

Briefing note on the “Pombo Tokens”



1. Introduction

Gómez-Acebo & Pombo Abogados and the Fernando Pombo Foundation have set up a portal linked to a public blockchain network where tokens called “Pombos” will be transferred.



The launching of Pombos is a pioneering initiative that enables both the raising of charitable funds and the channelling of Gómez-Acebo & Pombo lawyers’ pro bono work, thereby helping to promote the Foundation’s access-to-justice projects.

For the Firm, innovating in the legal sector is a pledge, a duty even in the field of social responsibility, and an initiative such as this launch provides an opportunity to explore the legal implications of blockchain technology, to develop capabilities related to the same

and even to verify its potential in the third sector field of social responsibility and sustainability.

For the Foundation it means not only an opportunity to explore a new model for the development of sociolegal innovation projects that offers greater transparency and traceability to its donors and makes them participants in decision-making concerning the use of their funds, but also a new way to promote and develop the legal profession’s social responsibility.

2. Fundación Fernando Pombo



The Foundation was jointly founded in 2010 by Gómez-Acebo & Pombo and Fernando Pombo, the latter co-founder of the Firm and former president of the International Bar Association.

The Foundation’s mission is to promote responsible lawyering, committed to the government of laws, human rights and the most vulnerable whilst applying legal innovation for social transformation.

The Foundation has almost ten years of experience in the development of responsible lawyering in Spain and abroad. It is also the first pro bono clearing house to have been created in our country and has received numerous national and international recognitions for its contribution to the development of pro bono work in the legal profession in recent years.

“Steadfastness, tenacity and endeavour have a significant multiplier effect when applied to helping the underprivileged”.

Fernando Pombo.

The Foundation focuses its activity on the creation of social projects with innovative legal content for social transformation. It focuses on four particularly vulnerable groups:



**the
homeless**



**forced
migrants**



**vulnerable
women**



**vulnerable
patients**

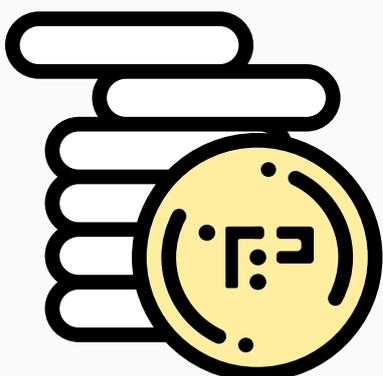
It also develops legal projects to strengthen social entrepreneurship and responsible advice on human rights and business, as well as in other specific areas.

Since 2014 it has also been working in the field of social entrepreneurship, developing innovative legal formulas for the sustainability of NGOs through pro bono lawyering.

In order to achieve a multiplier effect, the Foundation works in a network with lawyers from Gómez-Acebo & Pombo, universities, legal clinics, NGOs, Public Administrations and national and international institutions with which bonds of mutual trust and respect have been forged.

3. Pombo tokens and Foundation projects

In 2018, Gómez-Acebo & Pombo launched the ‘Open Innovation’ initiative with the aim of identifying innovative projects that could be developed in collaboration with external organisations. That same year, the Firm took part in the Blockchain Hackathon of the Polytechnic University of Valencia, which resulted in a proposal to collaborate with a start-up specialised in blockchains (Blockchain Work Labs) for the launching of a legal token based on distributed ledger technology that would allow for technological innovation in the field of law.



It is in this context that a collaboration project between the Firm and the Foundation arose that transcends, in its charitable purposes, the mere issue of a cryptocurrency or of transferable cryptosecurities and involves a new way of collaborating with not-for-profit organisations in the provision of funding and pro bono working hours. Hence the pioneering, innovative and transformative nature of this project.

Gómez-Acebo & Pombo and Fundación Fernando Pombo have created an

integrated portal with a public blockchain network (Stellar) where the Firm will transfer the Pombos it issues and purchasers may choose to which project from a list drawn up by the Foundation the token’s underlying assets (the pro bono working hours of the Firm’s lawyers) should be allocated.

