Useless Coin MiCAR White Paper

IN ACCORDANCE WITH

TITLE II OF REGULATION (EU) 2023/1114

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01. Date of Notification: 2025-08-08

Regulatory Disclosures

02. Statement in accordance with Article 6(3) of Regulation (EU) 2023/1114:

> This crypto-asset white paper has not been approved by any competent authority in any Member State of the European Union. The person seeking admission to trading of the crypto-asset is solely responsible for the content of this crypto-asset white paper.

03. Compliance statement in accordance with Article 6(6) of Regulation (EU) 2023/1114

> This crypto-asset white paper complies with Title II of Regulation (EU) 2023/1114 and, to the best of the knowledge of the management body of Useless Coin, the information presented in the crypto-asset white paper is fair, clear and not misleading and the crypto-asset white paper makes no omission likely to affect its import.

04. Statement in accordance with Article 6(5), points (a), (b), (c):

> The crypto-asset referred to in this white paper may lose its value in part or in full, may not always be transferable and may not be liquid.

06. Statement in accordance with Article 6(5), points (e) and (f):

> The crypto-asset referred to in this white paper is not covered by the investor compensation schemes under Directive 97/9/EC of the European Parliament and of the Council. The crypto-asset referred to in this white paper is not covered by the deposit guarantee schemes under Directive 2014/49/EU of the European Parliament and of the Council.

Summary

07. Warning:

> This summary should be read as an introduction to the crypto-asset white paper. The prospective holder should base any decision to purchase this crypto-asset on the content of the crypto-asset white paper as a whole and not on the summary alone. The offer to the public of this crypto-asset does not constitute an offer or solicitation to purchase financial instruments and any such offer or solicitation can be made only by means of a prospectus or other offer documents pursuant to the applicable national law. This crypto-asset white paper does not constitute a prospectus as referred to in Regulation (EU) 2017/1129 of the European Parliament and of the Council (36) or any other offer document pursuant to Union or national law.

08. Characteristics of the Crypto-Asset

$USELESS is a community-driven meme token deployed on the Solana blockchain as an SPL token. It has no intrinsic utility, roadmap, or attached financial rights. The token exists primarily as a cultural and community experiment, embodying internet irony and decentralized participation.

• **Rights of Purchasers:** Holders of $USELESS do not obtain any ownership, governance, profit-sharing, or claim against the issuer or any underlying asset. The only inherent function of the token is to be held, transferred, and traded on

compatible platforms.

• **Obligations of Purchasers:** Purchasers assume sole responsibility for securing their private keys, wallets, and compliance with any applicable laws when transacting with $USELESS. There are no contractual or financial obligations imposed on token holders by the issuer.

• **Exercise of Rights:** Since no governance, redemption, or financial rights are attached to $USELESS, there are no procedures or conditions for exercising such rights. Tokens may be freely transferred between wallets or traded on platforms that list them.

• **Modifications to Rights and Obligations:** As no rights or obligations exist beyond the technical ability to hold and transfer tokens, there are no conditions under which rights or obligations may be modified. Any trading restrictions or transfer conditions may only be imposed by crypto-asset service providers (CASPs) or platforms in line with their own policies and applicable laws.

10. Key Information About the Admission to Trading

Admission to trading of $USELESS is sought to facilitate secondary market liquidity and provide regulatory transparency under MiCAR. The admission is not tied to fundraising, as all $USELESS tokens are already in circulation.

• **Trading Platforms:** $USELESS is scheduled for admission to trading on Bitvavo (MIC: VAVO) and Kraken (MIC: PGSL).

• **Trading Access:** Access to trading will depend on the rules and onboarding procedures of each platform.

• **Costs and Fees:** Transaction and trading costs are determined by the respective platforms. Additionally, users may incur blockchain-related fees (“gas fees”) when transferring tokens out of custodial wallets.

• **Targeted Holders:** $USELESS is open to all purchasers without geographic or category-based restrictions, subject to each platform’s own compliance and eligibility requirements.

