SKY CITY NETWORK

SCN

A decentralized platform uniting blockchain, advanced artificial intelligence, and optional privacy — for transparent, secure, and efficient finance.

WHITEPAPER · 2026

Table of Contents

1. Introduction

Sky City Network (SCN) is a decentralized platform that combines blockchain, advanced artificial intelligence, and optional privacy to make financial transactions transparent, secure, and efficient. Through features such as unique identifiers, targeted mining, and custom sub-blockchains, the project enables users and developers to participate in a decentralized financial ecosystem. SCN will commence operations in 2026 with a token offering, the launch of an official wallet, and the development of decentralized applications (DApps).

1.1 Project Vision and Objectives

Sky City Network (SCN) is a leading platform for decentralized transactions that creates a transparent and secure future by combining blockchain and artificial intelligence. Our goal is to build a platform that:

1. Executes financial transactions with high transparency and low risk.
2. Delivers ease of use and the seamless integration of payment gateways for tourism, recreational, and leisure communities.
3. Uses artificial intelligence to detect fraud, perform intelligent analysis, and optimize processes.
4. Provides optional privacy to conceal sensitive and confidential transactions.
5. Simplifies the user experience with tools such as intelligent chatbots and decentralized applications (DApps).
6. Builds a decentralized ecosystem to support decentralized finance (DeFi) projects and businesses.
7. Enables developers to create custom sub-blockchains.

SCN empowers individuals and businesses to participate in the decentralized financial ecosystem with confidence and without intermediaries.

2. Problem Statement

Despite advances in blockchain technology, financial transactions in the crypto space still face significant challenges. For example, a 2024 Chainalysis report revealed that crypto scams generated at least **$9.9 billion** in revenue for criminals through smart contracts alone, largely due to a lack of transparency. The principal challenges are:

1. **Lack of transparency in contracts:** The reason for a payment (such as the purchase of a good or service) is usually not recorded on the blockchain, which erodes trust between parties.

2. **Complexity of smart contracts:** Creating smart contracts is difficult and time-consuming for non-technical users.
3. **Lack of integration across leisure and service communities:** Every recreational and tourism center operates its own unique — and often traditional — payment gateway. Beyond the heightened risk of fraud, this discourages non-local users from engaging.
4. **Absence of optional privacy:** Many blockchains offer no option to preserve the privacy of sensitive transactions.

Sky City Network (SCN) resolves these challenges through unique identifiers, artificial intelligence, and optional privacy.

3. Innovative Features

3.1 Artificial Intelligence in SCN

Artificial intelligence (AI) makes the Sky City Network (SCN) platform smarter, more secure, and more user-centric. By analyzing data and streamlining processes, this technology delivers an innovative experience:

1. **Intelligent transaction analysis:** AI identifies suspicious patterns (such as fraud or money laundering). For instance, it flags unusual transactions to preserve transparency.
2. **Smart contract optimization:** AI proposes contract terms based on user needs and predicts transaction risks. For example, it configures secure payment terms for the sale of goods.
3. **Simplified user experience:** AI-powered chatbots help non-technical users create unique identifiers or manage documents.
4. **Custom development for the community:** Developers and non-technical users can use AI tools to build custom decentralized applications (DApps), such as dedicated financial platforms.

3.2 Optional Privacy

By offering optional privacy, Sky City Network (SCN) lets users choose between transparency and confidentiality for their transactions. This feature is designed to meet the diverse needs of users.

Users can select transparent transactions to record documents (such as a purchase agreement) or private transactions for sensitive matters (such as a personal money transfer). Private transactions are executed using advanced techniques such as Ring Signatures and Zero-Knowledge Proofs, which guarantee security and confidentiality.

For regulatory compliance, SCN supports optional KYC/AML protocols. When necessary (for example, when interacting with banks), users or projects can use encrypted on-chain or off-chain

identity verification. This design preserves the decentralized nature of the blockchain while enabling lawful and responsible use.

3.3 Unique Identifiers

Unique identifiers in Sky City Network (SCN) provide an innovative way to securely record and trade assets on the blockchain. This feature increases transparency and trust in digital commerce.

Unlike traditional NFTs, which are used mostly for artwork or collectibles, unique identifiers in SCN act as a title of ownership or a payment gateway for goods and services. For example, a seller can register a product (such as a phone) on the blockchain by creating a unique identifier for it. Each identifier is linked to a smart contract that automatically enforces the terms of the transaction (such as price, delivery time, or warranty). These contracts are optimized by SCN's artificial intelligence to reduce risk. This capability turns SCN into a practical platform for digital commerce, enabling direct and secure transactions.

