COVESTING

Cryptocurrency Trading Platform

offering the most complete infrastructure for investors and traders

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COVESTING is led by a world-class team with backgrounds in trading, investment banking, blockchain, AI, data, and fintech (Saxo Bank, SEB Bank, JP Morgan, Zurich Insurance and others) with accumulated trading experience of over 100 years.

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Executive summary

1.1 The Future of Cryptocurrency Investing

Over the past few years, cryptocurrencies proved to be the fastest growing asset class and offered phenomenal rewards for those who decided to invest. Long term investors, as well as day traders, benefit from the unique opportunities offered by the most promising market we have ever seen.
However, investments into cryptocurrencies require time, specific knowledge, analytical skills, as well as professional tools to be successful. The difficulty is the main reason why most people simply miss tremendous opportunities offered by a booming market.
This was the case until the COVESTING was introduced.

1.2 COVESTING

COVESTING is not a collective investment scheme. Rather it is a platform for investors and cryptocurrency traders who are looking to utilize the most advanced trading tools and technology, as well as the combined wisdom of the community in order achieve maximum returns in cryptocurrency markets.

In its infancy, COVESTING has experienced rapid changes and conceptual upgrades from the moment when the first idea of a peer-2-peer digital asset platform was disclosed by the founder, former Saxo Bank trader, Dmitrij Pruglo. Technological discoveries, as well as ambitious scalability opportunities have arisen which brought COVESTING to a completely new level.

By way of it's unique platform which operates differently to existing traditional investment structures, like funds, COVESTING is about to disrupt investment management industry and become one of the leading players on the cryptocurrency market by introducing the most complete infrastructure for investors and traders which includes:

- COVESTING peer-2-peer Asset Platform – the essence and core of the COVESTING infrastructure. It implements a successful peer-2-peer business model and disrupts the traditional investment management industry. Investors can easily browse through hundreds of trading Models (strategies), provided by professional cryptocurrency traders and in effect "follow" the ones matching their goals. All members can get a clear picture of current and past performances of each trading Model. By following, the platform does not allocate monies to anyone but rather implement the person own decision whereby the platform automatically replicates all trading activity of a chosen Model directly into investors' accounts at COVESTING, providing a unique peer-2-peer experience along with the safety of funds.

"It's like a thousand of traders all working for you!"

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- Crypto Intelligence Portal – the most complete educational resource and knowledge base built by traders for traders; featuring latest market news, unique content created by leading crypto experts aimed at educating the community, sharing trading ideas and discussing latest market developments.
  It will include Crypto trading 101, explaining the essentials of cryptocurrency investing, as well as video tutorials to help new investors. For experienced traders, advanced trading tutorials, strategies, and technical analysis from industry professionals will be included. The Crypto Intelligence Portal will become the largest, community-oriented and continuously growing knowledge resource for investors, as well as a one-stop place to receive the latest information from top crypto-related media outlets, live quotes, charts and latest analysis – everything that you may need to become successful in cryptocurrency trading.

"We are basically creating Bloomberg for the crypto-market, plus education, plus community"

- Liquidity aggregation / Algorithmic trading– We aim to establish direct API bridging with cryptocurrency exchanges from all over the world. By aggregating liquidity from top cryptocurrency exchanges, COVESTING allows all users to benefit from trades executing at the best possible rates. Such offerings, previously available only for institutional clients, provides internal liquidity with significantly reduced pricing on all trading activities occurring on the COVESTING Platform. Aggregated liquidity offers unlimited opportunities for further expansion:

  1. Market making and deal matching
  2. Options/Binary options market making
  3. Algorithmic trading strategies (arbitrage, HFT trading.)

- The COVESTING Trading Terminal – An advanced trading platform, adapted to the needs of traders using various strategies ranging from day trading and spread trading, to long term investments. Experience brought from one of the leading investment banks – Saxo Bank, the COVESTING team has unique knowledge on how the ultimate trading solution should operate. Aggregated liquidity offers COVESTING members access to top crypto-exchanges and trade all possible coins from one single account. The Trading Terminal creates unique opportunities for its users, offering an aggregated Level 2 order book from combined quotes of multiple vendors and provides essential features such as:

  1. Advanced charting software
  2. Aggregated market depth with combined liquidity from top exchanges
  3. User friendly interface with advanced functionality
  4. Advanced trading tools and algorithms such as VWAP and Iceberg orders
  5. 24/7 customer support/Live chat

1.3 Summary

Backed by a strong team of industry professionals, COVESTING is on a clear path to become an ultimate solution for investors and cryptocurrency traders. It will cover every aspect related to cryptocurrency trading, from education, market overview and trading ideas to the unique concept of p2p asset trading, liquidity aggregation and ultimately the most advanced trading station ever.

1.4 ICO Overview

Start Date	24th November 2017, 13:00 GMT
End Date	31st of December, 15:00 GMT
Token Name	COV
Minimum Contribution	0.1 ETH
Price of COV Token	Varies based on amount collected
Total limit of COV Tokens	20,000,000 COV
Further Token Issuance	No tokens to be issued after the ICO
Hard cap	25,000 ETH

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Intro

2.1 Market Analysis

With the enormous development of the blockchain technology, new opportunities are arising in the field of investing. Crypto markets are borderless, open 24/7, and offer huge potential for growth. A rapidly growing number of initial coin offerings (ICO) has led to more than 2,000 new cryptocurrencies being created and traded on daily basis, leading to high returns for many investors.

In order to fully realize market potential, here is the market capitalization of the top technology based companies listed on the Nasdaq and NYSE, compared to the market capitalization of cryptocurrencies:

Alphabet – $717B USD	Total Crypto Market - $200B USD
Microsoft – $645B USD	Bitcoin - $105B USD
Facebook – $516B USD	Ethereum - $30B USD
Alibaba Group – $480B USD	Ripple - $8B USD

The combined market capitalization of all cryptocurrencies together is currently only around $200B USD, which leaves lots of room to expand. The overall cryptocurrency transaction volume has grown significantly in the past few years for the speculative purposes of gaining capital profit or by supporting projects that are built on decentralized platforms.



Combined market capitalization of all cryptocurrencies. Coinmarketcap

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There is no cryptocurrency in the world today that is being used for the reason it was made for more than it is being used by investors trading it. Even Bitcoin, Ethereum and Ripple have more transactions centred around trading and investing than they do the actual use case of the project or currency.

During the first half of 2017, transactions surpassed the $325B USD mark, despite "financial experts" once deeming blockchain and cryptocurrency a "niche market". This increase in transaction volume is mainly driven by Bitcoin and Ethereum. Bitcoin and Ethereum are both inching closer to creating a scalable ecosystem, interesting things are bound to happen in the future. According to Juniper research, total cryptocurrency transaction value may surpass $1 Trillion USD by 2022.

Triple digit growth, amazing risk-reward ratios, and promising global perspectives are only a few reasons why cryptocurrencies shouldn't be overlooked by any investor willing to diversify their portfolio and profit from opportunities offered by a booming market.

2.2 Investor Opportunities

After someone decides they may be ready to invest in digital assets, there is a sticking point: cryptocurrency trading takes place on multiple exchanges, all of which have different rules and regulations, and often require a lengthy verification process. Most potential Investors are lost at this stage. Another problem is volatility, which can negatively affect the overall trading result of any inexperienced private investor.
The learning curve for investing in crypto assets is extremely steep and experienced digital asset traders are in the best position to fully benefit from arising opportunities offered in the blockchain revolution.

Investors may evaluate options of trusting money to a private crypto trader or a fund, in order to gain profit in newly established markets. Such decisions can be very risky due to lack of regulations and the high possibility of fraud.

2.3 Trader Problems

Problems that digital asset traders must deal with are equally challenging. Launching a personal fund requires technical knowledge, programming skills, legal paperwork as well as marketing costs and other expenses.

Only several digital asset funds have gained the reputation necessary for backing, while private crypto traders and newly established funds tend to look for investors in online forums, social networks or amongst their friends.

It takes many years of effort to build trust and reputation in order to attract proper funding. As a result, many successful traders and digital asset traders are being overlooked and end up having no access to investors capital, limiting their opportunities and narrowing earnings potential.

Professional digital asset managers or funds could be a smart solution for anyone, willing to get exposure in the cryptocurrency market. But how will retail investors find and choose the most suitable cryptocurrency fund? How will they guarantee the security of their investment? Is the declared performance of a chosen asset trader trustworthy?

2.4 Problems with Traditional Asset Management

The Traditional asset management industry has been plagued with multiple issues including scams and corruptions since its inception. Unethical and illegal manipulations by asset managers with a large sum of money at their

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disposal, Ponzi schemes, and sweeping techniques are some of the common allegations faced by the industry. The industry has developed deep-rooted problems including mutual mistrust, unethical practices, scamming, and below-the-surface deals.

Trusting even professional asset managers in traditional markets can sometimes lead to problematic results. Stories of asset managers making certain trades just to increase their commission and drive up the fees to their investors are just the beginning when it comes to the level of dishonest activity when it comes to investing other's money. Every year, thousands of licensed traders are found guilty of insider trading, fraud, or scamming hard-working investors.

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P2P Digital Asset Platform

The COVESTING Platform is the ultimate venue where successful digital asset traders meet new investors, in a transparent, safe and efficient peer-2-peer investment environment.

Investors from around the world can compare the performance of hundreds of successful cryptocurrency traders and mirror their trades automatically to their account. While traders benefit from success fees generated by profitable trading – investors enjoy peace of mind knowing that their funds are following a model of an industry professional in the comfort of their own account.

By pairing the peer-2-peer business model and the cryptocurrency investment industry, COVESTING offers a fantastic opportunity to utilize the wisdom of experienced traders in order to achieve positive trading results securely.