A. Information about the Person Seeking Admission to Trading

A.1 Name: Useless Meme

A.2 Legal Form: 6EH6

A.3 Registered address: Quijano Chambers, P.O. Box 3159, Road Town, VG1110, VG

A.4 Head office: N/A

A.5 Registration Date: 2025-08-02

A.6 Legal entity identifier: N/A

A.7 Another identifier required pursuant to applicable national law: 2183436

A.8 Contact telephone number: Not applicable

A.9 E-mail address: uselesscto1234@gmail.com

A.10 Response Time (Days): 30

A.11 Parent Company: Useless Meme

A.12 Members of the Management body:

Name	Business Function	Business Address
Rachel Wolchin	Director	Quijano Chambers, P.O. Box 3159, Road Town, Virgin Islands (British), 3159

A.13 Business Activity: $USELESS is a decentralized meme token launched with no presale, no team allocation, and no roadmap. It embodies the spirit of internet culture by flipping the concept of value on its head. A community-powered experiment in irony, virality, and decentralized belief, $USELESS is entirely run by contributors worldwide—embracing the absurd while stacking

serious momentum. All current activity surrounds community building around the ethos of the $Useless meme and what it symbolizes in our culture.

A.14 Parent Company Business Activity: Not applicable.

A.15 Newly Established: false

A.17 Financial condition since registration: The original developer that launched this token abandoned the project so a group of community members came together. This group also created a multi-signature wallet that is used as the treasury. 100% of funds are utilized to support the Useless token and Useless Meme entity has 50% ownership as 1 out of the 2 signers needed to complete any transaction.

As of August 6, 2025, the treasury balance is **$373,928.80**. The holdings are broken down as follows:
• **USELESS:** $317,091.33 (1,515,124.61107 tokens)
• **USDT:** $5,079.14 (5,078.25379 tokens)
• **USDC:** $3,483.63 (3,483.50004 tokens)
• **SOL:** $198.96 (1.18438 tokens)

B. Information about the Issuer (if different from the Offeror)

B.1 Issuer different from offeror or person seeking admission to trading: different

B.2 Name: Original developer (anonymous)

B.3 Legal Form: N/A

B.4 Registered address: N/A, N/A, N/A, NA

B.5 Head office: N/A

B.6 Registration Date: N/A

B.7 Legal entity identifier: N/A

B.8 Another identifier required pursuant to applicable national law: N/A

B.9 Parent Company: N/A

B.10 Members of the Management Body:

Name	Business Function	Business Address
N/A	N/A	N/A

B.11 Business Activity: The Useless token was created by an anonymous developer who is no longer involved with the project. The person seeking admission to trading named in Section A assumes liability for this whitepaper. We confirm that, to the best of our knowledge, the information presented regarding the issuer is fair, clear, and not misleading, ensuring full transparency for all purchasers.

B.12 Parent Company Business Activity: N/A

C. Information about the operator of the trading platform in cases where it draws up the crypto-asset white paper and information about other persons drawing the crypto-asset white paper pursuant to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114

C.1 Name: N/A, This section is not applicable, as neither the operator of a trading platform nor any other person, apart from the issuer, has drawn up or contributed to the preparation of the crypto-asset white paper.

C.2 Legal Form: N/A

C.3 Registered address: N/A

C.4 Head office: N/A

C.5 Registration Date: N/A

C.6 Legal entity identifier of the operator of the trading platform: N/A

C.7 Another identifier required pursuant to applicable national law: N/A

C.8 Parent Company: N/A

C.9 Reason for Crypto-Asset White Paper Preparation: N/A

C.10 Members of the Management body: N/A

C.11 Operator Business Activity: N/A

C.12 Parent Company Business Activity: N/A

C.13 Other persons drawing up the crypto- asset white paper according to Article 6(1), second subparagraph, of Regulation (EU) 2023/1114: N/A

C.14 Reason for drawing the white paper by persons referred to in Article 6(1), second subparagraph, of Regulation (EU) 2023/1114: N/A

D. Information about the Crypto-Asset Project

D.1 Crypto-asset project name: Useless Coin

D.2 Crypto-assets name: Useless

D.3 Abbreviation: $USELESS

D.4 Crypto-asset project description: $USELESS is a decentralized meme token launched with no presale, no team allocation, and no roadmap. It embodies the spirit of internet culture by flipping the concept of value on its head. A community-powered experiment in irony, virality, and decentralized belief, $USELESS is entirely run by contributors worldwide—embracing the absurd while stacking serious momentum.

