

FUND PLATFORM

Solution for digital funds

WHITE PAPER

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WHAT IS FUND PLATFORM?

The Fund Platform is a solution for digital funds, which is a blockchain platform that allows for the fastest and most affordable way to implement tokenization, investment and crowd-funding processes.

Any user of the Fund Platform can create its own digital fund for absolutely any tasks in just a few minutes and much cheaper versus an independent development of a fund.

To date, the test platform model is already functioning, where our customers create their funds and issue tokens.

Introduction

Digital technologies have become an integral part of many spheres of human life. With their help, new industries are being created and the existing ones – modernized. The transition to the next level of interaction – digital – marked the birth of a digital society, which has been developing rapidly since the end of the 20th century.

The digital economy, as an integral part of this society, annually increases the share in GDP of developed and developing countries by 3–5%. And, according to preliminary estimates, by 2020 it will account for 5–10% of GDP.

Growth in the share of digital economy in the GDP of nine countries from the G20 (in%)

	2010	2016	2020
United Kingdom	8,3	12,4	19,3
South Korea	7,3	8	11,5
China	5,5	6,9	14,1
European Union	3,8	5,7	11,7
India	4,1	5,6	10,1
Japan	4,7	5,6	9,8
United States	4,7	5,4	9,3
Mexico	2,5	4,2	9,1
Germany	3	4	7,8

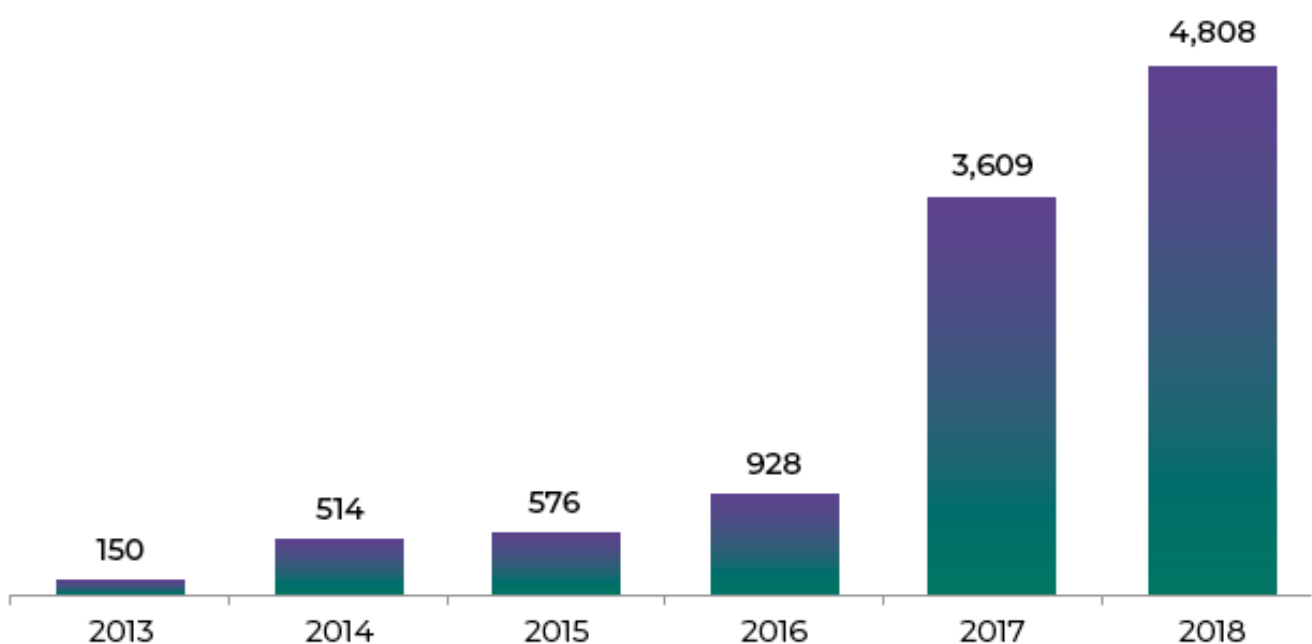
The financial sector of economy and its integral component have also undergone global digitalization. Nevertheless, despite all the advantages the financial sphere acquires through the introduction of advanced IT solutions, until recent times it has remained available to a small limited circle of people due to the high cost of financial services and software development.

The emergence of the world's first cryptocurrency Bitcoin and the Blockchain technology in 2009 marked the beginning of a new era in the development of the digital economy: the era of Blockchain, crypto financial technologies, and crypto-economics.

The subsequent rapid growth in the number and value of cryptocurrencies, as well as a surge of general interest in Blockchain technology, revealed new opportunities for investment and crowdfunding for numerous people with different levels of capital.

Fiat currencies (fiat) began to flow into cryptocurrencies either for the purpose of supporting and investing into projects built on decentralized platforms, or for the purpose of speculation, aimed at benefiting from savings.

Investment in Crypto-Economy (\$mm)



Since 2009, over 2,000 cryptocurrencies have been created; today these are traded with varying degrees of success, and their number is growing daily. In order to make a beneficial acquisition in such circumstances, the investor must have sufficient knowledge of the laws and rules of the cryptocurrency world.

Help comes by way of cryptofunds, one of the types of digital funds, the main task of which is the competent management of their clients' investments and a permanent increase in profitability.

But the main headache of the investor is now the selecting one from a huge variety of cryptofunds that will satisfy its requirements and desires.

On the other hand, the digital society has prepared a not very pleasant «surprise» for fund creators and authors of useful conceptions entailing an expensive and long process of establishing and promoting their funds or crowd-funding campaigns, which is often an insurmountable obstacle.

What is the solution to these problems?