3.1 Peer-2-Peer Definition

A Peer-to-Peer, or P2P, Service itself is a decentralized platform whereby two individuals interact directly with each other, without intermediation by a third-party, or without the use of a business selling a product or service. The buyer and the seller transact directly with each other via the P2P service.
Some popular examples of P2P services are:

- **Open-source Software** – anybody can view and/or modify code for the software
- **BitTorrent** – a popular anonymous file-sharing platform where uploaders and downloaders meet to swap media and software files.
- **Air BnB** – allows property owners to lease all or part of their property to short-term renters.
- **Uber** – a platform for car owners to offer transportation services to others
- **eBay** – a marketplace for private sellers of goods to find interested buyers.
- **Etsy** – enables producers of crafts and other homemade goods to sell their items directly to the public

3.2 For Investors

The COVESTING platform allows everyday investors to search and compare the performance of hundreds of proven cryptocurrency traders and replicate their trading activity automatically.

After an investor decides to follow to the most suitable strategy - the system will automatically synchronize all trading activity from the chosen investing Model into their segregated account at COVESTING, providing the convenience of peer-2-peer asset trading along with the safety of funds.

Each investor can diversify their investments by following up to 20 different Models (traders) at the same time. Such diversification allows investors to be uniquely positioned to record gains across multiple crypto trading strategies and protect themselves against massive losses

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in any single cryptocurrency. More importantly, investors are in total control - they can start or finish the following whenever they want.

3.3 For Traders

The COVESTING platform helps investing talents bring their trading results in front of the public and compete with other traders in an unbiased environment. With the COVESTING platform, every trader can act as a digital asset trader and grow their revenue by earning success fees. The more successful they are, the more followers they will acquire and the more money they'll make from profitable trading.

Trading Models can be easily created by linking an existing trading account at an external cryptocurrency exchange through an API. From this moment, all trading activity will be recorded in the Model and the trader doesn't need to do anything else – just continue trading in the comfort of his personal account.

Later, the trader will be able to decide whether he wants to "list" his Model at the COVESTING platform and make it visible for investors instantly or keep it private for a while to build a solid track record first.

The COVESTING Platform will provide such opportunities to cryptocurrency traders:

- Setup a trading Model and start performance tracking from day one
- Describe the trading strategy, expected volatility and returns
- Enable investors to follow your trading Model through your performance
- Earn success fees on all profits made by Model-following accounts
- Build a solid track record to acquire more followers
- Earn reputation and get reviews from previous and existing investors
- Interact in a safe environment, make new contacts, and grow professionally as a trader
- Keep a blog, post news, trading ideas and market analysis

For security reasons, Model Traders will never know the amount of capital which is currently following their strategy, only the number of investors. All participants can choose to publish their real names or remain anonymous by using a screen-name alias.

3.4 Profit Distribution

Model Traders are rewarded with 18% success fees from all profits generated by their followers, the platform commission is 10%, while investors receive the remaining 72% of income, which is available for immediate withdrawal or reinvesting.
Platform commissions of 10% will later be used for systematic buyback and burn programs.

3.5 Synergy

With the features described above, the COVESTING Platform creates a synergized marketplace that brings investors, and professional cryptocurrency traders together.
All parties benefit from the COVESTING platform: cryptocurrency traders get visibility to new audiences and sources of additional income, while investors get a broad range of trading strategies they may follow with the ability to analyze historical performance in order to make the right decision. Our goal is to create an easy-to-use platform with a win-win solution for both investors and professional traders

3.6 COVESTING in Four Simple Steps

1. **Join**. Register at COVESTING by filling a simple form.
2. **Find top traders**. Compare the performance of hundreds of successful Model Traders and find the one or many matching your goals.
3. **Follow**. Once you found the strategy or strategies you wish to follow, simply click "Follow". You will be asked to specify the percentage of the funds you want to allocate to the Model. The amounts for the replicated trades will be calculated proportionally.
4. **Monitor and control.** You can now sit back and watch professional traders do the job for you. All trades from now on will be replicated automatically. Most importantly – you are in control. You can manage your portfolio by following new strategies or stop copying a trader at any time.

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3.7 Platform specifications

At COVESTING we aim to develop an easy to use, secure and efficient solution for both investors and traders. COVESTING will deliver the most user-friendly, yet advanced peer-2-peer digital asset platform. Below, we provide concept specifications of the platform as well as a brief explanation of the core features.

Registration
All users must be registered on the platform to carry out any activities. Registration is a standard process through email, or through Facebook, Google, and Twitter.

COVESTING Account and Wallet
All users of the platform will have their own unique wallet created automatically. After registration with COVESTING platform, each user shall have BTC, ETH and other addresses in their Wallet. By depositing any of these coins, it is possible to make internal exchanges from one currency to another. However, only COV token can be used for following a trading strategy.

Entry fee
There is a 2% entry fee that applies every time user deposits funds to his account. This commission accrues to the COV Asset Contract increasing the value backing COV tokens.

Model Traders
A Model Trader is a user who created a trading Model (strategy) in COVESTING platform. From that moment, tracking of all trading activity starts and the Model becomes available for following.

Investors
The investor is a user who is following a chosen Model in order to benefit from the profitable trading of a Model Trader. Each investor can follow up to 20 different trading strategies.

Marketplace
The platform allows users to search, rank, filter and compare all of the available trading Models.

Following to a Model
When an investor finds a suitable strategy and starts following – all trading actions of a Model will be replicated in their personal COVESTING account with a proportional amount of funds, predefined by the investor.

Segregated Accounts
To provide security and peace of mind to all investors – we offer secure personal accounts for each user within the COVESTING Platform. None of the funds go directly to Model Trader, which avoids trust and security issues.

Unfollowing the Model
At the point when an Investor unfollows a trading Model – funds are immediately returned to their wallet minus success fees and commission in case of any profit they earned.

Each user can stop following to a trading Model whenever they like. The only occasion when following stops automatically is when a Model Trader decides to terminate it. Funds would then be returned to all of the followers of the terminated Model.

Profit Sharing
In case a trading Model resulted in profits for the investor-follower, income distribution will look like this:

Success Fee - 18% of all profits will be transferred to the Model Trader's wallet
Platform Commission - 10% of all profits and will be automatically credited to COV Asset Contract
The remaining 72% shall be credited to the investors wallet along with the initial investment.

Anonymous Mode
All users of COVESTING platform can choose to publish their real names or remain anonymous by using a screen-name alias. However, we believe that providing real names can be beneficial, especially for successful Model Traders.

Users Privacy
No personal user data is available to other users or moderators working on the platform. This list includes but is not limited to: emails, wallet IDs, or funds available to users, as well as direct links to accounts in social networks, even if they are specified in the user's form. All users can remain completely anonymous.

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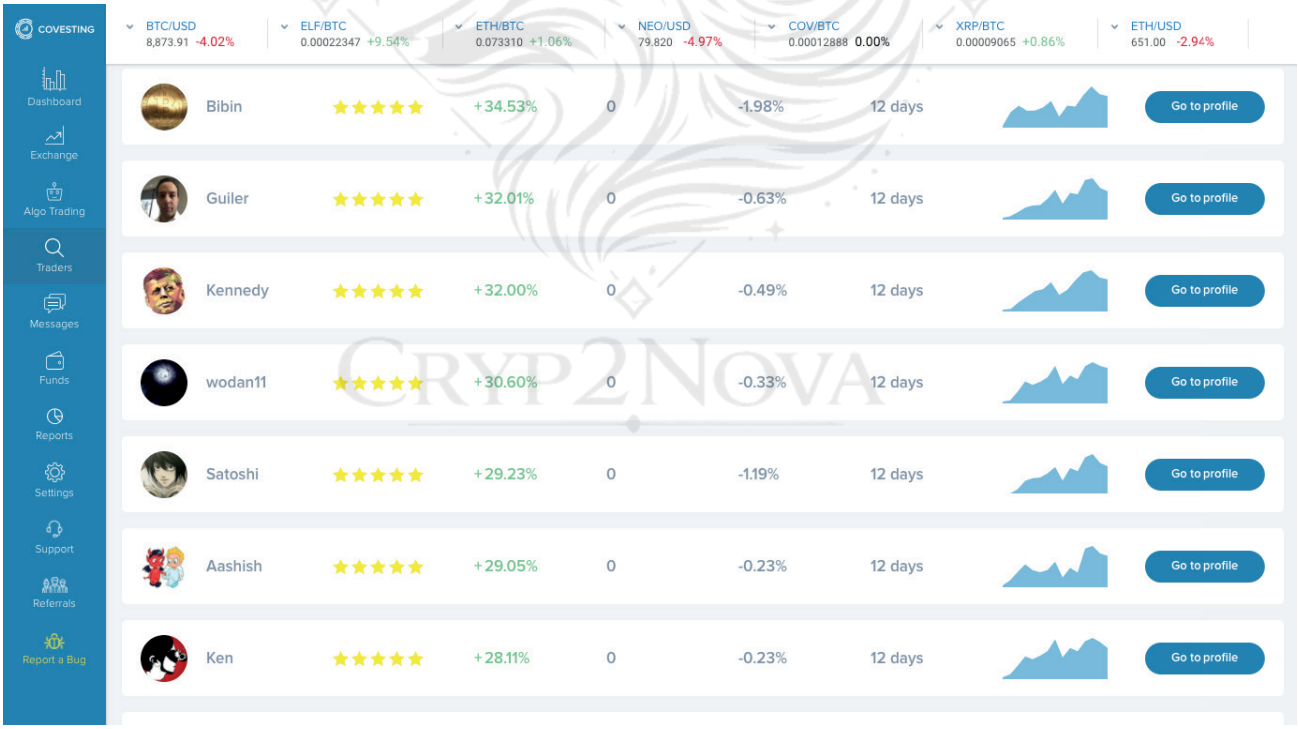
Speed of Execution
At the initial launch, we will offer only manually-traded Models. As soon as our API becomes "bullet-proof" tested – we shall launch algorithm-trading strategies as well.