The list of projects and their updated description will be available on the website:

www.fundacionpombo.org/tokenspombo.

“We strive for a legal profession that has a leading role in the defence of human rights, that is engaged in tackling injustices in the world”.

Fernando Pombo.

The list of projects to be offered shall include the following:



Older women and adolescents in a situation of gender-based violence:

Gender-based violence continues to be one of the great scourges in our society. Many older women have suffered and suffer gender violence in an invisible way, having to face a diversity of social and legal hurdles and obstacles. As is also the case with violence in the context of adolescence, an issue of great concern due to its intensification in recent years. In this project we will offer legal accompaniment, with pro bono lawyers, to social entities.



Victims of trafficking for the purpose of sexual exploitation:

Trafficking in human persons is undoubtedly one of the situations that intensely and directly violates human rights, human dignity and the freedom of the human person. Spain continues to be a destination country for victims of human trafficking, mostly for the purpose of sexual exploitation. In this project, in coordination with pro bono lawyers, social entities, legal specialists in human trafficking and public and private representative institutions in the field of human trafficking, we will analyse and seek the best solutions to the main legal barriers that victims and survivors of trafficking encounter in the effective access to their rights.



Children and health:

The double vulnerability of being a child and being seriously ill is a constant concern in our society. The Foundation develops projects with social entities that promote the improvement of the rights of these children and their families. In this project, we will coordinate pro bono lawyers with experts in social innovation to eliminate legal barriers to access to diagnosis, treatment, medication, therapy or follow-up of their illness, as well as having the support of relatives regardless of the place of treatment.

Once the holder of the Pombo tokens issued by the Firm selects the Foundation project to which the same should be assigned, the information will be securely recorded on the blockchain network through a smart contract, and the status of the token can be verified at any time through the Stellar network, by both the Pombo token holder and any other user. This instrument allows, on the one hand, giving greater transparency and traceability to the participation of the token holders in the selected projects and, on the other hand, making them participants in the execution of the projects. Collaboration in legal-solidarity projects by means of blockchain technology is in itself an innovative and revolutionary way of making a commitment to society, replicable and expandable to other fields and sectors of activity.

Should a project have to be brought to an end for any reason, the Foundation will inform the donors who have selected the project and offer an alternative project as soon as possible.

4. Technical aspects



Blockchain™
Work Labs

“Blockchain Work Labs is a company specialised in the development and implementation of solutions based on Blockchain technology”.

It has different certifications in technology and are approved as IBM partners. As a technology partner, they design the solution together with the client to carry out a pilot and evaluate the result before executing the project.

Blockchains are a form of distributed ledger technology that facilitates value transfer transactions on a P2P network through which digital trust is established between users without the need for a central entity to control that network.

Their operation is based on a decentralized accounting ledger that stores all transactions.

Smart contracts are fragments of programming code that facilitate, verify and enforce the performance of logic that can emulate the performance

of the terms and conditions defined in an agreement.

Such contracts are an ideal instrument for exchanging coins, tokens or any other representation of value in an efficient, secure and transparent manner without the need for a central entity to supervise its operation.

Stellar is a decentralized public, open-source platform based on blockchain technology.

Lumen (XLM) is the name of the cryptocurrency needed to interact with the Stellar network’s smart contracts.

As Stellar is a public blockchain network, all Pombo transactions can be traced through any Stellar browser, such as stellarchain.io (<https://stellarchain.io>).

From among the various existing public blockchain networks, the Stellar network has been selected to house Pombo because of its robust security. Compared to other networks, it also allows tokens to be launched faster, more efficiently and more economically. Notwithstanding this, Stellar is not immune to the possibility of suffering computer attacks that may result in a token holder not being able to access the platform. However, Stellar has risk control mechanisms that provide its administrator with an overview of all account activity and mechanisms for detecting computer risks and informing the user by means of visual, audible and e-mail alerts.

