



Digital World Jobs Act

Jurisdiction: Planet Earth (www.digitalworld.earth)

Effective Date: [Insert Date]

Section 1: Digital Crowdfunding and Investment Regulations

To support innovation, entrepreneurship, and job creation in the Digital World, the following frameworks are established, inspired by Regulation A+ (Reg A+) and Regulation D (Reg D) from the U.S. regulatory system. These frameworks enable digital startups and businesses to raise capital while ensuring transparency, accountability, and investor protection.

1.1 Digital Regulation A+ (Digital Reg A+)

Purpose:

Digital Reg A+ allows digital startups and businesses to raise funds from a broad base of investors, including the general public, through decentralized crowdfunding platforms. It is designed to provide access to capital while ensuring transparency and compliance with Digital World regulations.

Key Features:

1. Two Tiers of Fundraising:

- Tier 1: Allows businesses to raise up to \$5 million equivalent in digital assets or currency within a 12-month period.
- Tier 2: Allows businesses to raise up to \$75 million equivalent in digital assets or currency within a 12-month period.

2. Eligibility:

- Digital startups, businesses, and projects registered in the Digital World with a valid Digital Identity (DI) and a positive Digital Reputation are eligible to apply.
- Businesses must provide a clear business plan, financial projections, and risk disclosures to potential investors.

3. Investor Protections:

- Tier 1 offerings are open to all investors, with no limits on investment amounts.
- Tier 2 offerings impose limits on non-accredited investors, allowing them to invest up to 10% of their annual income or net worth to mitigate risk.

4. Disclosure Requirements:

- Businesses must submit offering documents, including financial statements, to the decentralized registry for public access.
- Tier 2 offerings require audited financial statements and ongoing reporting to maintain transparency.

5. Blockchain Integration:

- All fundraising activities under Digital Reg A+ must initially occur on the Digital World Layer 0 Blockchain, which serves as the foundational blockchain for the Digital World.
- The Digital Identity (DI) system and Digital Reputation are natively integrated into the Layer 0 Blockchain to ensure trust, transparency, and accountability.

- Businesses may link to other blockchains (e.g., Ripple, Stellar, Ethereum, Bitcoin, Solana, or Tron) through derived keys from the DI, enabling interoperability and scalability of Digital Reputation across multiple chains, provided these blockchains meet security standards.

6. Regulatory Fees:

- All regulatory fees for Digital Reg A+ offerings must initially be paid using Digital World NATIVE Digital Assets.
 - The use of NATIVE Digital Assets ensures seamless integration with the Digital World Layer 0 Blockchain and simplifies fee processing.
 - Future updates may allow for additional payment methods as the ecosystem evolves.
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1.2 Digital Regulation D (Digital Reg D)

Purpose:

Digital Reg D provides a streamlined framework for digital startups and businesses to raise funds from accredited investors with fewer disclosure requirements. It is designed to facilitate private fundraising while maintaining investor protections.

Key Features:

1. Exempt Offerings:

- Digital Reg D allows businesses to raise unlimited funds from accredited investors without the need for extensive public disclosures.
- Offerings are exempt from the full disclosure requirements of Digital Reg A+ but must comply with basic reporting and anti-fraud provisions.

2. Accredited Investors:

- Accredited investors are defined as individuals or entities with a high level of financial sophistication, determined by their income, net worth, or professional certifications.
- Verification of accredited investor status shall be conducted through the DI system to ensure compliance.

3. Fundraising Limits and Restrictions:

- There are no limits on the amount of funds that can be raised under Digital Reg D.
- Offerings must be private and cannot be advertised to the general public, except under specific exemptions (e.g., Rule 506(c), which allows general solicitation if all investors are accredited).

4. Blockchain Integration:

- Fundraising under Digital Reg D must also occur on the Digital World Layer 0 Blockchain to ensure compliance and transparency.
- Businesses may link to other blockchains (e.g., Ripple, Stellar, Ethereum, Bitcoin, Solana, or Tron) through derived keys from the DI, enabling cross-chain

interoperability while maintaining a unified Digital Reputation, provided these blockchains meet security standards.

5. Regulatory Fees:

- All regulatory fees for Digital Reg D offerings must initially be paid using Digital World NATIVE Digital Assets.
- This ensures consistency with the Digital World's foundational blockchain infrastructure and simplifies fee collection.

1.3 Blockchain and Digital Identity Integration

1. Digital World Layer 0 Blockchain:

- The Digital World Layer 0 Blockchain serves as the foundational blockchain for all activities in the Digital World, including crowdfunding, fundraising, and reputation management.
- It ensures that all transactions, identities, and reputations are secure, transparent, and tamper-proof.

2. Derived Keys for Interoperability:

- The Decentralized Digital Identity (DI) system allows for the creation of derived keys that link the DI to other blockchains, such as Ripple, Stellar, Ethereum, Bitcoin, Solana, or Tron, provided these blockchains meet security standards.
- This enables businesses and individuals to operate across multiple blockchains while maintaining a unified Digital Reputation anchored in the Digital World Layer 0 Blockchain.

3. Scaling Digital Reputation:

- Digital Reputation is natively stored and managed on the Digital World Layer 0 Blockchain but can scale to other blockchains through derived keys.
- This ensures that reputation data remains consistent and trustworthy, regardless of the blockchain being used for specific transactions or activities.

4. Automated Auditing:

- Ongoing auditing of fundraising activities, compliance, and reputation impacts shall be fully automated using smart contracts and blockchain-based tools.
- Automated auditing ensures transparency, reduces administrative overhead, and prevents fraud in real time.

1.4 Taxation in the Digital World

1. Zero Tax Policy:

- Taxes in the Digital World shall be set at 0% by default to foster a seamless and positive environment for innovation, entrepreneurship, and economic growth.

2. Country-Specific Taxation:

- Individual countries or jurisdictions may elect to charge taxes on Digital World activities based on their own legislation.
- Businesses and individuals operating in the Digital World are responsible for complying with the tax laws of their respective countries, if applicable.

3. Seamless Tax Environment:

- The Digital World shall provide tools and integrations to ensure that any country-specific taxes are calculated and processed seamlessly, without disrupting the user experience.
- Tax compliance shall be linked to the Digital Identity (DI) system to simplify reporting and ensure transparency.

1.5 Penalties and Reputation Impact

1. Simplified Penalties:

- Penalties for non-compliance with Digital World regulations shall be simplified and focused on Digital Reputation impact.
- Violations may result in negative reputation entries, which can affect access to funding, partnerships, and other opportunities in the Digital World.

2. Reputation Recovery:

- Individuals and businesses shall have the opportunity to recover their Digital Reputation by addressing violations, demonstrating compliance, and contributing positively to the Digital World ecosystem.

3. Transparency in Penalties:

- All penalties and reputation impacts shall be recorded on the Digital World Layer 0 Blockchain to ensure transparency and accountability.

Signed:

[Insert Representative Names or Digital Signatures]
Global Council for the Digital World