By implementing smart contracts and technology, we will automate the digital asset trading processes, bypass trust and insecurity issues while making investments transparent, simple and secure as they are supposed to be.

3.8 Architecture

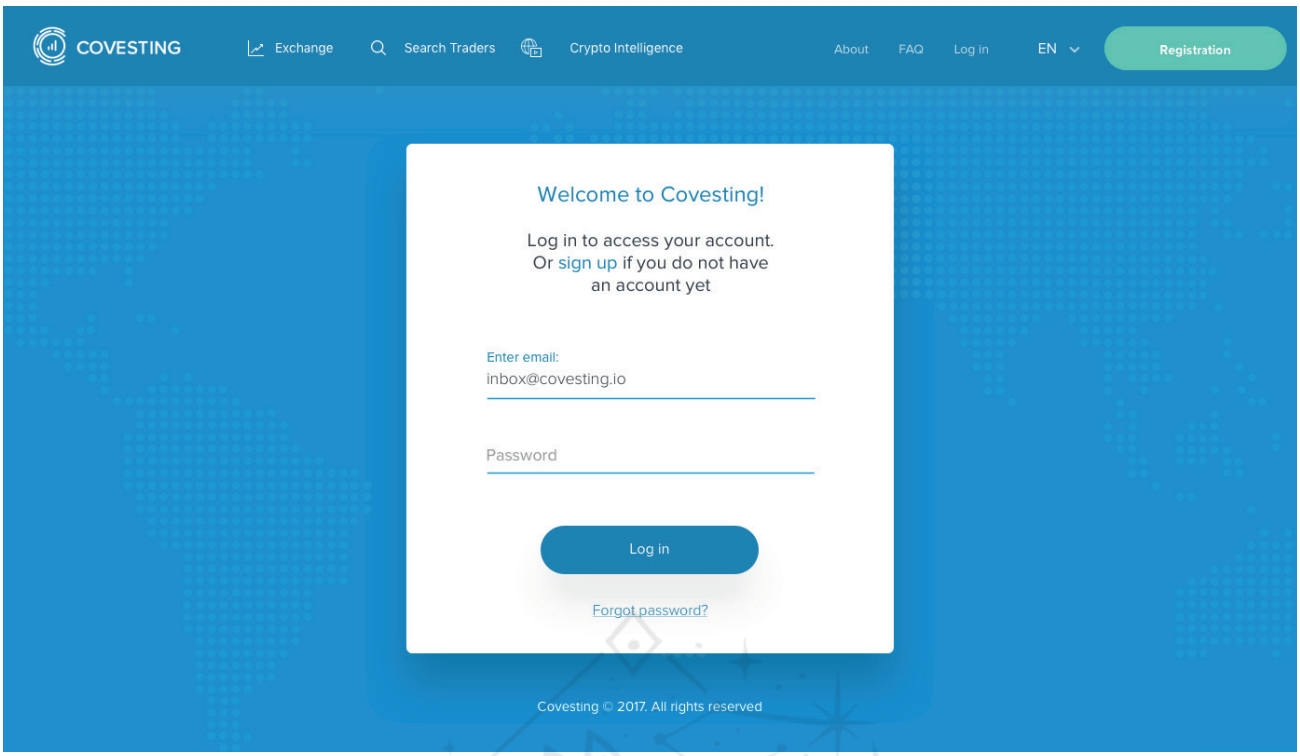
The COVESTING digital asset platform infrastructure includes four main elements:

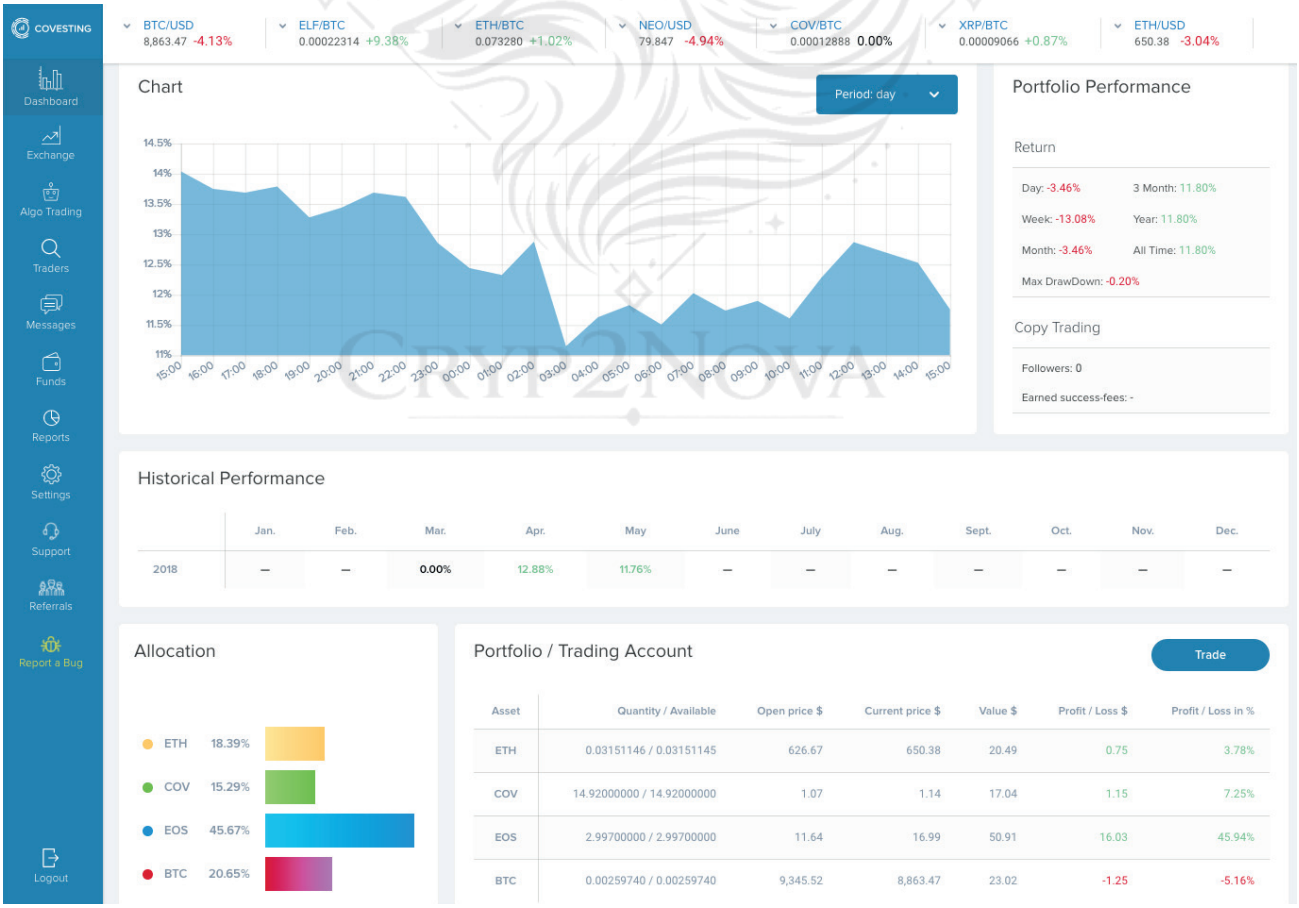
- The Investors account section, which provides multi-currency wallets, portfolio overview and statistics.
- The Marketplace of trading Models, where each investor can search and compare all the strategies provided by Model Traders. From here, investors select the most suitable trading Models and can start following.
- Traders Dashboard, which allows traders to create a Trading Model (strategy) available for following. It includes a trading strategy description as well as detailed information about TOP holdings. It also tracks performance by day, month and year, and features a snapshot of trading statistics. The dashboard represents detailed trading history and allows you to export various reports.
- The COVESTING trading accounts section is used for replicating trading activity from the Models. COVESTING will use API connections, smart contracts, and aggregated liquidity to execute and mirror trades, distribute requested funds and provide detailed performance data to users.