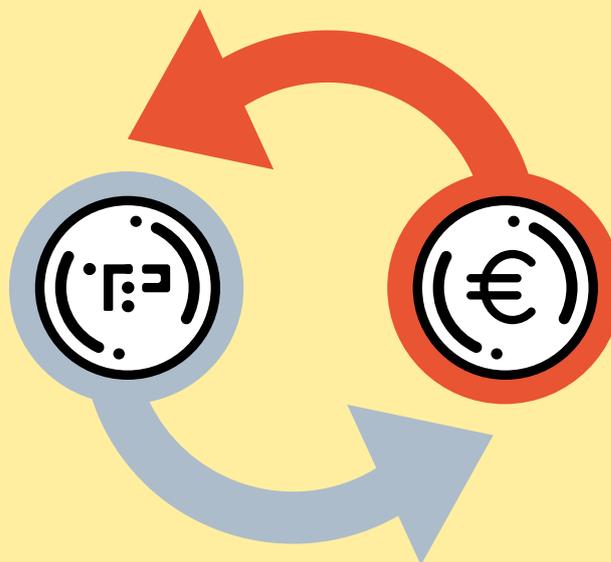
5. Token offering

The Firm’s Pombo offering - tokens representing the rights in pro bono hours of the Firm’s lawyers - lasts for one day. The tokens will be cancelled no later than one year from the date of issue (July 2019) and under no circumstances will they be refundable. The Pombos will be sold in packages of thirty-five units with a price of one thousand euros per package.

This first issue consists of a total of three hundred and fifty (350) Pombos, each of which confers the right to assign one hour of pro bono work (from a lawyer chosen from a group of Gómez-Acebo & Pombo lawyers) to the project chosen by the purchaser.

Participation in this first issue of Pombos will be by strict private invitation extended by Gómez-Acebo & Pombo. These invitations will be sent sufficiently in advance of the date of issue and will contain instructions on how to proceed to purchase the tokens and assign them to one of the projects managed by the Foundation.