3.4 Recreational–Tourism Payment Gateway & Virtual Reality

Sky City Network will deploy a unified payment gateway for use across all recreational and tourism centers worldwide, delivering a completely simple, Web3-based solution that may also draw on accessible physical tools.

Beyond the unified payment gateway, Sky City Network — using virtual reality systems installed in accredited recreational centers worldwide — will enable users to remotely experience and test the facilities and recreational equipment of other centers around the globe.

3.5 Targeted Mining

Through targeted mining, Sky City Network (SCN) offers an efficient, low-consumption alternative to traditional mining (Proof of Work) that directs resources to the network's real needs. This feature encourages everyday users to participate in the network.

Unlike traditional mining, which consumes a great deal of energy, SCN users can contribute to the network by allocating storage space or the processing power of their devices (such as a phone, computer, or server). For example, a user can share 10 GB of free space on their phone to store documents or contracts in a decentralized manner and earn SCN token rewards. This data is protected with client-side encryption to preserve privacy.

Users connect to the network as storage or processing nodes through the official SCN software (released in the second phase of the mainnet). Some nodes can offer their processing power for off-chain AI analysis and earn additional income. In later phases, SCN will integrate with distributed infrastructures (such as Golem or Akash) so that processing is performed directly by the network.

Key features of this system:

- Very low energy consumption compared with traditional mining
- Greater security and availability of documents through decentralized distribution
- Preservation of data privacy via client-side encryption
- The ability for everyday users to enter the ecosystem with simple hardware

With its low energy consumption, high security, and support for participation using simple hardware, this model strengthens the network and makes users partners in its development.

4. Technical Details

The Sky City Network (SCN) blockchain uses a Proof of Stake mechanism that, with low energy consumption, selects validators based on the amount of SCN tokens they hold. This architecture finalizes transactions with a minimum of 3 confirmations and an average time of one second, increasing speed and efficiency.

Proof of Stake	~1 sec	≥ 3	5,000 TPS
Consensus mechanism	Average finality	Confirmations	Target throughput (early phases)

To ensure scalability under heavy load, SCN batches transactions periodically over 24-hour intervals. These time windows allow the network to process and store data optimally and to allocate resources in a balanced way. SCN also uses dynamic sharding to distribute network load across sub-blockchains and nodes, maintaining high performance even during peak traffic or computational load.

This structure is synchronized with targeted mining (Section 3.5), where storage and processing nodes not only act as validating nodes but are also used to record documents, execute smart contracts, and perform off-chain data analysis.

All data and transactions are encrypted using advanced cryptographic algorithms so that user privacy and system security are preserved by default.

4.1 AI Implementation

In the initial phase, SCN uses a hybrid AI model for intelligent transaction analysis, smart contract suggestions, and support for non-technical users. This implementation rests on three main pillars:

- **Transaction pattern analysis:** Simplified models such as Decision Trees and logistic regression identify transactions suspected of fraud or money laundering. By examining factors such as transaction volume, frequency, and associated addresses, the system assigns a risk score to each transaction.
- **Intelligent contract suggestions:** A Rule-Based System analyzes user needs (such as "rent payment" or "sale of digital services") and semi-automatically suggests an appropriate smart contract template. In later stages, this module will be enhanced with machine learning algorithms.
- **Support via an intelligent chatbot:** An AI-based, natural-language chatbot helps users define unique identifiers, set up simple contracts, or resolve issues they encounter on the platform. This tool will operate off-chain in the first phase and in a decentralized form in later stages.
- **Execution infrastructure:** AI models first run on secure off-chain servers, with only the results transferred to the SCN network. In the future, using decentralized computing infrastructures such as Golem or Akash Network, AI processing will be executed in a distributed manner.
- **Development path:** All base algorithms and code will be made available to the developer community as open source, enabling free improvement, suggestions, and review. Over time, the AI models will evolve from static to dynamic learning systems that optimize based on user interaction.

4.2 Privacy Layer

The Sky City Network (SCN) privacy layer allows users to choose between transparency and confidentiality of transactions. This layer uses advanced cryptographic protocols such as Zero-Knowledge Proofs (ZKP) and Ring Signatures for optional anonymization. ZKP allows users to prove the validity of a transaction without disclosing details (such as the amount or recipient).