The Marketplace of trading Models

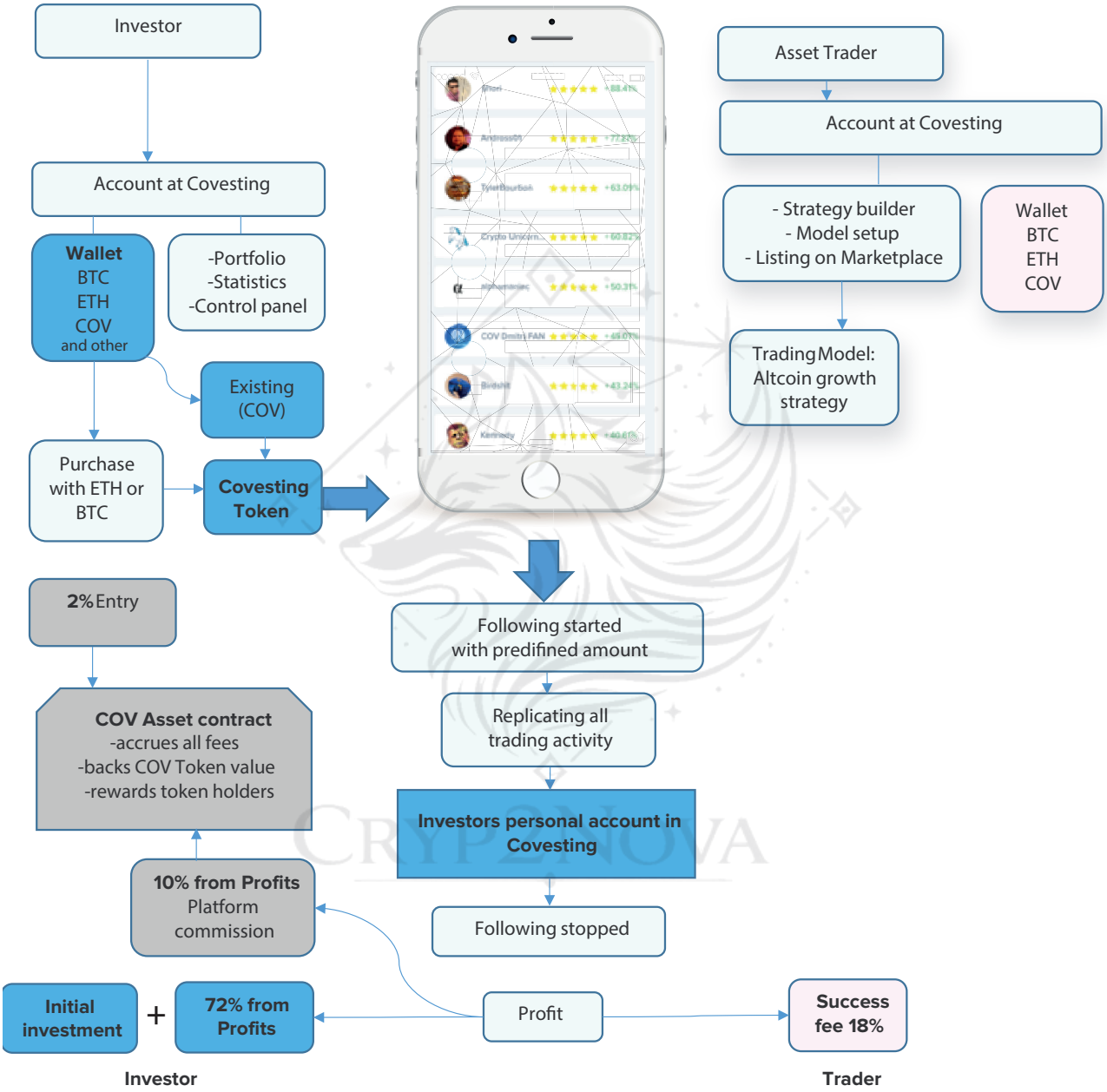
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Traders Dashboard

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Architecture of COVESTING Peer-2-Peer asset platform

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Crypto Intelligence

At COVESTING, we aim to produce a one-stop solution for cryptocurrency traders and investors. Since the infrastructure of COVESTING is being built by investment industry professionals - importance of timely market data has not been overlooked.

Apart from a one of a kind peer-2-peer digital asset platform, we aim to introduce the largest resource for education, news, trade ideas and market analysis about the cryptocurrency market. We call it – Crypto Intelligence.

COVESTING strongly believes in the importance of education when it comes to cryptocurrency. There is a lot to learn when it comes to the technology, and it changes at a pace that many cannot keep up with. We believe it is partly our responsibility to educate our users, as we are offering them a vehicle to invest their hard-earned money. While investing in cryptocurrency is always a risky endeavour, there are certainly plenty of rewards to be gained as well, and that's why we believe offering a large portal for our users to grow their knowledge of the crypto-industry is very important.

We seek to share the knowledge and best practices with our community. Leading crypto-experts, researchers and traders will contribute to the Crypto Intelligence hub, giving COVESTING a unique ever-growing knowledge base, suitable for both beginners as well as professional traders. The Crypto Intelligence Portal will essentially include:

- An integrated news feed from multiple resources
- Blog posts and articles from reputable cryptocurrency traders and analysts
- Trade ideas with technical analysis and strategies from professional traders
- A crypto academy, which offers education, 101 and video tutorials explaining the A to Z about cryptocurrency and trading
- The most complete glossary for crypto terminology
- A link library, the most comprehensive collection of important cryptocurrency links and resources
- Community, where investors and traders can interact and discuss the latest market developments and trading ideas

Ultimately, the Crypto Intelligence Portal will become a "Bloomberg" for crypto with education and a community-built knowledge base. The one-stop venue for everything that crypto-traders need in order to build their knowledge and stay informed.

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Liquidity Aggregation

Liquidity is defined as the ability to execute a trade quickly and at a desirable price.

For such markets as FX or equity – liquidity is not a problem anymore. However, for the newly established cryptocurrency market it still remains a major issue.

Liquidity aggregation provides unique benefits such as:

- Having ALL cryptocurrencies available on one platform (No longer a need to open a Bitfinex + Binance + Bittrex account because there are some crypto-assets trading on one of these exchanges but not listed on the other).
- Always the best prices for execution – since the aggregator will pick the best asset price from multiple exchanges and execute accordingly.
- Combined liquidity offers less slippage, thinner spreads and ability to execute larger trades at once.
- Improved latency and reduced execution costs
- Quotes from multiple exchanges provide the ability to develop algorithmic trading strategies such as cross-exchange arbitrage, and HFT trading, allowing investors to follow to such algorithmic strategies.

By aggregating liquidity from the leading exchanges – COVESTING creates a huge opportunity for market making, hedging and offering an aggregated order book from combined quotes of multiple exchanges. There is currently no centralized exchange and cryptocurrency market development is still in its infancy– there are huge inefficiencies which provide ample opportunities for arbitrage and HFT. Such liquidity provides great opportunities to establish new products such as Vanilla options or Binary options as well as other derivatives in the future.

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Covesting Trading Terminal

The Trading Terminal is a natural addition to the complete COVESTING infrastructure. Having aggregated liquidity and a strong educated community, it becomes a necessity to introduce a trading terminal adapted for both experienced crypto-traders and beginners.

Currently, there is no fully-functional platform offering aggregated liquidity for retail investors, allowing them to execute trades based on quotes from multiple exchanges. Also, there are very little advanced trading tools offered, such as algorithmic bots, VWAP, ICEBERG and direct Level2 trading.

With the COVESTING Trading Terminal each trader can:

- Trade the widest selection of cryptocurrencies
- Access quotes from top exchanges through a single account (combined market depth)
- Benefit from quick and responsive execution, tight spreads and a deep order book
- Access to all necessary information about crypto
- Access to the most advanced charting software
- Access to market sentiment, data and analysis – similar to COT on futures
- Earn success fees apart from trading profits by allowing investors to copy trades, through the p2p asset platform.
- Build a full-scale trading career within one single platform
- Generate detailed financial reports which will be aligned with regulations

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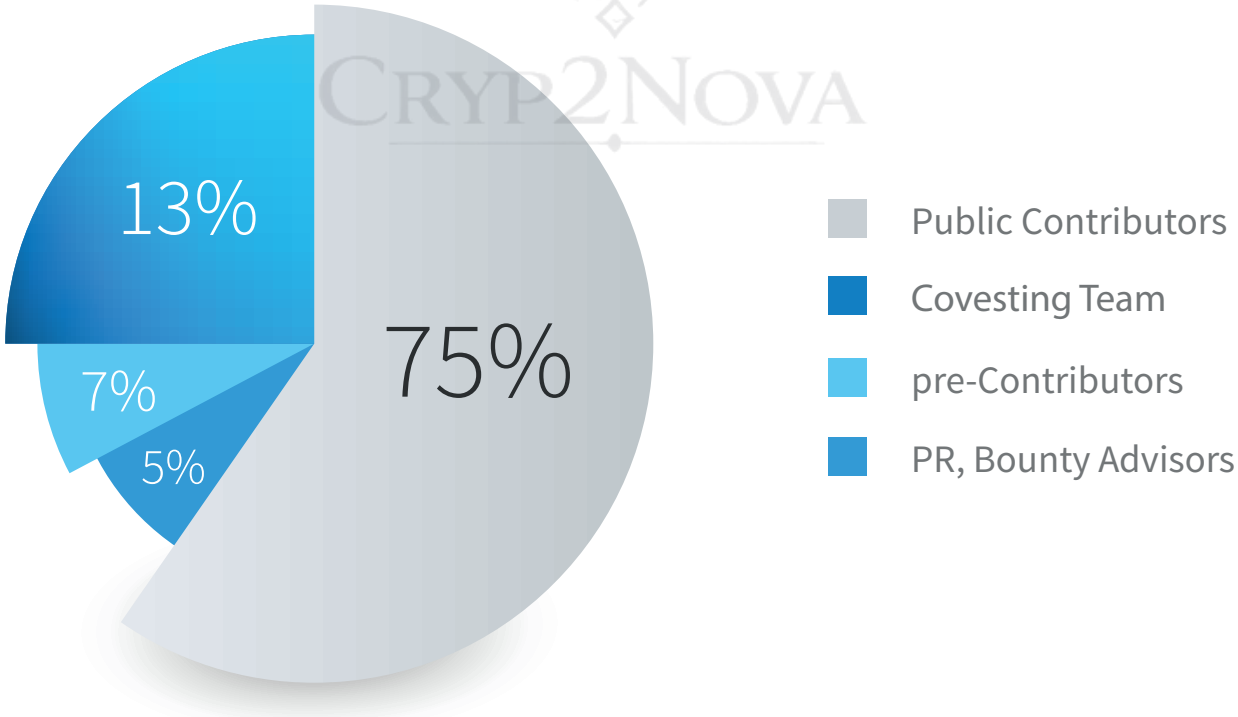
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Covesting Trading Token

The COVESTING token is an ERC20 token and a smart contract system built on the Ethereum blockchain, and designed to be used by members within the COVESTING platform. Following this standard, COVESTING tokens are easily transferable between users and platforms using ERC20-compatible wallets and can be smoothly integrated into exchanges.