D.5 Details of all natural or legal persons involved in the implementation of the crypto-asset project:

Name	Business Function	Business Address
Rachel Wolchin	Director	Quijano Chambers, P.O. Box 3159, Road Town, Virgin Islands (British), 3159

D.6 Utility Token Classification: false

D.7 Key Features of Goods/Services for Utility Token Projects: N/A

D.8 Plans for the token: USELESS is a decentralized, community-driven project with no official team or CEO. Contributors around the world collaborate anonymously, creating a permissionless memecoin movement that thrives on community creativity and collective momentum. The utility of $USELESS is in being useless. There's no roadmap, no team tokens, and no empty promises — just a decentralized memecoin powered by collective belief, irony, and pure internet culture.

D.9 Resource Allocation: Having being launched on the Lets Bonk launchpad, advisors and core contributors of the Bonk Ecosystem have allocated personal funds to the project in addition to a community of people holding majority of supply that have donated funds to the tokens treasury.

D.10 Planned Use of Collected Funds or Crypto-Assets: Not applicable, as this white paper was drawn up for the admission to trading and not for collecting funds for the crypto-asset-project.

E. Information about the Admission to Trading

E.1 Public Offering or Admission to trading: ATTR

E.2 Reasons for Public Offer or Admission to trading: To use the white paper for regulatory obligations, as this would:
1. strengthen the market-positioning of the other Crypto Asset Service Provider and
2. also entail liability risks.

E.3 Fundraising Target: N/A

E.4 Minimum Subscription Goals: N/A

E.5 Maximum Subscription Goal: N/A

E.6 Oversubscription Acceptance: N/A

E.7 Oversubscription Allocation: N/A

E.8 Issue Price: N/A

E.9 Official currency or any other crypto- assets determining the issue price: N/A

E.10 Subscription fee: N/A

E.11 Offer Price Determination Method: N/A

E.12 Total Number of Offered/Traded Crypto- Assets: 1

E.13 Targeted Holders: ALL

E.14 Holder restrictions: No

E.16 Refund Mechanism: N/A

E.17 Refund Timeline: N/A

E.18 Offer Phases: N/A

E.19 Early Purchase Discount: N/A

E.20 Time-limited offer: N/A

E.21 Subscription period beginning: N/A

E.22 Subscription period end: N/A

E.23 Safeguarding Arrangements for Offered Funds/Crypto-Assets: N/A

E.24 Payment Methods for Crypto-Asset Purchase: The payment methods are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.

E.25 Value Transfer Methods for Reimbursement: N/A

E.26 Right of Withdrawal: N/A

E.27 Transfer of Purchased Crypto-Assets: The transfer of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.

E.28 Transfer Time Schedule: N/A

E.29 Purchaser's Technical Requirements: The technical requirements that the purchaser is required to fulfil to hold the cryptoassets of purchased crypto-assets are subject to the respective capabilities of the Crypto Asset Service Provider listing the crypto-asset.

E.30 Crypto-asset service provider (CASP) name: N/A

E.31 CASP identifier: N/A

E.32 Placement form: N/A

E.33 Trading Platforms name: Bitvavo, Kraken

E.34 Trading Platforms Market Identifier Code (MIC): VAVO, PGSL

E.35 Trading Platforms Access: This depends on the trading platform listing the asset.

E.36 Involved costs: This depends on the trading platform listing the asset. Furthermore, costs may occur for making transfers out of the platform (i. e. "gas costs" for blockchain network use that may exceed the value of the crypto-asset itself).

E.37 Offer Expenses: N/A

E.38 Conflicts of Interest: Not that we are aware of.

E.39 Applicable law: N/A

E.40 Competent court: Not applicable, as it is referred to on "offer to the public" and in this white-paper, the admission to trading is sought.

F. Information about the Crypto-Assets

F.1 Crypto-Asset Type: $USELESS is an SPL token deployed on the Solana blockchain, leveraging fast transactions, minimal fees, and seamless integration across Solana-based DEXs and platforms. It benefits from Solana’s scalable architecture and highly liquid ecosystem.

F.2 Crypto-Asset Functionality: There is none, other than the ability to hold and transfer the crypto-asset.

F.3 Planned Application of Functionalities: They already are. We're useless.

F.4 Type of white paper: OTHR

F.5 The type of submission: NEWT

F.6 Crypto-Asset Characteristics: The utility of $USELESS is in being useless. There’s no roadmap, no team tokens, and no empty promises — just a decentralized memecoin powered by collective belief, irony, and pure internet culture.