By default, transactions are transparent to preserve network transparency, but users can enable the privacy option for sensitive transactions (such as a personal money transfer). For regulatory compliance, SCN supports encrypted on-chain or off-chain identity verification (such as KYC/AML). This feature will be developed in the second phase of the mainnet, ensuring security and flexibility.

4.3 Custom Sub-blockchains

Custom sub-blockchains in Sky City Network (SCN) enable projects to launch their own dedicated blockchain on the main platform. This modular structure increases the scalability and flexibility of the network.

Each sub-blockchain operates independently while remaining connected to the main SCN network, and is used to run decentralized applications (DApps), register local contracts, or manage high-volume transactions. For example, a DeFi platform can launch a sub-blockchain to process its

financial transactions quickly. These sub-blockchains benefit from processing nodes (Section 3.4) and AI analysis (Section 4.1) for greater efficiency.

By isolating project transactions, this model preserves the performance of the main network and accelerates DApp development.

4.4 Fees

Sky City Network (SCN) fees are designed to ensure network sustainability and to reward participants. Ordinary transactions (such as transfers of SCN and network tokens between users) carry a fee of only **0.001 SCN**. For transactions that use additional protocols such as privacy (Section 4.2), an extra **0.005 SCN** is applied. For example, a user making a private money transfer pays a total of **0.006 SCN** (0.001 + 0.005).

> Of total fees, **80%** is distributed among stakers (participants in the Proof of Stake mechanism, Section 4) and **20%** is allocated to the development and maintenance of the project.

This structure supports the project's financial sustainability. Fees may be adjusted as transaction volume grows in order to preserve network efficiency. This system will be implemented concurrently with the mainnet launch and ensures financial flexibility.

5. The SCN Token

SCN is the heart of the Sky City Network ecosystem and is used for transactions, governance, and rewards within the network. Initially offered on the Polygon network (POL) under the ERC-20 standard, the token plays a key role in building a decentralized, user-centric ecosystem.

SCN token holders can earn returns by staking their assets in the Proof of Stake mechanism and benefit from 80% of network fees. All transaction fees on the SCN mainnet are paid in SCN. Active users who run a node or provide storage space (Section 3.4), or who participate in governance voting, receive periodic rewards. Reward details will be announced on the project's official website.

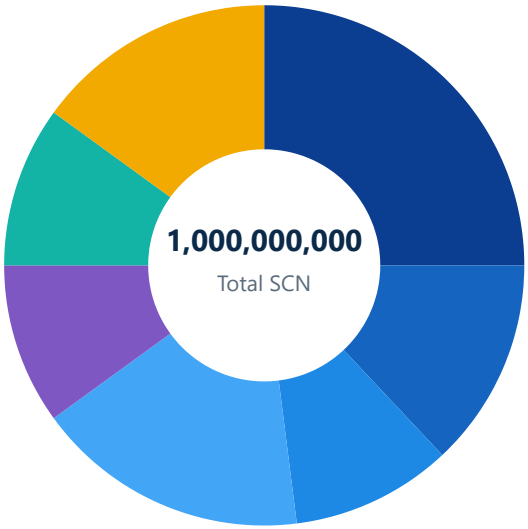
The dedicated SCN blockchain, designed to be EVM-compatible, enables the migration of smart contracts from the Polygon network. To move assets to this network, an official bridge will be activated at the time of the mainnet launch. With support for multiple assets and sub-blockchains (Section 4.3), this network ensures scalability and flexibility.

In later development stages, the dedicated SCN blockchain will be built on an EVM-compatible platform to enable the migration of current smart contracts from the Polygon network. This network will be developed with a Proof of Stake (PoS) algorithm, multi-asset support, and a

modular structure for creating sub-blockchains. The mainnet launch timing will be determined in the project's official roadmap and with community participation.

5.1 Tokenomics

The tokenomics of Sky City Network (SCN) are designed to balance sustainable development, community participation, and the preservation of SCN token value. With a focus on transparency and community orientation, this structure strengthens a decentralized ecosystem. The total supply is **one billion tokens**, distributed as follows:



ICO & Sale	**25% · 250M**
Staking & Participation	**13% · 130M**
Airdrop	**10% · 100M**
Ecosystem	**17% · 170M**
Team Share	**10% · 100M**
Liquidity	**10% · 100M**
Strategic Reserve & Marketing	**15% · 150M**

- **25% (250M) — ICO & Sale:** To attract users and form the community.
- **13% (130M) — Staking & Participation:** For users who participate in consensus or governance by staking tokens.
- **10% (100M) — Airdrop:** Free distribution through various programs.
- **17% (170M) — Ecosystem:** For network maintenance and development, branding, and attracting investors.