7.1 COV Emission

A maximum of 20.000.000 COVESTING tokens will be generated, including 1.500.000 to conduct a PreICO, and 15.000.000 to conduct a full ICO. Another 2.500.000 will be shared between the founders of the COVESTING platform and locked in a smart contract for 3 months, while the rest will be generated for advisory, bounty and PR pools.



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7.2 COV Token Growth

Members buy COV tokens as a utility in order to follow one or several trading Models, provided by the cryptocurrency traders on the platform. In the case when model following resulted in a profit – investor will get an initial amount allocated plus all profit converted into COV, so value of his holdings in COV will increase. Demand for COV correlates with the copy-trading volume at the COVESTING platform. The more investors and traders on the platform, the higher the value of COV Token rises.

The acquisition of a large number of participants on the COVESTING platform (Investors and Model Traders) is the basis for the growth of the COVESTING token. At the initial launch of the COVESTING platform, we will aim to onboard dozens of professional traders, so even early users of the platform would have the ability to choose between many suitable trading strategies. As the platform grows, new traders will register their Models and a variety of strategies will drive diversification, and create healthy competition among all Model Traders.

Successful mirror-trading in the platform will achieve many positive outcomes: investors will make a profit, Model Traders will be rewarded with success fees as well as reputation points, positive reviews, and higher rankings. Successful trading will attract more investors to the ecosystem and positively influence the reputation of the COVESTING platform and the price of the COV Token.

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Financials

Besides natural demand for COV, there are two types of commission in the COVESTING p2p platform used to back COV value and reward COV token holders:

- **Entry commission 2%** - charged every time an investor deposits funds to their account, which allows them start following to trading Models.
- **10% platform commission** - on all profits realized by copy trading.

These fees will automatically accrue in the COV Asset contract and will be used for systematic buyback and burn programs in the future.

COVESTING intends to add additional recurring revenue streams within the next 8-12 months, including liquidity distribution to institutional clients, commissions occurring from the COVESTING Trading Terminal, Binary options sale, and market making.

8.1 Asset Contract

The COV Asset Contract is an essential part of how the value will be created for COV token holders. With all commissions from the combined infrastructure of COVESTING accrued in the Asset Contract, it creates a sufficient pool of funds to support the consistent growth in value of COV tokens. As soon as the COVESTING platform starts performing – we aim to distribute part of the accrued commissions in the COV Asset Contract towards Buy-back and Burn mechanism.

8.4 Rewarding Token Holders

We aim to allocate at least 50% of all platform earnings to systematic Buyback and Burn programs. This form of repayment program sets best practices for the COV token economy, and simultaneously serves in the best interest of COVESING token holders. Technically speaking, we will systematically buy COV tokens on exchanges and “Burn” them. “Burning” means that purchased tokens will be taken off the market, with the consequence that the total supply of COV tokens will decrease. This should effectively improve the value of COV over time. We will continuously monitor the regulatory environment closely and possibly introduce alternative methods of value distribution according to market guidelines.

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ICO

9.1 ICO Details

The public ICO will be held on the Covesting.io website starting on November 24th.

COVESTING aims to accept up to 25,000 ETH from our initial token contributors. The COV smart contract will stop accepting commitments when the 25,000 hard cap has been reached.

Below is a table representing each COV price increase depending on total amount of COV tokens sold during ICO.

TOTAL COV SOLD	COV PER 1 ETH RATE / discount
[stage1]0 - 1M COV	1 ETH = 800 COV / -35%
[stage 2]1M - 1.9M COV	1 ETH = 720 COV / -28%
[stage 3]1.9M - 3.6M COV	1 ETH = 680 COV / -23%
[stage 4]3.6M - 6.8M COV	1 ETH = 640 COV / -19%
[stage 5]6.8M - 9.8M COV	1 ETH = 600 COV / -13%
[stage 6]9.8M - 15M COV	1 ETH = 520 COV

Total: 15,000,000 COV

9.2 Use of funds

All proceeds from the token sale will fund the product launch, continued platform development, and user acquisition:

- **40%** R&D. Development team with approximately 15-20 engineers. Platform development, new features, data-testing for HFT operations, mobile app development etc.
- **25%** – Marketing expenses, PR and Customer Acquisition, presentations and region-specific roadshows. Digital currency trading exhibitions participations etc. There are natural network effects built into the product around the P2P asset trading model, which will lower the average customer acquisition cost (CAC) substantially.
- **30%** Initial Capex. Substantial costs largely associated with b2b API integration from multiple partners-exchanges. Costs of necessary Licensing. Latency optimization. Operational spends, employees (excl. developers), office etc.
- **5%** Legal, compliance fees

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9.1 Exchange Listing

COVESTING is actively working to list COV tokens at the leading crypto exchanges. COV will become traded on crypto exchanges shortly after the ICO.

9.2 Legal

In July, the Securities and Exchange Commission issued a ruling that some of the "coins" offered during recent ICOs are actually securities, and thereby are subject to the agency's regulations. By offering dividends and profit-sharing such companies failed the Howey Test, created by the US Supreme Court for determining whether certain transactions qualify as "investment contracts."

The Howey test consists of the following:

- Is it an investment of money or assets?
- Is the investment of money or assets in a common enterprise?
- Is there an expectation of profits from the investment?
- Does any profit come from the efforts of a promoter or third party?

Unlike other tokens, COV COV is a utility token and its purpose is to facilitate services (copy-trading) on the COVESTING platform. COV is not backed by real assets (such as real estate) and doesn't grant their holders any dividends.
As Tim Draper mentioned in his open letter: "If the purpose of a token is for societal transformation, and all proceeds go to the support and development of the token, it need not register."

9.3 Road Map

By continuously adding features, building a strong community and aggregating data, COVESTING is about to become a leading blockchain based peer-2-peer asset trading platform for cryptocurrencies.

- ☑ **2017 Q1** – Concept design & research
- ☑ **2017 April** – Analysis of traditional copy-trading platforms for stocks and foreign exchange. Features testing. Demand research. Growth projections.
- ☑ **2017 May** – Team formation. First steps in development of architecture of the COVESTING platform.
- ☑ **2017 July** – Held a meet-up with 60+ private crypto currency traders and investors. Clearly visible demand for a p2p asset platform with mirror-trading functionality.
- ☑ **2017 September** – Landing page and white paper disclosed.
- ☑ **2017 October 20th** – Pre-ICO begins for a limited number of contributors.
  The proceeds used for adding new development team members. CEO and COO travel to Gibraltar to setup a COVESTING company and acquire necessary licensing
- ☑ **2017 November 24th** – Prototype version of the platform released. Crypto Intelligence portal is open for community
- ☑ **2017 November 24th** -- Public ICO begins
- ☑ **2017 December** – further front-end and back-end development. API testing. Test mirror-trades executed. Latency test. Liquidity aggregator setup. New features integration.
- ☑ **2018 January** - Exchange listing of COV Token.
- ☑ **2018 March** – Beta version launch.
- ☑ **2018 May** – Platform improvements. Mobile App development.
- ☑ **2018 July** – Final (Production) Beta version of COVESTING Cryptocurrency Trading Platform.
- ☑ **2018 July** – DLT license
- ☑ **2018 September** – Official platform release
- ☑ **2019 and beyond** – COVESTING platform has over 5,000 active users and $50M USD+ of combined AUM. Algorithmic trading and arbitrage bots are now available on the platform. New features continuously added. User acquisition globally.

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Team

My name is Dmitrij Pruglo and I'm a founder and ideologist of the COVESTING project. I have been working in the financial sector for 11 years and held trading-related positions in SEB Bank and Saxo Bank. I have been involved in stocks, derivatives and FX trading since 2001. During this time, I executed trades using various web-platforms, trading software and algorithms. Being an expert in the online trading industry, I can surely state that digital asset trading services will shortly become a "must-have" option for any diversified investor.

I have assembled a team with a solid financial markets background, which is motivated to make the world of digital currency investments better. Together, we will create a magnificent platform, which will help many investors and traders find each other and mutually benefit from everything that the COVESTING platform has to offer.

Conclusion

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- We are already in development mode, and in November 2017 we will release a MVP version of the platform where anyone can familiarize themselves with the interface and features.
- We are in active communication with cryptocurrency funds and private traders in order to form an initial pool of professional Model Traders.
- We have a solid marketing strategy which will ensure a successful launch of the platform in Q1 2018.
- We know exactly what is needed for both investors and traders. We will create synergy and a mutually beneficial investment environment.
- We provide simple logic behind the value creation for the COV token. It's easy to understand and evaluate its future growth.
- Unlike many ICO campaigns, we are not just creating another useless cryptocurrency in an already crowded market. We provide the ability to become a member of the successful platform and benefit from the token price growth.
- We have an excellent, competitive team creating a revolutionary product and will cope with any difficulties down the road.

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Disclaimer

This document is for information purposes only and is not an offer or a call to sell stocks or securities.

COV tokens are not securities

User acknowledges, understands, and agrees that COV tokens are not securities and are not registered with any government entity as a security, and shall not be considered as such.

Absence of guarantees of income or profit

There is no guarantee that COV tokens will grow in value. There are no guarantees that the price of COV coins will not decrease, including significantly, due to some unforeseen events, or events over which the developers have no control, or because of force majeure circumstances.

Risks associated with Ethereum

COV tokens will be issued on the Ethereum blockchain. Therefore, any failure or malfunctioning of the Ethereum protocol may lead to the trading network of COV tokens not working as expected.

Regulatory uncertainty

Blockchain technologies are subject to supervision and control by various regulatory bodies around the world. COV tokens may fall under one or more requests or actions on their part, including but not limited to restrictions imposed on the use or possession of digital tokens such as COV coins, which may slow or limit the functionality or repurchase of COV tokens in the future.