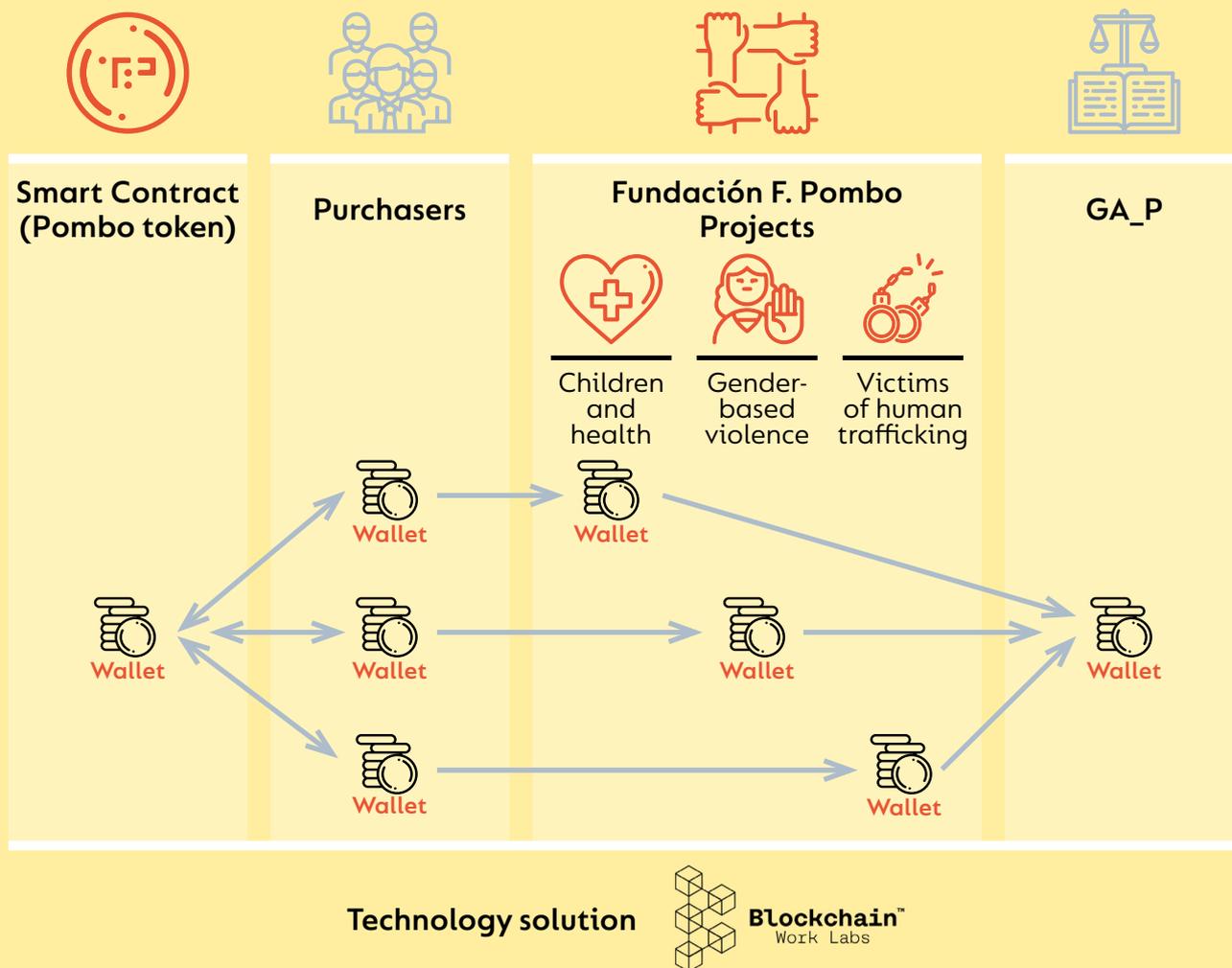
The addressees of the issue are included in a *white list* drawn up by Gómez-Acebo & Pombo. The Firm has verified such addressees’ identities so as to rule out the possibility of a fraudulent use of the blockchain for purposes other than social responsibility.



The pro bono hours assigned to each project will be managed by the Foundation, which, according to specific needs, will request from Gómez-Acebo & Pombo the lawyer types required for the project’s success.

The Firm will transfer, on behalf of the token purchaser, the money received for the tokens in full to the Foundation. The Firm does not receive any fee for its intermediation or for the placement of tokens among its clients. Neither the Firm nor the Foundation will allocate any amount raised in the issue to the development of the platform on which the tokens are traded, nor to networks or applications that serve as ledger and storage for the transaction data. The technology necessary for this issue of Pombos is fully operational at the time of marketing the tokens.

The process of purchase and transfer of Pombo tokens in the Stellar network is as follows:



- 1) Purchasers of Pombo tokens will previously have a virtual wallet to operate on the Stellar network.
- 2) Pombo tokens are purchased by transferring the amount of lumens stipulated in the smart contract generating the tokens.
- 3) Each purchaser chooses the project of the Foundation to which to assign the underlying Pombo (the pro bono hours) by transferring it to the virtual wallet related to that project.
- 4) Throughout the execution of social projects and depending on the needs of each one, the Foundation requests the provision of pro bono hours from the lawyers of the Firm.

- 5) As pro bono hours are provided by the Firm, the Foundation will transfer the appropriate Pombo tokens to the Gómez-Acebo & Pombo wallet to certify that the service has been provided and, therefore, the hours have been used.

Gómez-Acebo & Pombo will provide technical assistance to purchasers who require it for the execution of the aforementioned operation. Likewise, all the transactions carried out and the status of the tokens that have been assigned to each of the projects may be tracked through the web portal.