- **10% (100M) — Team Share:** Locked with gradual vesting to support the core developers.
- **10% (100M) — Liquidity:** To provide liquidity on exchanges and facilitate trading from launch.
- **15% (150M) — Strategic Reserve & Marketing:** For future development (such as new features or partnerships) and advertising.

> Withdrawals from sensitive funds (such as marketing and the strategic reserve) are possible only through transparent **Community Voting** via smart contracts.

All precise information about the vesting schedule, locked contracts, and the voting process is published on the project's official website and is publicly accessible.

5.2 Comparison with Competitors

By offering an integrated solution for Web3 needs, Sky City Network (SCN) combines innovative features such as optional privacy (Section 4.2), targeted mining (Section 3.5), and AI execution (Section 4.1). These features distinguish SCN from other blockchain projects and respond to the needs of today's users.

Feature	SCN	Ethereum	Polkadot	Filecoin	Aleph.im
Optional privacy	Yes	Limited	Very limited	Yes	Yes
Unique identifier as title	Yes	Needs custom dev.	Needs dedicated parachain	Needs custom dev.	Yes
Targeted mining	Yes	No	No	Yes	No
Low transaction cost	Very low	High	Depends on parachain	Very low	Low
AI execution	Official support	External	Requires parallel link	No	Official support
Custom sub-blockchain	Yes	No	Yes	No	No
Optional & legal identity verification	Yes	No	Requires external dev.	Requires external dev.	Yes

Rather than competing head-on with established projects, SCN fills the gaps in the blockchain ecosystem by integrating user-centric features. Inspired by the successes and lessons of major

projects, we have taken a different path to address the new and more complex needs of today's users.

By offering targeted mining (Section 3.5), unique identifiers as titles (Section 3.3), optional privacy (Section 4.2), and AI execution (Section 4.1), this platform provides a practical solution for Web3 and fintech needs. On its mainnet, SCN will deliver a scalable and innovative experience for users.

6. Public Offering

The SCN token offering is designed to attract a community, fund the project, and strengthen decentralized governance. The process is carried out in three phases to ensure transparency and user participation:

6.1 Phase One — Distribution

In the first phase, tokens will be distributed and sold via an ICO, limited to early users, partners, and active communities, after which an airdrop will be distributed in accordance with Section 5.1. In this phase, the infrastructure for staking and the core utility infrastructure is prepared.

6.2 Phase Two — Utility and Exchange

In the second phase, most of the programs are used to fund the development of the dedicated SCN blockchain and to provide liquidity on exchanges (Section 5); utility applications such as DApps and various programs will also be launched. The precise timing and sale terms will be announced on the official website.

6.3 Phase Three — Participatory Asset

In the third phase of the offering, the SCN token is offered as a participatory asset. Token holders can participate in the project's governance by staking their assets and support major decisions, such as resource allocation. In addition, they benefit from staking returns out of 80% of network fees (Section 4.4).

Unsold or unallocated tokens are burned to preserve token value. Precise offering information, including the schedule and the voting process, will be published through the project's official website and channels.

7. Roadmap (Preliminary)

The Sky City Network (SCN) roadmap targets the development of a decentralized, user-centric blockchain (Section 5). This plan is being formulated in 2026, executed step by step, and completed

with community participation:

7.1 Q3 2026

- Launch of the SCN token on the Polygon network with a free distribution and an initial ICO sale (Section 6.1) to attract at least 5,000 early users.
- An NFT platform for defining projects for investment and transferring investor equity in the venture.
- Creation of NFTs to transfer the project's total equity to its investors.
- Unveiling of practical AI models for public use.
- Collaboration with crypto communities or partners (Section 5.1, Airdrop) for limited distribution and field testing of the platform.