Risks of using new technologies

COV tokens are a new and relatively untested technology. In addition to the risks mentioned in this document, there are certain additional risks that the team of the COVESTING cannot foresee. These risks may manifest themselves in other forms of risk than those specified herein.

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LEGAL CONSIDERATIONS, RISKS AND DISCLAIMER

IMPORTANT NOTICE: PLEASE READ THE ENTIRETY OF THIS "Legal Considerations, Risks and Disclaimer" SECTION CAREFULLY. WE RECOMMEND YOU CONSULT A LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S) OR EXPERTS FOR FURTHER GUIDANCE PRIOR TO PARTICIPATING IN THE COVESTING LIMITED TOKEN SALE OUTLINED IN THIS WHITE PAPER.

You must read the following "Legal Considerations, Risks and Disclaimer" section before: (i) making use of this White Paper and any and all information available on the website(s) of COVESTING LIMITED (the "Company") located at www.covesting.io/ (the "Website"); and/or (ii) participating in the Company's token sale outlined in this White Paper (the "Token Sale"). This "Legal Considerations, Risks and Disclaimer" section applies to this White Paper and any and all information available on the Website. The contents of this "Legal Considerations, Risks and Disclaimer" section outlines the terms and conditions applicable to you in connection with (i) your use of this White Paper and of any and all information available on the Website; and/or (ii) your participation in the Token Sale, in each case in addition to any other terms and conditions that we may publish from time to time relating to this White Paper, the Website and the Token Sale (such terms hereinafter referred to as the "Terms"). This "Legal Considerations, Risks and Disclaimer" section may be updated from time to time and will be published as part of the latest version of the White Paper which shall be available on the Website. You shall be obliged to check the latest available version of the White Paper prior to participating in the Token Sale.

The information set forth in this "Legal Considerations, Risks and Disclaimer" section may not be exhaustive and does not imply any elements of a contractual relationship. While we make every reasonable effort to ensure that all information: (i) in this White Paper; and (ii) available on the Website (all the information in the White Paper and all information available on the Website hereinafter referred to as the "Available Information") is accurate and up to date, such material in no way constitutes professional advice. The Company neither guarantees nor accepts responsibility for the accuracy, reliability, current state (as of this White Paper) or completeness of the Available Information. Individuals intending to participate in the Token Sale should seek independent professional advice prior to acting on any of the Available Information.

LEGAL CONSIDERTIONS

The Company has approached the Token Sale in a responsible and sensible manner. Given the uncertain and largely unregulated status of distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities, the Company has spent a significant amount of time and resources to consider its business approach and where it proposes to operate now and in the future. The Company has worked with Hassans International Law Firm, Gibraltar's leading law firm. The Gibraltar Financial Services Commission has on 12th October 2017 published a draft of the principled-based regulations which relate to the use of distributed ledger technology for storing and transmitting value belonging to others, and which regulations come into effect on 1st January 2018. The Company will look to comply with all Gibraltar regulations and regulations of other jurisdictions that it is required to. However, due to the current uncertain state of regulation across the world, the Company cannot guarantee the legality of the Company's business platform and/or its ability to develop, structure and licence any future Token functionality in

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every jurisdiction but the Company will strive to be responsive and compliant in the face of any regulatory inquiry.

The Tokens are functional utility tokens designed for the Company's business platform. The Tokens are not securities. In the event that you purchase Tokens, your purchase cannot be refunded or exchanged. The Company does not recommend purchasing Tokens for speculative investment purposes. Tokens do not entitle you to any equity, governance, voting or similar right or entitlement in the Company or in any of its affiliated companies. Tokens are sold as digital assets, similar to downloadable software, digital music and the like. The Company does not recommend that you purchase Tokens unless you have prior experience with cryptographic tokens, blockchain-based software and distributed ledger technology and unless you have taken independent professional advice.

For the convenience of our customers and those of our affiliated companies already using the Company's business platform, the Available Information will be available in a number of languages. In the event of any conflict between the English version of the Available Information and any foreign language version, the English language version will prevail.

REGIONAL RESTRICTIONS

Citizens, nationals, residents (tax or otherwise) and/or green card holders of each of: (i) the United States of America; (ii) Singapore; (iii) South Korea; (iv) the People's Republic of China; or (v) any other jurisdiction which prohibits the possession, dissemination or communication of the Available Information and/or prohibits participation in the Token Sale or the purchase of Tokens or any such similar activity (collectively the "Restricted Jurisdictions") or any other Restricted Persons are not permitted to participate in the Token Sale. The term "Restricted Persons" refers to any firm, company, partnership, trust, corporation, entity, government, state or agency of a state or any other incorporated or unincorporated body or association, association or partnership (whether or not having separate legal personality) that is established and/or lawfully existing under the laws of a Restricted Jurisdiction (including in the case of United States of America, under the federal laws of the United States of America or under the laws of any of its States).

The Company's COV tokens described in this White Paper (the "Tokens") are not intended to constitute, and shall not constitute, securities in any jurisdiction. This White Paper does not constitute a prospectus or offer document of any sort and the Available Information is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. The Company does not provide any opinion or any advice to purchase, sell, or otherwise transact with Tokens and the presentation, publication or communication of all or any part of the Available Information shall not form the basis of, or be relied upon in connection with, any contract or investment decision.

NO ADVICE

No part of the Available Information should be considered to be business, legal, financial or tax advice regarding the Company, the Tokens, the Token Sale or any of the matters to which all or any part of the Available Information relates. You should consult your own legal, financial, tax or other professional advisor regarding the Available Information. You should be aware that you may be required to bear the financial risk of any purchase of Tokens for an indefinite period of time.

LIMITATION OF LIABILITY

In no event shall the Company or any current or former employees, officers, directors, partners, trustees, representative, agents, advisors, contractors, or volunteers of the Company (hereinafter the "Company Representatives") be liable for:

1. any loss of profits, lost savings or incidental, indirect, special or consequential damages, arising out of your use or inability to use the services or products or Tokens offered by the Company or the breach of any of these Terms by you or by any third party;
2. any security risk such as hacker attacks, loss

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of password, loss of private key, or similar;
3. mistakes or errors in code, text, or images involved in the Token Sale or in any of the Available Information; or
4. any information contained in the Available Information or any expectation promise representation or warranty arising (or purportedly arising) therefrom;
5. any losses resulting from the volatility in pricing of Tokens in any countries and on any exchange or market (regulated, unregulated, primary, secondary or otherwise);
6. any losses or damages arising out of or in connection with the purchase, use, sale or otherwise of the Tokens; or
7. arising out of or in any way connected to your failure to properly secure any private key to a wallet containing Tokens,

(collectively, the "Excluded Liability Matters").

The Available Information (including the Website and the White Paper) and the Tokens are provided on an "as is" basis and without any warranties of any kind, either expressed or implied. You assume all responsibility and risk with respect to your use of the Available Information and purchasing of any amount of Tokens and their use. If applicable law does not allow all or any part of the above limitation of liability to apply to you, the limitations will apply to you only to the maximum extent permitted by applicable law.

To the maximum extent permitted by applicable law, you hereby irrevocably and unconditionally waive: (i) all and any claims (whether actual or contingent and whether as an employee, office holder, trustee or in any other capacity whatsoever or howsoever arising) including, without limitation, claims for or relating to the Excluded Liability Matters, any payment or repayment of monies, indemnity or otherwise that you may have against the Company or against any of the Company Representatives; and (ii) release and discharge the Company and all of the Company Representatives from any and all liability (of whatsoever nature or howsoever arising) it or they may have to you. If for any reason you hereafter bring or commence any action or legal proceeding in respect of any claim purported to be released and discharged pursuant to this paragraph or these Terms, or otherwise attempt to pursue any such claim against the Company or any Company Representative then you hereby irrevocably and unconditionally undertake to indemnify, and keep indemnified the Company and all Company Representatives fully on demand from and against:

(a) all liabilities or losses suffered by the Company or any Company Representative; and

(b) all reasonable costs, charges and reasonable expenses (including without limitation reasonable legal costs and expenses) reasonably and properly incurred by the Company or any Company Representative,

in each case by reason of or in connection with the bringing or commencement of such action or pursuit of such claim by you.

If any provision or part-provision of this "Legal Considerations, Risks and Disclaimer" section is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this "Legal Considerations, Risks and Disclaimer" section shall not affect the validity and enforceability of the rest of this "Legal Considerations, Risks and Disclaimer" section.

NO REPRESENTATION & WARRANTIES

The Company does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in the Available Information.