F.7 Commercial name or trading name: $USELESS

F.8 Website of the issuer: https://theuselesscoin.com/

F.9 Starting date of offer to the public or admission to trading: 2025-08-26 (tentative)

F.10 Publication date: 2025-09-05

F.11 Any other services provided by the issuer: Nothing.

F.12 Language or languages of the white paper: English

F.13 Digital Token Identifier Code used to uniquely identify the crypto-asset or each of the several crypto assets to which the white paper relates, where available: N/A

F.14 Functionally Fungible Group Digital Token Identifier, where available: N/A

F.15 Voluntary data flag: true

F.16 Personal data flag: true

F.17 LEI eligibility: true

F.18 Home Member State: IE

F.19 Host Member States: AT, BE, BG, HR, CY, CZ, DK, EE, FI, FR, DE, GR, HU, IS, IT, LI, LT, LV, LU, MT, NL, NO, PL, PT, RO, SK, SI, ES, SE

G. Information on the rights and obligations attached to the crypto-assets

G.1 Purchaser Rights and Obligations: There are no rights or obligations attached for/of the purchaser

G.2 Exercise of Rights and obligations: As the token grants neither rights nor obligations, there are no procedures and conditions for the exercise of these rights applicable.

G.3 Conditions for modifications of rights and obligations: N/A

G.4 Future Public Offers: None

G.5 Issuer Retained Crypto-Assets: 1

G.6 Utility Token Classification: false

G.7 Key Features of Goods/Services of Utility Tokens: N/A

G.8 Utility Tokens Redemption: N/A

G.9 Non-Trading request: true

G.10 Crypto-Assets purchase or sale modalities: N/A

G.11 Crypto-Assets Transfer Restrictions: The crypto-assets as such do not have any transfer restrictions and are generally freely transferable. The Crypto Asset Service Providers can impose their own restrictions in agreements they enter with their clients. The Crypto Asset Service Providers may impose restrictions to buyers and sellers in accordance with applicable laws and internal policies and terms.

G.12 Supply Adjustment Protocols: false

G.13 Supply Adjustment Mechanisms: N/A

G.14 Token Value Protection Schemes: false

G.15 Token Value Protection Schemes Description: N/A

G.16 Compensation Schemes: false

G.17 Compensation Schemes Description: N/A

G.18 Applicable law: Applicable law likely depends on the location of any particular transaction with the token

G.19 Competent court: Competent court likely depends on the location of any particular transaction with the token.

H. Information on the Underlying Technology

H.1 Distributed ledger technology: The tokens were created with **Solana's Token Program**, a smart contract that is part of the Solana Program Library (SPL). Such tokens are commonly referred to as SPL-token.

The token itself is not an additional smart contract, but what is called a data account on Solana. As the name suggests data accounts store data on the blockchain. However, unlike smart contracts, they cannot be executed and cannot perform any operations.

Since one cannot interact with data accounts directly, any interaction with an SPL-token is done via Solana's Token Program. The source code of this smart contract can be found here: https://github.com/solana-program/token.

The Token Program is developed in **Rust**, a memory-safe, high-performance programming language designed for secure and efficient development. On Solana, Rust is said to be the primary language used for developing on-chain programs (smart contracts), intended to ensure safety and reliability in decentralized applications (dApps).

H.2 Protocols and technical standards: Core functions of the Token Program:
initialize_mint() → Create a new type of token, called a mint
mint_to() → Mints new tokens of a specific type to a specified account
burn() → Burns tokens from a specified account, reducing total supply
transfer() → Transfers tokens between accounts
approve() → Approves a delegate to spend tokens on behalf of the owner
set_authority() → Updates authorities (mint, freeze, or transfer authority)

These functions ensure basic operations like transfers, and minting/burning can be performed within the Solana ecosystem.

In addition to the Token Program, another smart contract, the **Metaplex Token Metadata Program** is commonly used to store name, symbol, and URI information for better ecosystem compatibility. This additional metadata has no effect on the token's functionality.

