conversion. Operators are strongly encouraged to claim all pending rewards before the announced snapshot date.

| CLAIM PROCESS & VESTING

After the FRY 3.0 ASA is created and the conversion smart contract is deployed, eligible holders connect their wallet to the migration interface, review their snapshot balances, and initiate the conversion. The smart contract verifies the wallet's balance against the snapshot merkle tree, accepts the legacy tokens, and enrolls the corresponding FRY 3.0 amount into a 12-month linear vesting schedule. Legacy tokens received by the contract are permanently removed from circulation.

Converted FRY 3.0 tokens vest linearly over 12 months from the date of FRY 3.0 launch — not from the date of the individual claim. This means all conversion recipients are on the same vesting clock regardless of when they claim. Each month, 1/12th of the converted amount becomes available for withdrawal. This vesting period prevents a wave of immediate sell pressure at launch and aligns migrating holders with the long-term success of FRY 3.0.

12-MONTH CLAIM WINDOW + 12-MONTH VESTING

The conversion smart contract accepts claims for **12 months** from FRY 3.0 launch. After this window closes, unclaimed conversion tokens transfer to the DAO-governed treasury. All converted tokens vest linearly over 12 months from launch (1/12th unlocked monthly). Vesting begins at launch for all participants — **claiming later does not extend the vesting period**. An operator who claims in month 6 receives their first 6 months of vested tokens immediately, with the remaining 6 months vesting monthly. This incentivizes claiming early.

| POST-MIGRATION TOKEN STATUS

After FRY 3.0 launches, legacy tokens (FRY 2.0, fNODE, tFRY, fVPN) will no longer be used by any Fry Networks application. Mining rewards switch to FRY 3.0 emissions immediately. Dashboard staking, DAO voting, dApp fees, and all other protocol functions migrate to the FRY 3.0 asset. Legacy token ASAs remain on the Algorand blockchain indefinitely (they cannot be deleted from the chain), but carry no protocol utility after the migration.

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The FRY 3.0 rollout follows a phased approach — launching the token and migration infrastructure first, then expanding the network, and finally scaling toward cross-chain interoperability and institutional adoption.

○ PHASE 1 – FEM LAUNCH & FRY 3.0 PRESALE

Q3 2026

Release the Fry Edge Miner (FEM) software to the public — operators can install, register devices, and begin building uptime history before FRY 3.0 rewards go live. Launch the FRY 3.0 presale to seed initial token distribution and bootstrap community investment. Execute blockchain snapshot of all legacy token balances for the migration conversion. Create the FRY 3.0 ASA on Algorand mainnet. Deploy the conversion smart contract and migration interface with 12-month vesting. Seed initial DEX liquidity on Tinyman and Pact Finance.

○ PHASE 2 – FRY 3.0 LIVE & ECOSYSTEM BUILDOUT

Q4 2026 – Q1 2027

Deploy the NRE epoch emission contract and trigger the first weekly FRYday epoch. Update all protocol applications (dashboard, admin panel, fry.farm, DAO) to denominate in FRY 3.0. Implement the hybrid burn mechanism for fee processing. Begin development of the **Fry dVPN** — a homegrown decentralized VPN protocol that will allow FEM devices to contribute bandwidth directly to a Fry Networks-owned VPN network, operating alongside existing partner integrations. Onboard additional partner integrations through FIP governance proposals. Launch the ecosystem grants program. Begin community airdrop distributions targeting active miners and DAO participants.

○ PHASE 3 – SCALE & INTEROPERABILITY

Q2 – Q4 2027

Launch the Fry dVPN to production — FEM devices begin serving VPN traffic on the Fry-owned network in addition to Mysterium bandwidth sharing, creating a dual-VPN revenue stream for operators. Deploy cross-chain bridge infrastructure to connect FRY 3.0 with Solana, enabling wrapped FRY (wFRY) on the Solana ecosystem and expanding liquidity access. Target 50,000+ active devices. Pursue DEX aggregator integrations and additional trading venue listings. Expand FEM to macOS and Linux alongside the existing Windows release. Launch the API access fee tier for third-party infrastructure consumers.