REPRESENTATION & WARRANTIES BY YOU

By howsoever accessing and/or accepting possession or communication of all or any part of the Available Information, you represent and warrant (and shall be deemed to represent and warrant) to the Company on the date of such

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access or on the latest date on which you retain possession of all or any part of the Available Information as follows:

1. you are over 18 (eighteen) years of age;
2. you agree and acknowledge that the Tokens do not constitute securities in any form in any jurisdiction;
3. you agree and acknowledge that the Available Information (including the White Paper and the Website) does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of the Available Information;
4. you agree and acknowledge that no regulatory authority has examined or approved of the Available Information, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of all or any part of the Available Information to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;
5. you agree and acknowledge that the Available Information, the undertaking and/or the completion of the Token Sale, or future trading of the Tokens on any exchange or market (regulated, unregulated, primary, secondary or otherwise), shall not be construed, interpreted or deemed by you as an indication of the merits of the Company, the Tokens, the Token Sale or the Available Information;
6. the distribution or dissemination of the Available Information any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to the Company;
7. you agree and acknowledge that in the case where you wish to purchase any Tokens, the Tokens are not to be construed, interpreted, classified or treated as:
   - any kind of currency or commodity;
   - debentures, stocks or shares issued by any person or entity (whether the Company or otherwise);
   - rights, options or derivatives in respect of such debentures, stocks or shares;
   - rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;
   - units in a collective investment scheme;
   - units in a business trust;
   - derivatives of units in a business trust;
   - any other security or class of securities; or
   - any type of investment (as such term is defined by the Financial Services (Investments and Fiduciary Services) Act 1989-47 of Gibraltar (as amended or re-enacted from time to time) or as such term might be construed under similar legislation in any other part of the world);
   - you are fully aware of and understand that you are not eligible to purchase any Tokens or access the Available Information if you are a citizen, national, resident (tax or otherwise) and/or green card holder of a Restricted Jurisdiction or if you are a Restricted Person;
   - you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology;
   - you are fully aware and understand that in the case where you wish to purchase any Tokens, there are risks associated with: (A) the Company and its business and operations; (B) the Tokens; (C) the Token Sale; and (D) relying or acting on all or any part of the Available Information;
   - you agree and acknowledge that the Company is not liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, or loss of use or data, or loss of reputation, or loss of any economic or other opportunity of whatsoever nature

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or howsoever arising), arising out of or in connection with any acceptance of or reliance on the Available Information or any part thereof by you; and

- all of the above representations and warranties are true, complete, accurate and not misleading from the time of your last access to and/or possession of (as the case may be) the Available Information.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in the Available Information, statements made in any press releases or in any place accessible by the public and oral statements that may be made by the Company or the Company Representatives (as the case may be), that are not statements of historical fact, constitute "forward looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's financial position, business strategies, plans and prospects and the future prospects of the industry which the Company is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Company's revenue profitability and growth, expected revenue profitability and growth, prospects, future plans, other expected industry trends and other matters discussed in the Available Information regarding the Company are matters that are not historic facts, but only estimations and predictions. The Company makes no representation or warranty on having made any predictions or estimates or expectations on the basis of any formula, any mathematical or scientific modelling or forecast, or having made any due and proper enquiries or having undertaken any independent research or studies or otherwise. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results, performance or achievements of the Company to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, amongst others:

1. changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Company conducts its business and operations;
2. the risk that the Company may be unable or execute or implement its business strategies and future plans;
3. changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
4. changes in the anticipated growth strategies and expected internal growth of the Company;
5. changes in the availability and fees payable to the Company in connection with its business and operations;
6. changes in the availability and salaries of employees who are required by the Company to operate its business and operations;
7. changes in preferences of customers of the Company;
8. changes in competitive conditions under which the Company operates, and the ability of the Company to compete under such conditions;
9. changes in the future capital needs of the Company and the availability of financing and capital to fund such needs;
10. war or acts of international or domestic terrorism;
11. occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Company;
12. other factors beyond the exclusive control of the Company; and
13. any risk and uncertainties associated with the Company and its business and operations, the Tokens, the Token Sale and reliance on all or any part of the Available Information.

All forward-looking statements made by or attributable to the Company or Company Representatives are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of the

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Company to be materially different from that expected, expressed or implied by the forward-looking statements in the Available Information, undue reliance must not be placed on these statements.

These forward-looking statements are applicable only as of the later of the date of publication of the White Paper and the latest date that the Website has been updated. Neither the Company nor the Company Representatives nor any other person represents, warrants and/or undertakes that the actual future results, performance or achievements of the Company will be as discussed in those forward-looking statements. The actual results, performance or achievements of the Company may differ materially from those anticipated in these forward-looking statements.

Nothing contained in the Available Information is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Company. Further, the Company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

RISK FACTORS

You should carefully consider and evaluate each of the following risk factors and all other information contained in these Terms before deciding to participate in the Token Sale. To the best of the Company's knowledge and belief, all risk factors which are material to you in making an informed judgment to participate in the Token Sale have been set out below. If any of the following considerations, uncertainties or material risks develops into actual events, the business, financial position and/or results of operations of the Company and the maintenance and level of usage of the Tokens could be materially and adversely affected. In such cases, the trading price of Tokens (in the case where they are listed on an exchange or market (regulated, unregulated, primary, secondary or otherwise)) could decline due to any of these considerations, uncertainties or material risks, and you may lose all or part of your Tokens or the economic value thereof.

RISKS RELATING TO PARTICIPATION IN THE TOKEN SALE

There is no prior market for Tokens and the Token Sale may not result in an active or liquid market for the Tokens.

Prior to the Token Sale, there has been no public market for the Tokens. Although the Company may use reasonable endeavours to seek the approval for availability of the Tokens for trading on a cryptocurrency exchange or market, there is no assurance that such approval will be obtained. Furthermore, even if such approval is granted by a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the Tokens will develop, or if developed, will be sustained after the Tokens have been made available for trading on such market. There is also no assurance that the market price of the Tokens will not decline below the original or issue purchase price (the "Purchase Price"). The Purchase Price may not be indicative of the market price of the Tokens after they have been made available for trading on a market.

A Token is not a currency issued by any central bank or national, supra-national or quasi-national organisation, nor is it backed by any hard assets or other credit nor is it a commodity in the traditional sense of that word. The Company is not responsible for, nor does it pursue, the circulation and trading of Tokens on any market. Trading of Tokens will merely depend on the consensus on its value between the relevant market participants. No one is obliged to purchase any Token from any holder of the Token, including the purchasers, nor does anyone guarantee the liquidity or market price of Tokens to any extent at any time. Furthermore, Tokens may not be resold to purchasers who are citizens, nationals, residents (tax or otherwise) and/or green card holders of Restricted Jurisdictions or to Restricted Persons or to purchasers in any other jurisdiction where the purchase of Tokens may be in violation of applicable laws. Accordingly, the Company

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cannot ensure that there will be any demand or market for Tokens, or that the Purchase Price is indicative of the market price of Tokens after they have been made available for trading on any cryptocurrency exchange or market.

Future sales or issuance of the Tokens could materially and adversely affect the market price of Tokens.

Any future sale or issuance of the Tokens would increase the supply of Tokens in the market and this may result in a downward price pressure on the Token. The sale or distribution of a significant number of Tokens outside of the Token Sale (including but not limited to the sales of Tokens undertaken after the completion of the initial crowdsale, issuance of Tokens to persons other than purchasers for purposes of community initiatives, business development, academic research, education and market expansion and issuance of Tokens as a reward to users of the Company's business platform or otherwise), or the perception that such further sales or issuance may occur, could adversely affect the trading price of the Tokens.

Negative publicity may materially and adversely affect the price of the Tokens.

Negative publicity involving the Company, the Company's business platform, the Tokens or any of the key personnel of the Company and/or regulation of distributed ledger technologies, cryptocurrencies and/or crowdsales of tokens in any jurisdiction, may materially and adversely affect the market perception or market price of the Tokens, whether or not it is justified.

The Company may not be able to pay any anticipated rewards in the future.

There is no assurance that there will be sufficient engagement in the Company's business platform such that you will receive any rewards anticipated to be distributed to active users of the Company's business platform. Further, even in the event there is substantial engagement and interactions among the users of the Company's business platform, there is no assurance you personally will receive any part of the rewards. This is because the ability of the Company to pay any reward to you will depend on the future results of operations and the future business and financial condition of the Company, and there is no assurance of the future results of operations and the future business and financial condition of the Company.

There is no assurance of any success of the Company's business platform or any future Token functionality.

The value of, and demand for, the Tokens hinges heavily on the performance of the Company's business platform and the continuous active engagement of its users and success of its contemplated business lines. There is no assurance that the Company's business platform will gain or continue to gain traction. Furthermore, there is no assurance that any future Token functionality will be realised. While the Company has made every effort to provide a realistic estimate, there is also no assurance that the cryptocurrencies raised in the Token Sale will be sufficient for the development of the Company's business platform and/or for the proper development, structuring and licensing of the anticipated future Token functionality. For the foregoing or any other reason, the development of the Company's business platform and launch of the anticipated Token functionality may not be completed and there is no assurance that it will be launched at all. As such, distributed Tokens may hold little worth or value and this would impact its trading price.

The trading price of the Tokens may fluctuate following the Token Sale.

The prices of cryptographic tokens in general tend to be relatively volatile, and can fluctuate significantly over short periods of time. The demand for, and the corresponding market price of, the Tokens may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the control of the Company:

1. new technical innovations;
2. analysts' speculations, recommendations, perceptions or estimates of the Token's market price or the Company's financial and

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business performance;
3. changes in market valuations and token prices of entities with businesses similar to that of the Company that may be listed on the same cryptocurrency exchanges or markets as the Tokens;
4. announcements by the Company of significant events, for example partnerships, sponsorships or new product developments;
5. fluctuations in market prices and trading volume of cryptocurrencies on cryptocurrency exchanges or markets;
6. additions or departures of key personnel of the Company;
7. success or failure of the Company's management in implementing business and growth strategies; and/or
8. changes in conditions affecting the blockchain or financial technology industry, the general economic conditions or market sentiments, or other events or factors.

The funds raised in the Token Sale are exposed to risks of theft.

The Company will make every effort to ensure that the funds received from the Token Sale will be securely held in a wallet, with access thereto by private keys held by reputable and trusted parties. Further, the Company may make every effort to ensure that the funds received by it from Token Sale will be securely held through the implementation of security measures. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the Token Sale website, in the smart contract(s) on which the wallet and the Token Sale relies, on the Ethereum blockchain or any other blockchain, or otherwise. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such event, even if the Token Sale is completed, the Company may not be able to receive the cryptocurrencies raised and the Company may not be able to use such funds for the development of the Company's business platform and/or for launching any future Token functionality. In such case, the launch of the Company's business platform and the structuring and licensing of any future Token functionality might be temporarily or permanently curtailed. As such, distributed Tokens may hold little worth or value and this would impact their trading price.

RISKS RELATING TO THE COMPANY

The Company's business platform.