H.3 Technology Used: 1. Solana-Compatible Wallets: The tokens are supported by all wallets compatible with Solana's Token Program.
2. Decentralized Ledger: The Solana blockchain acts as a decentralized ledger for all token transactions, with the intention to preserving an unalterable record of token transfers and ownership to ensure both transparency and security.
3. SPL Token Program: The SPL (Solana Program Library) Token Program is an inherent Solana smart contract built to create and manage new types of tokens (so called mints). This is significantly different from ERC-20 on Ethereum, because a single smart contract that is part of Solana's core functionality and as such is open source, is responsible for all the tokens. This ensures a high uniformity across tokens at the cost of flexibility.
4. Blockchain Scalability: With its intended capacity for processing a lot of transactions per second and in most cases low fees, Solana is intended to enable efficient token transactions, maintaining high performance even during peak network usage.

Security Protocols for Asset Custody and Transactions:
1. Private Key Management: To safeguard their token holdings, users must securely store their wallet's private keys and recovery phrases.
2. Cryptographic Integrity: Solana employs elliptic curve cryptography to validate and execute transactions securely, intended to ensure the integrity of all transfers.

H.4 Consensus Mechanism: Solana uses a combination of Proof of History (PoH) and Proof of Stake (PoS). The core concepts of the mechanism are intended to work as follows:

Core Concepts
1. Proof of History (PoH):
Time-Stamped Transactions: PoH is a cryptographic technique that timestamps transactions, intended to creating a historical record that proves that an event has occurred at a specific moment in time.

Verifiable Delay Function: PoH uses a Verifiable Delay Function (VDF) to generate a unique hash that includes the transaction and the time it was processed. This sequence of hashes provides a verifiable order of events, intended to enabling the network to efficiently agree on the sequence of transactions.

2. Proof of Stake (PoS):

Validator Selection: Validators are chosen to produce new blocks based on the number of SOL tokens they have staked. The more tokens staked, the higher the chance of being selected to validate transactions and produce new blocks.

Delegation: Token holders can delegate their SOL tokens to validators, earning rewards proportional to their stake while intended to enhancing the network's security.

Consensus Process

1. Transaction Validation: Transactions are broadcasted to the network and collected by validators. Each transaction is validated to ensure it meets the network’s criteria, such as having correct signatures and sufficient funds.

2. PoH Sequence Generation: A validator generates a sequence of hashes using PoH, each containing a timestamp and the previous hash. This process creates a historical record of transactions, establishing a cryptographic clock for the network.

3. Block Production: The network uses PoS to select a leader validator based on their stake. The leader is responsible for bundling the validated transactions into a block. The leader validator uses the PoH sequence to order transactions within the block, ensuring that all transactions are processed in the correct order.

4. Consensus and Finalization: Other validators verify the block produced by the leader validator. They check the correctness of the PoH sequence and validate the transactions within the block. Once the block is verified, it is added to the blockchain. Validators sign off on the block, and it is considered finalized.

Security and Economic Incentives

1. Incentives for Validators:

Block Rewards: Validators earn rewards for producing and validating blocks. These rewards are distributed in SOL tokens and are proportional to the validator’s stake and performance.

Transaction Fees: Validators also earn transaction fees from the transactions included in the blocks they produce. These fees provide an additional incentive for validators to process transactions efficiently.

2. Security:

Staking: Validators must stake SOL tokens to participate in the consensus process. This staking acts as collateral, incentivizing validators to act honestly. If a validator behaves maliciously or fails to perform, they risk losing their staked tokens.
Delegated Staking: Token holders can delegate their SOL tokens to validators, intended to enhance network security and decentralization. Delegators share in the rewards and are incentivized to choose reliable validators.

3. Economic Penalties:

Slashing: Validators can be penalized for malicious behavior, such as double-signing or producing invalid blocks. This penalty, known as slashing, results in the loss of a portion of the staked tokens, discouraging dishonest actions.

H.5 Incentive Mechanisms and Applicable Fees: 1. Validators:

Staking Rewards: Validators are chosen based on the number of SOL tokens they have staked. They earn rewards for producing and validating blocks, which are distributed in SOL. The more tokens staked, the higher the chances of being selected to validate transactions and produce new blocks.
Transaction Fees: Validators earn a portion of the transaction fees paid by users for the transactions they include in the blocks. This is intended to provide an additional financial incentive for validators to process transactions efficiently and maintain the network's integrity.

2. Delegators:

Delegated Staking: Token holders who do not wish to run a validator node can delegate their SOL tokens to a validator. In return, delegators share the rewards earned by the validators. This is intended to encourage widespread participation in securing the network and ensures decentralization.