○ PHASE 4 – MATURITY & DECENTRALIZATION

2028+

Transition full protocol governance to the DAO, including emission parameter control, treasury management, and smart contract upgrade authority. Target 100,000+ active devices across all continents. Explore additional L1/L2 bridge deployments based on community demand. Develop institutional-grade infrastructure services built on the Fry edge device network. Evaluate and implement mobile FEM variants for smartphone-based contribution.

MILESTONE-DRIVEN, NOT CALENDAR-DRIVEN

Dates above are targets, not commitments. Fry Networks follows a milestone-driven development model — each phase launches when its dependencies are production-ready and security-reviewed, not when a calendar date arrives. Phase transitions are announced through the DAO, Discord, and all community channels.

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RISKS, Team & Legal

Participating in any decentralized protocol involves risk. This section identifies key risk factors, introduces the team, and provides the required legal disclaimer.

RISK FACTORS

MARKET & LIQUIDITY RISK

FRY 3.0 trades on decentralized exchanges where liquidity may be limited, especially during the early post-launch period. Token price is determined entirely by market supply and demand. Fry Networks does not guarantee any token price, return on investment, or minimum liquidity depth.

SMART CONTRACT RISK

The NRE emission contract, conversion contract, staking contracts, and burn mechanism are deployed on the Algorand blockchain. While designed and tested for correctness, smart contracts may contain undiscovered bugs or vulnerabilities. Smart contract upgrades are governed by the DAO and follow a timelock review period before execution.

REGULATORY RISK

The regulatory environment for digital assets and DePIN protocols is evolving. Changes in law or regulatory interpretation could affect the operation of Fry Networks, the availability of FRY 3.0 on exchanges, or the legality of token mining in certain jurisdictions. Participants are responsible for compliance with their local regulations.

PARTNER DEPENDENCY RISK

FEM integrations depend on third-party partner protocols (Mysterium, Presearch, SpaceAcres, Diiisco, Olostep). If a partner protocol shuts down, changes its terms, or becomes incompatible, the corresponding FEM integration may become unavailable, reducing per-device contribution scores and earnings.

NETWORK CONCENTRATION RISK

Early-stage DePIN networks may have geographic or operator concentration that reduces resilience. As the network scales, geographic distribution is expected to improve, but there is no guarantee of uniform global coverage.

EMISSION SUSTAINABILITY RISK

While the NRE protocol is mathematically designed for perpetual sustainability (the rewards pool never fully depletes), per-device rewards decrease as the network grows and as the annual decay reduces weekly emissions. If FRY 3.0 market price does not appreciate proportionally to the emission decrease, dollar-denominated mining income may fall below the cost of operating a device.

TEAM

Fry Networks was founded and is operated by **Samuel Fry**, who serves as sole technical founder, protocol architect, and infrastructure operator. Samuel designed and built the complete Fry Networks stack — from the Algorand smart contracts and reward distribution system to the FEM desktop application, the production server infrastructure, and the DAO governance platform. The team page on frynetworks.com provides additional information about contributors and advisors.

LEGAL DISCLAIMER

This whitepaper is provided for informational purposes only and does not constitute financial advice, investment advice, trading advice, legal advice, or any other form of professional advice. FRY 3.0 tokens are utility tokens designed for use within the Fry Networks protocol and are not securities, shares, equity, or investment contracts.

No representation or warranty is made regarding the accuracy, completeness, or reliability of the information contained in this document. Forward-looking statements, projections, and estimates are based on current expectations and are subject to change without notice. Past performance of legacy Fry Networks tokens is not indicative of future results.

Participation in the Fry Networks protocol, including token acquisition, staking, mining, and governance voting, is entirely at the participant's own risk. Participants should conduct their own research and consult qualified professionals before making any decisions related to digital assets. Fry Networks is not responsible for any losses, damages, or claims arising from participation in the protocol.

The token allocation, emission schedule, fee structure, governance parameters, and roadmap milestones described in this document represent the intended design at time of publication. All protocol parameters are subject to modification through FryGovernance DAO votes. This document may be updated periodically to reflect governance decisions and protocol changes.

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