7.2 Q4 2026

- Implementation of various programs to raise capital for funding the dedicated blockchain and liquidity for exchanges.
- Pilot launch of a decentralized exchange supporting 4 trading pairs (such as SCN/USDT).
- Activation of a platform to convert tokens from previous pilot projects into the new SCN token, integrating legacy users into the new ecosystem.
- Activation of SCN token staking on the Polygon network.
- Implementation of 2 decentralized applications (DApps) with community participation (Section 4.3), such as a payment DApp for Web3 transactions.

Full roadmap details and updates will be published via the project's official website. Future plans will be finalized through community voting (Section 5).

8. Team and Participation

The Sky City Network (SCN) community is developed by a specialized team with the participation of a decentralized community. This combination creates a user-centric ecosystem for Web3.

8.1 Founding Team

The SCN founding team is composed of specialists experienced in blockchain, artificial intelligence, cryptography, fintech, and decentralized infrastructure. Team members have previously played roles in crypto projects associated with high market capitalization and have practical experience in scaling platforms.

Given the security sensitivities and the decentralized nature of the project, the core team members currently prefer to remain anonymous so that the focus stays on technical development and decentralized structure. This decision does not stem from secrecy but from the project's philosophy: empowering the community rather than centering on individuals.

8.2 Community Participation

As an open-source platform, SCN invites all developers, researchers, and innovators to actively participate in designing, building, and improving this decentralized ecosystem. For example, a programmer can develop a Web3 payment DApp. Decisions are made through decentralized community voting, not by individuals.

8.3 Technical Transparency

All platform code will be published as open source on GitHub from the outset to ensure technical transparency for developers and users. This decision allows the community to review the code, propose improvements, and play a direct role in the development path.

As the network grows and participation expands, volunteer developers and active contributors may — "if they wish" — be introduced by their real or pseudonymous names so the community is aware of their role in advancing SCN. These acknowledgments are made solely to express appreciation and reinforce the community's sense of ownership, and do not imply any centralized structure.

Details regarding new contributions, code updates, and development plans will be made public through the official website and the GitHub repository.

9. Risks and Challenges

For the sake of transparency with users and contributors (Section 5.1), Sky City Network has identified the challenges ahead and designed solutions to mitigate them. Awareness of these risks helps the community participate in the SCN ecosystem with confidence.

9.1 Scalability

An increase in users and transactions may create processing constraints. SCN expands network capacity using customizable sub-blockchains (Section 4.3) and parallel processing. For example, the network is designed to theoretically support 5,000 transactions per second (TPS) in its early phases.

9.2 Competition with Major Projects

Projects such as Ethereum and Polkadot (Section 5.2) are developing similar capabilities. By "integrating" features such as optional privacy (Section 4.2), unique identifiers (Section 3.3),

targeted mining (Section 3.5), and EVM compatibility (Section 5), SCN establishes a unique position. The launch of the decentralized exchange and DApps will reinforce this distinction.

9.3 Security Risks

Potential weaknesses in smart contracts or node performance could threaten network security. SCN strives to minimize these risks by conducting rigorous security audits in the stages before the mainnet launch and continuing these assessments periodically afterward, together with the use of advanced cryptographic protocols and collaboration with cybersecurity experts.

9.4 User Adoption

Attracting new users to the Web3 ecosystem is challenging. SCN accelerates adoption through free token distribution (Section 6.1, Airdrop) and the development of practical DApps (Section 4.3), such as a payment DApp. A beta test in Q2 2025 (Section 7) will help attract early users.

10. Conclusion

By integrating innovative features, Sky City Network (SCN) offers a decentralized, user-centric solution for the Web3 and fintech ecosystem. By combining artificial intelligence (Section 4.1), optional privacy (Section 4.2), targeted mining (Section 3.5), and scalable sub-blockchains (Section 4.3), the platform makes crypto transactions secure, efficient, and transparent. The SCN token (Section 5) and the transparent tokenomics structure (Section 5.1) allow users to participate in governance and earn returns from network fees (Section 4.4). By executing its roadmap — including the public offering and the launch of the decentralized exchange in the early phases — SCN has begun its official operations and, through continuous development, is addressing the current gaps in blockchain to achieve a leading position in the industry. We invite developers, investors, and enthusiasts to join the SCN community by entering or participating in open-source development (Section 8) and to build the future of Web3 with us.

11. Contact Us

Website	—
Email	—
Telegram	—
Twitter	—

Sky City Network (SCN) — Whitepaper · English translation · 2026 · This document is a translation of the original whitepaper for informational purposes and does not constitute financial advice.