3. Economic Security:

Slashing: Validators can be penalized for malicious behavior, such as producing invalid blocks or being frequently offline. This penalty, known as slashing, involves the loss of a portion of their staked tokens. Slashing is intended to deter dishonest actions and ensures that validators act in the best interest of the network.
Opportunity Cost: By staking SOL tokens, validators and delegators lock up their tokens, which could otherwise be used or sold. This opportunity cost is intended to incentivize participants to act honestly to earn rewards and avoid penalties.

Fees Applicable on the Solana Blockchain

1. Transaction Fees: Solana is designed to handle a high throughput of transactions, which is intended to keep the fees low and predictable.
Fee Structure: Fees are paid in SOL and are used to compensate validators for

the resources they expend to process transactions. This includes computational power and network bandwidth.

2. Rent Fees:

State Storage: Solana charges so called "rent fees" for storing data on the blockchain. These fees are designed to discourage inefficient use of state storage and encourage developers to clean up unused state. Rent fees are intended to help maintain the efficiency and performance of the network.

3. Smart Contract Fees:

Execution Costs: Similar to transaction fees, fees for deploying and interacting with smart contracts on Solana are based on the computational resources required. This is intended to ensure that users are charged proportionally for the resources they consume.

H.6 Use of Distributed Ledger Technology: false

H.7 DLT Functionality Description: N/A

H.8 Audit: true

H.9 Audit outcome: As we are understanding the question relating to "technology" to be interpreted in a broad sense, the answer to whether an audit of "the technology used" was conducted is "no, we can not guarantee, that all parts of the technology used have been audited". This is due to the fact this report focusses on risk, and we can not guarantee that each part of the technology used was audited.

I. Information on Risks

I.1 Offer-Related Risks The admission to trading of Useless tokens poses minimal risks when considering that all tokens have already been issued and are currently in circulation. Since Useless tokens are not asset-referenced tokens (ARTs) or e-money tokens (EMTs), there are no reserves of assets, financial risks, or liabilities which need to be managed. The main risk to be considered is that trading platforms would not accept to list Useless tokens for internal reasons.

I.2 Issuer-Related Risks The original developer of the Useless token abandoned the project. It is now managed by a decentralized community of contributors. This structure introduces risks related to the lack of a central, legally accountable entity. Governance is informal, which could lead to disputes, lack of clear direction, and uncertainty regarding the long-term commitment and stewardship of the project.

I.3 Crypto-Asset-related Risks

Market Volatility: Crypto-asset prices are highly susceptible to dramatic fluctuations influenced by various factors, including market sentiment, regulatory changes, technological advancements, and macroeconomic conditions. These fluctuations can result in significant financial gains or losses within short periods.

Liquidity Challenges: Some crypto-assets may suffer from limited liquidity, which can present difficulties when executing large trades without significantly impacting market prices. This can lead to substantial financial losses, particularly during periods of rapid market movements.

Asset Security: Crypto-assets face unique security threats, including theft from exchanges or digital wallets and loss of private keys. Since crypto transactions are generally irreversible, any security breach can result in the permanent loss of assets.

Smart Contract Vulnerabilities: Many crypto-assets rely on smart contracts, which are not immune to risks. Bugs, coding errors, or vulnerabilities can be exploited by malicious actors, potentially leading to asset loss.

Privacy Concerns: All transaction details on the Solana blockchain are permanently recorded and publicly accessible. Although addresses are pseudonymous, the transparent nature of the blockchain allows for analysis that could potentially link addresses to real-world identities over time.

Regulatory Uncertainty: The regulatory environment for crypto-assets is constantly evolving, which can impact their usage, valuation, and legal status. Changes may introduce new compliance requirements, creating uncertainty for investors.

Counterparty Risk: Engaging with or storing crypto-assets on exchanges introduces counterparty risks, including the failure of the other party to fulfill their obligations due to insolvency, non-compliance, or fraudulent activities.

Reputational Concerns: Crypto-assets are often subject to reputational risks from associations with illegal activities or high-profile security breaches, which can undermine trust and negatively affect market value.

I.4 Project Implementation-Related Risks The risks related to project implementation are minimal, since the issuance has already been completed.

The main potential risk is that trading platforms may opt not to list Useless tokens for internal reasons. Further, as a community-driven project, marketing and development efforts may be uncoordinated or inconsistent, and potential partnerships may fall through.