6. Team

The design of this project involved a multidisciplinary team made up of lawyers from the Corporate, Commercial, Tax, Intellectual Property, Banking and Capital Markets practice areas, in-house scholars and the Digital Transformation and Information Technology teams of Gómez-Acebo & Pombo, as well as the Foundation’s own team of lawyers who are experts in legal and social innovation.

The company Blockchain Work Labs also collaborated selflessly, taking care of the most complex technical aspects of the project.

The Foundation will lead and coordinate the projects in collaboration with Gómez-Acebo & Pombo’s pro bono lawyers.

7. Legal Aspects

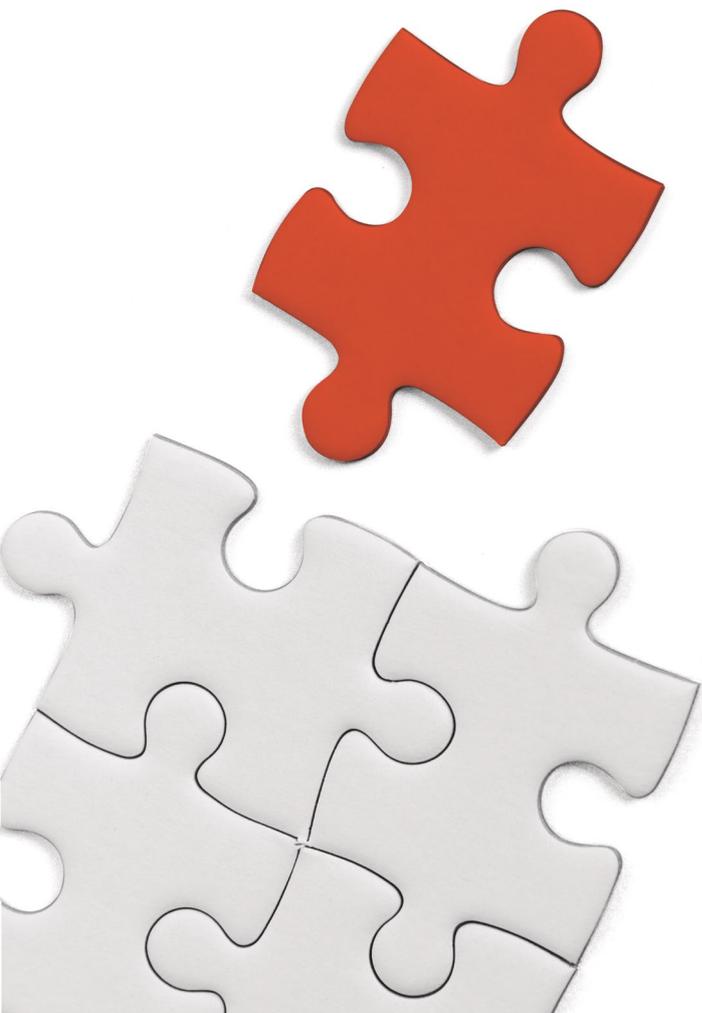
This issue of Pombo tokens does not constitute an offering of securities and is not registered with the Spanish Securities Market Authority. This document is not a prospectus and has not been the subject of any type of review by any administrative authority.

Pombos are not a financial instrument and under no circumstances can the contents of this document be regarded as information on the basis of which the token purchaser can make a complete and reasoned judgement on a speculative investment.

The addressees of the issue, when participating in the transaction, do so with full legal capacity and are subject to the legislation applicable in Spain, in which no administrative authorisation is required to date for a purchase of issues of this type.

Gómez-Acebo & Pombo Abogados receives client funds for the purposes of acquiring tokens as a simple intermediary between the acquirers and the Foundation, without the funds having at any time for the Firm the nature of income for tax purposes. Gómez-Acebo & Pombo does not receive any fee for this intermediation.