Any events or circumstances which adversely affect the Company or any of its successor or affiliated operating entities may have a corresponding adverse effect on the Company's business platform and/or on any future Token functionality, including but not limited to the development, structuring and launch of the Company's business platform and of any future Token functionality. Such adverse effects would correspondingly have an impact on the utility, liquidity, and the trading price of the Tokens.

The Company may be materially and adversely affected if it fails to effectively manage its operations as its business develops and evolves, which would have a direct impact on its ability to maintain or operate the Company's business platform and/or develop, structure and/or licence any future Token functionality.

The financial technology and cryptocurrency industries in which the Company competes have grown rapidly over the past few years and continue to evolve in response to new technological advances, changing business models, shifting regulations and other factors. As a result of this constantly changing environment, the Company may face operational difficulties in adjusting to the changes, and the sustainability of the Company will depend on its ability to manage its operations, ensure that it hires qualified and competent employees, and provides proper training for its personnel. As its business evolves, the Company must also expand and adapt its operational infrastructure. The Company's business will in part rely on its blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology. All

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of these systems, tools, and skillsets represent complex, costly, and rapidly changing technical infrastructure. In order to demonstrate continued ability to effectively manage technical support infrastructure for the Company's business platform, the Company will need to continue to upgrade and improve its data systems and other operational systems, procedures, and controls. These upgrades and improvements will require a dedication of resources and are likely to be complex and increasingly rely on hosted computer services from third parties that the Company does not or will not control. If the Company is unable to adapt its systems and organisation in a timely, efficient, and cost-effective manner to accommodate changing circumstances, its business, financial condition and/or results of operations may be adversely affected. If the third parties whom the Company relies on are subject to a security breach or otherwise suffer disruptions that impact the services the Company uses, the integrity and availability of its internal information could be compromised, which may consequently cause the loss of confidential or proprietary information and/or economic loss. The loss of financial, labour or other resources, and any other adverse effect on the Company's business, financial condition and/or operations, would have a direct adverse effect on the Company's ability to maintain or operate the Company's business platform and/or to develop, structure and/or license the anticipated future Token functionality. Any adverse effects affecting the Company business or technology are likely to also adversely impact the utility, liquidity, and trading price of the Tokens.

The Company may experience system failures, unplanned interruptions in its network or services, hardware or software defects, security breaches or other causes that could adversely affect the Company's infrastructure network, and/or the Company's business platform.

The Company is not able to anticipate when there would be occurrences of hacks, cyber-attacks, distributed denials of service or errors, vulnerabilities or defects in: the Company's business platform, in the smart contracts on which the Company or the Company's business platform relies, or on the Ethereum or any other blockchain. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. The Company may not be able to detect such hacks, cyber-attacks, distributed denials of service errors vulnerabilities or defects in a timely manner, and may not have sufficient resources to efficiently cope with multiple service incidents happening simultaneously or in rapid succession.

The Company's network or services, which would include the Company's business platform and, if successfully structured, developed, licensed and launched, the future Token functionality, could be disrupted by numerous events, including natural disasters, equipment breakdown, network connectivity downtime, power losses, or even intentional disruptions of its services, such as disruptions caused by software viruses or attacks by unauthorized users, some of which are beyond the Company's control. There can be no assurance that cyber-attacks, such as distributed denials of service, will not be attempted in the future or that the Company's security measures will be effective. The Company may be prone to attacks on its infrastructure intended to steal information about its technology, financial data or user information or take other actions that would be damaging to the Company and/or holders of the Tokens. Any significant breach of the Company's security measures or other disruptions resulting in a compromise of the usability, stability, and security of the Company's business platform may adversely affect the utility, liquidity and/or trading price of the Tokens.

The Company may in the future be dependent in part on the location and data centre facilities of third parties.

The Company's future infrastructure network may be established in whole or in part through servers which it owns and/or houses at the location facilities of third parties, and/or servers that it rents at data centre facilities of third parties. If the Company is unable to renew its data facility leases on commercially reasonable terms or at all, the Company may be required to transfer its servers to a new data centre facility,

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and may incur significant costs and possible service interruption in connection with the relocation. These facilities are also vulnerable to damage or interruption from, among others, natural disasters, arson, terrorist attacks, power losses, and telecommunication failures.

Additionally, the third-party providers of such facilities may suffer a breach of security as a result of third-party action, employee error, malfeasance or otherwise, and a third party may obtain unauthorised access to the data in such servers. The Company and the providers of such facilities may be unable to anticipate these techniques or to implement adequate preventive measures.

General global market and economic conditions may have an adverse impact on the Company's operating performance, results of operations and/or cash flows.

The Company could continue to be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time, contributed, and may continue to contribute, to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on the Company's business, operations and financial condition, including decreases in revenue and operating cash flows, and inability to attract future equity and/or debt financing on commercially reasonable terms. Additionally, in a down-cycle economic environment, the Company may experience the negative effects of a slowdown in trading and usage of the Company's business platform and may delay or cancel the development, structuring, licensing and/or launch of the anticipated Token functionality.

Suppliers on which the Company relies for servers, bandwidth, location and other services could also be negatively impacted by economic conditions that, in turn, could have a negative impact on the Company's operations or expenses. There can be no assurance, therefore, that current economic conditions or worsening economic conditions or a prolonged or recurring recession will not have a significant, adverse impact on the Company's business, financial condition and results of operations, and hence, the Company's business platform and/or the ability to develop, structure, license and/or launch any future Token functionality. Any such circumstances would then correspondingly negatively impact the utility, liquidity, and/or trading price of the Tokens.

The Company or the Tokens may be affected by newly implemented regulations.

Distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities are generally unregulated worldwide, but numerous regulatory authorities across jurisdictions have been outspoken about considering the implementation of regulatory regimes which govern distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities. The Company or the Tokens may be affected by newly implemented regulations relating to distributed ledger technologies, businesses and activities as well as cryptocurrencies and cryptocurrency-related businesses and activities, including having to take measures to comply with such regulations, or having to deal with queries, notices, requests or enforcement actions by regulatory authorities, which may come at a substantial cost and may also require substantial modifications to the Company's business platform and/or the anticipated Token functionality. This may impact the appeal or practicality or functionality of the Company's business platform and/or the anticipated Token functionality for users and result in decreased usage of and demand for the Company's business platform and the Tokens. Further, should the costs (financial or otherwise) of complying with such newly implemented regulations exceed a certain threshold, maintaining the Company's business platform and/or developing, structuring, licensing and/or launching the future Token functionality may no longer be commercially viable, and the Company may opt to discontinue the Company's business platform, the anticipated future Token functionality, and/or the Tokens. Further, it is difficult to predict how or whether governments or regulatory authorities may

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implement any changes to laws and regulations affecting distributed ledger technology and its applications, including the Company's business platform, the anticipated future Token functionality, and/or the Tokens.

The Company may also have to cease operations in a jurisdiction that makes it illegal to operate in such jurisdiction, or make it commercially unviable or undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. In scenarios such as the foregoing, the utility, liquidity, and/or trading price of Tokens will be adversely affected and/or Tokens may cease to be traded.

There may be unanticipated risks arising from the Tokens.

Cryptographic tokens such as the Tokens are a relatively new and dynamic technology. In addition to the risks included in the above discussion of risk factors, there are other risks associated with your purchase, holding, and use of the Tokens, including those that the Company cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.

PRIVACY POLICY

By purchasing Tokens, you agree to your personal data, (i.e., your e-mail address, name, address and other details personal to you) being processed by the Company for its business purposes or the purposes of building, promoting, and communicating (about) the Company's business platform and the Tokens. The Company agrees to keep your email address and other personal data private and not share it with the public (e.g., by including it on any external lists or selling to any third parties).

DISCLAIMER

The presentation of the Available Information is solely for informational purposes. Anyone interested in purchasing Tokens and participating in the Token Sale should consider the various risks prior to making any kind of decision in respect of the Token Sale. The Available Information does not comprise any advice by the Company or by the Company Representatives, or any recommendation to any recipient of the Available Information, by the virtue of any participation in the Token Sale or otherwise. The Available Information does not necessarily identify, or claim to identify, all the risk factors connected with the Company, the Company's business platform, the Tokens, the Token Sale, any future Token functionality or the Available Information. All the participants must make their own independent evaluation, after making such investigations as they consider essential, of the merits of participating in the Token Sale and after taking their own independent professional advice. Any participant in the Token Sale should check with and rely upon their own investment, accounting, legal and tax representatives and consultants in respect of such matters concerning the Company, the Company's business platform, the Tokens, the Token Sale, any future Token functionality and the Available Information and to assess separately the financial risks, consequences and appropriateness of the purchase of Tokens, or if in any doubt about the facts set out in the Available Information. A purchase of Tokens comprises considerable risk and might involve extraordinary risks that may lead to a loss of all or a significant portion of monies or monetary value utilised to acquire Tokens. Participants in the Token Sale are urged to completely understand, be aware of and accept the characteristics of the Company, the Company's business platform, the Tokens, the Token Sale, any future Token functionality and the Available Information. If you are not prepared to accept any or all of these Terms or the risks set out in these Terms then you are urged not to participate in the Token Sale. No guarantee or assurance is given by the Company or by the Company Representatives that the Company's proposals, objectives and/or outcomes set out in the Available Information will be achieved in whole or in part. You are urged to consider whether participation in the Token Sale is suitable for you having regard to your personal and financial circumstances and your financial resources.

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You are not eligible to purchase any Tokens in the Token Sale if you are a citizen, resident (tax or otherwise) or green card holder of a Restricted Jurisdiction or you are a Restricted Person. No regulatory authority has examined or approved of any of the Available Information. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of the Available Information does not imply that the applicable laws, regulatory requirements or rules have been complied with.

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