I.5 Technology-Related Risks

Private Key Management: The security of crypto-assets depends on the effective management of private keys. Losing a private key can result in the irreversible loss of assets.

Transaction Finality: Transactions sent to incorrect or unintended addresses are typically irreversible. Users must double-check addresses and transaction details before execution.

Scalability Issues: High transaction volume on blockchain networks can lead to congestion, increased fees, and slower confirmation times.

Network Sustainability: A blockchain network must maintain sufficient transaction volume to incentivize validators and support network security. A significant decline in activity could pose economic challenges to the network.

Cybersecurity Threats: Blockchain networks are vulnerable to various cybersecurity threats, such as 51% attacks and DDoS attacks, which can disrupt network functionality.

Governance Challenges: The decentralized nature of blockchain networks can present governance challenges. Ineffective governance may result in delays in addressing critical network concerns or instability.

I.6 Mitigation Measures

Smart Contract Vulnerabilities: The Useless token contract is open source and can be consulted by anyone. Since the project is community-run, Useless Meme cannot prevent risks related to smart contract vulnerabilities in services provided by third-parties.

Regulatory Uncertainty: The Useless Meme entity stays abreast of legal and regulatory updates to work towards ensuring compliance of Useless tokens with applicable laws and regulations.

Blockchain Related Risks: While all blockchains face risks, Useless tokens have been built on the Solana blockchain, which is recognized for its reputation, performance, and security.

Risks Related to Project Implementation and Admission to Trading: While Useless Meme cannot guarantee the listing of Useless tokens on particular platforms, it will ensure that all necessary actions are taken to support listing on targeted platforms with a high level of integrity.

J. Information on the sustainability indicators in relation to adverse impact on the climate and other environment-related adverse impacts

S.1 Name: Useless Meme

S.2 Relevant legal entity identifier: N/A

S.3 Name of the crypto-asset: Useless

S.4 Consensus Mechanism: Solana uses a combination of Proof of History (PoH) and Proof of Stake (PoS). The core concepts of the mechanism are intended to work as follows:

Core Concepts

1. Proof of History (PoH):

Time-Stamped Transactions: PoH is a cryptographic technique that timestamps transactions, intended to creating a historical record that proves that an event has occurred at a specific moment in time.

Verifiable Delay Function: PoH uses a Verifiable Delay Function (VDF) to generate a unique hash that includes the transaction and the time it was processed. This sequence of hashes provides a verifiable order of events, intended to enabling the network to efficiently agree on the sequence of transactions.

2. Proof of Stake (PoS):

Validator Selection: Validators are chosen to produce new blocks based on the number of SOL tokens they have staked. The more tokens staked, the higher the chance of being selected to validate transactions and produce new blocks.

Delegation: Token holders can delegate their SOL tokens to validators, earning rewards proportional to their stake while intended to enhancing the network's security.

Consensus Process

1. Transaction Validation: Transactions are broadcasted to the network and collected by validators. Each transaction is validated to ensure it meets the network’s criteria, such as having correct signatures and sufficient funds.

2. PoH Sequence Generation: A validator generates a sequence of hashes using PoH, each containing a timestamp and the previous hash. This process creates a historical record of transactions, establishing a cryptographic clock for the network.

3. Block Production: The network uses PoS to select a leader validator based on their stake. The leader is responsible for bundling the validated transactions into a block. The leader validator uses the PoH sequence to order transactions within the block, ensuring that all transactions are processed in the correct order.

4. Consensus and Finalization: Other validators verify the block produced by the leader validator. They check the correctness of the PoH sequence and validate the transactions within the block. Once the block is verified, it is added to the blockchain. Validators sign off on the block, and it is considered finalized.

Security and Economic Incentives

1. Incentives for Validators:

Block Rewards: Validators earn rewards for producing and validating blocks. These rewards are distributed in SOL tokens and are proportional to the validator’s stake and performance.

Transaction Fees: Validators also earn transaction fees from the transactions included in the blocks they produce. These fees provide an additional incentive for validators to process transactions efficiently.

2. Security:

Staking: Validators must stake SOL tokens to participate in the consensus process. This staking acts as collateral, incentivizing validators to act honestly. If a validator behaves maliciously or fails to perform, they risk losing their staked tokens.
Delegated Staking: Token holders can delegate their SOL tokens to validators, intended to enhance network security and decentralization. Delegators share in the rewards and are incentivized to choose reliable validators.