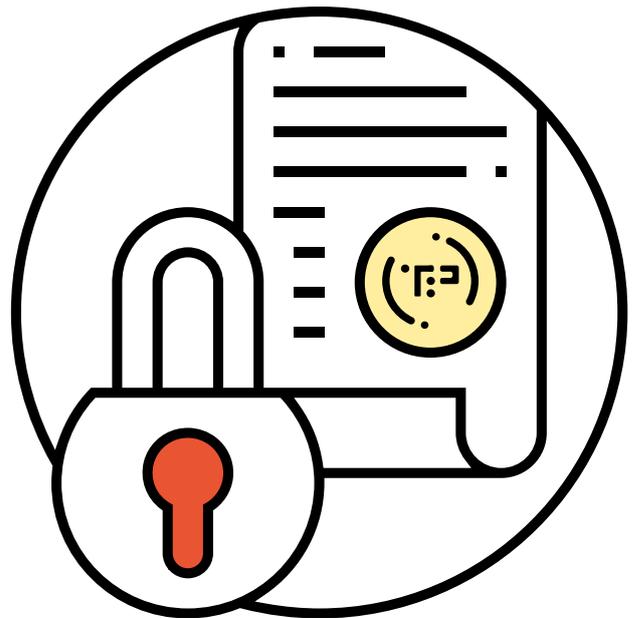
When purchasing tokens the client is donating to the Foundation, which entitles said client to the tax relief provided in the Spanish Corporate Income Tax Act 27/2014 of 27 November.



8. Detailed information on data protection

8.1. Data controller

The purchaser is informed that Gómez-Acebo & Pombo Abogados, S. L. P., with registered office at Paseo de la Castellana, 216, 28046 Madrid (Spain) and with contact telephone number 91 582 91 00 and email address info@ga-p.com, and Fundación Fernando Pombo, with the same address, will be the data controllers for the purchaser’s personal data as provided within the framework of the purchase of Pombo.



8.2. Data Protection Officer

The purchaser may contact Gómez-Acebo & Pombo’s Data Protection Officer at the following email address: dpo@ga-p.com.

8.3. Data processing purposes

- To identify and be able to contact the purchaser.
- To manage the purchase of Pombo.
- To manage your attendance at conferences, courses and other activities organised by the Foundation and in which you have registered.

8.4. Legitimate interest in the processing

Data processing is confined to the contractual relationship and legal

obligations applicable to the purchaser and the data controllers. The sending of commercial communications by electronic means is based on the Spanish Information Society Services and Electronic Commerce Act 34/2002 of 11 July.

8.5. Need for processing

The processing of personal data is necessary for project management and legal compliance. Failure to provide such data will prevent the purchase from being carried out.

8.6. Data retention period

The data will be kept for the time necessary for the management of the purchase and, subsequently, for the periods established in applicable legislation in force.

8.7. Exercise of rights

Purchasers may exercise their rights of access, rectification, erasure, limitation, objection and portability -when the latter legally proceeds- by sending to the Firm or the Foundation a request indicating the right being exercised and providing a document (or copy of a document) that serves as proof of identity. Such request must be sent either to the postal address of said entities (Paseo de la Castellana, 216, 28046 Madrid (Spain) or to the email addresses dpo@ga-p.com or dpo@fundacionpombo.org or to both.

You may also exercise your right to object to receiving commercial communications by electronic means without retroactive effect by sending an email to the following address: dpo@fundacionpombo.org, indicating in the subject “UNSUBSCRIBE”. More information on your rights in respect of commercial communications in the Privacy Policy of the website <http://www.fundacionpombo.org>.

Likewise, the purchaser is informed of the purchaser’s right to lodge a complaint with the Spanish Data Protection Agency, at C/ Jorge Juan, 6, 28001 Madrid (www.aepd.es; Tel.: 901 100 099 and 912 663 517), in particular if not satisfied with the Firm or the Foundation upon exercising the aforementioned rights.