3. Economic Penalties:

Slashing: Validators can be penalized for malicious behavior, such as double-signing or producing invalid blocks. This penalty, known as slashing, results in the loss of a portion of the staked tokens, discouraging dishonest actions.

S.5 Incentive Mechanisms and Applicable Fees: 1. Validators:

Staking Rewards: Validators are chosen based on the number of SOL tokens they have staked. They earn rewards for producing and validating blocks, which are distributed in SOL. The more tokens staked, the higher the chances of being selected to validate transactions and produce new blocks.
Transaction Fees: Validators earn a portion of the transaction fees paid by users for the transactions they include in the blocks. This is intended to provide an additional financial incentive for validators to process transactions efficiently and maintain the network's integrity.

2. Delegators:

Delegated Staking: Token holders who do not wish to run a validator node can delegate their SOL tokens to a validator. In return, delegators share the rewards earned by the validators. This is intended to encourage widespread participation in securing the network and ensures decentralization.

3. Economic Security:

Slashing: Validators can be penalized for malicious behavior, such as producing invalid blocks or being frequently offline. This penalty, known as slashing, involves the loss of a portion of their staked tokens. Slashing is intended to deter dishonest actions and ensures that validators act in the best interest of the network.
Opportunity Cost: By staking SOL tokens, validators and delegators lock up their tokens, which could otherwise be used or sold. This opportunity cost is intended to incentivize participants to act honestly to earn rewards and avoid penalties.

Fees Applicable on the Solana Blockchain

1. Transaction Fees: Solana is designed to handle a high throughput of transactions, which is intended to keep the fees low and predictable.
Fee Structure: Fees are paid in SOL and are used to compensate validators for

the resources they expend to process transactions. This includes computational power and network bandwidth.

2. Rent Fees:

State Storage: Solana charges so called "rent fees" for storing data on the blockchain. These fees are designed to discourage inefficient use of state storage and encourage developers to clean up unused state. Rent fees are intended to help maintain the efficiency and performance of the network.

3. Smart Contract Fees:

Execution Costs: Similar to transaction fees, fees for deploying and interacting with smart contracts on Solana are based on the computational resources required. This is intended to ensure that users are charged proportionally for the resources they consume.

S.6 Beginning of the period to which the disclosure relates: 2025-01-01

S.7 End of the period to which the disclosure relates: 2025-08-06

S.8 Energy consumption: 1,079.5 kWh

S.9 Energy consumption sources and methodologies: Because the issuer does not operate validator infrastructure, energy use is estimated from Solana network totals and $USELESS's estimated share of daily transactions. This approach follows ESMA's MiCA sustainability RTS, which allows issuer-level estimates using network-level data scaled by relevant activity share.

Network Baseline

Solana's annual electricity consumption, based on Foundation-published data, is 18,074,856.7 kWh/year.

Daily Solana electricity use = 18,074,856.7 ÷ 365 ≈ 49,520.17 kWh/day.

Assumption for $USELESS Activity Share

On August 1, 2025, $USELESS executed 10,000 transfers while Solana processed ~91,000,000 transactions (≈ 0.01% share). For this disclosure, we assume that this 0.01% daily share remains constant across the period Jan 1 → Aug 6, 2025.

Computation

$USELESS daily energy: 49,520.17 kWh × 0.0001 ≈ 4.952 kWh/day

Days in period: 218 days

Estimated $USELESS energy (period): 4.952 × 218 ≈ 1,079.5 kWh

Result (Key Indicator)

Total electricity consumed, attributable to validation of $USELESS-related

Uncertainty & Planned Improvements

This estimate assumes constant daily share; actual transaction counts may vary.

Future disclosures will replace the assumption with actual transfer counts for the period multiplied by Solana's per-transaction electricity benchmarks (0.00412–0.00850 Wh/tx).

Using per-transaction benchmarks will provide a more precise energy footprint.

$USELESS

The cryptocurrency that proudly does absolutely nothing. You're early. But it doesn't matter. $USELESS is not responsible for any gains, losses, or existential crises. Do your own research — or don't. It's useless anyway.

Support: support@theuselesscoin.com
(Don't expect a response.)

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