Fund Platform is a social platform for digital funds.
Our mission is to connect ideas and opportunities.

Being, in fact, an ecosystem, the Fund Platform gives everyone an opportunity to implement their ideas in the shortest and easiest way. Any user can create its own decentralized digital fund for absolutely any task in a few minutes and receive tools and capital to reach its goals.

Following the principles of convergence, the platform provides a convenient, safe and mutually beneficial communication between investors, sponsors, benefactors, and funds. Users can access the ratings of funds, built-in analytics, services of personal risk managers, etc.

Research

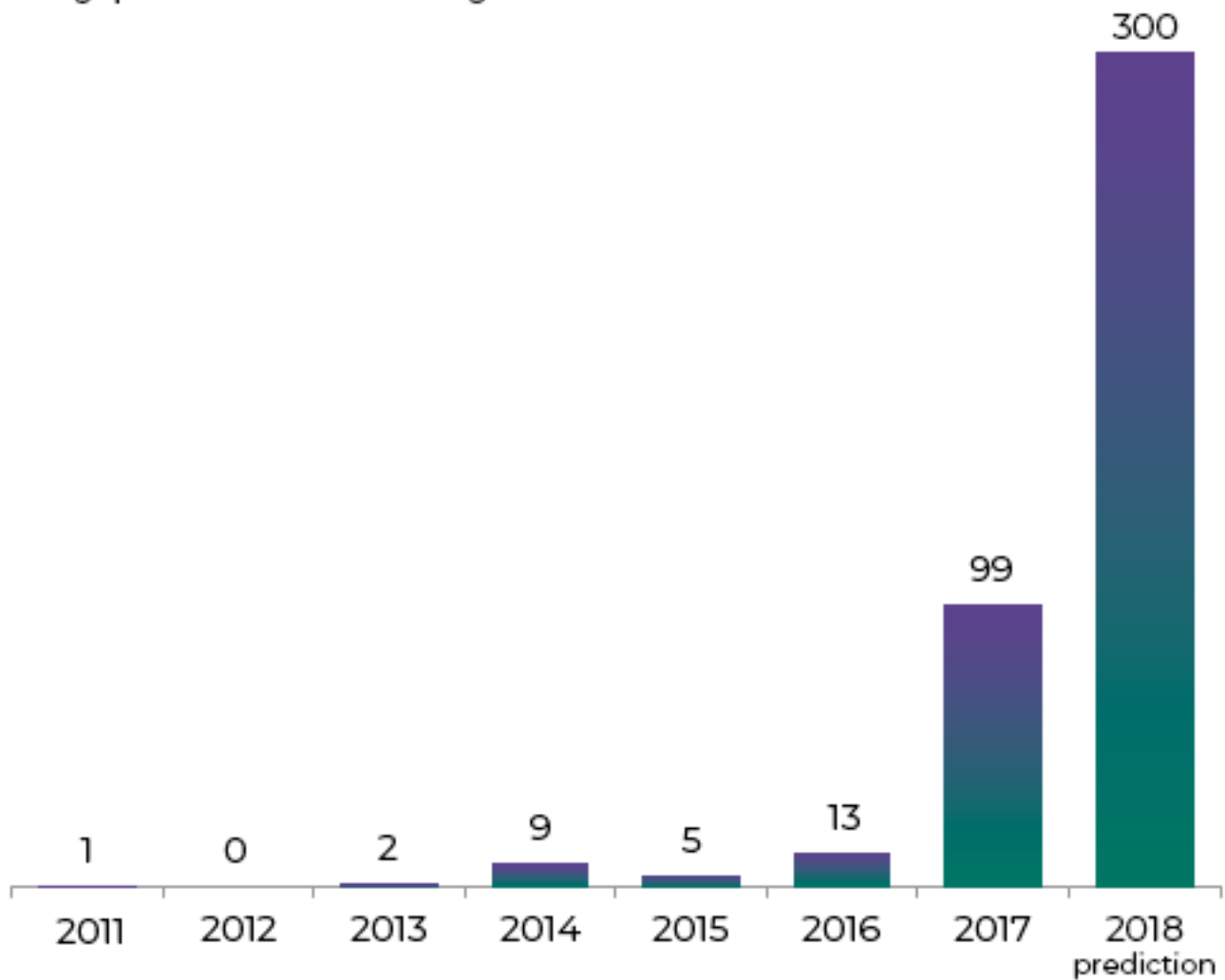
Fund (“basis” in Latin) has several meanings at the same time:

1. Financial instrument of collective investment, which gives investors an opportunity to combine their savings under the management of a professional management company (investment fund).
2. A non-profit organization established by individuals or legal entities on the basis of voluntary contributions and pursuing social, charitable, research, cultural or educational purposes.
3. Monetary funds intended for any purpose.
4. Repository, archive, collection of something.
5. Resources, stocks.

As of the beginning of 2018, there are over 200,000 various investment funds and 500,000 non-profit foundations in the world. The number of funds for money, storages and resources just cannot be counted precisely due to the huge number of companies and organizations that have such funds. We can say for sure that there is over a million of funds of various kinds in the world.

Investment funds intend to include or have already included leading cryptocurrencies in their portfolio. There are over 300 investment crypto funds in the world today (according to the fintech analytical company Autonomous NEXT), and the number of companies and startups that conducted ICO and released their own tokens to raise funds for project implementation has exceeded 1,000. The cryptocurrency industry has reached such indicators in just a couple of years, which serves as yet another proof of the rapidly growing interest in this field.

Crypto Funds by Years



Without any doubt, now it can be stated that the future of a transparent, safe and convenient digital economy is directed towards cryptocurrency financial technologies.

The main benefits of this industry are:

- decentralization;
- transfer of values;
- resistance to attempts of counterfeiting.

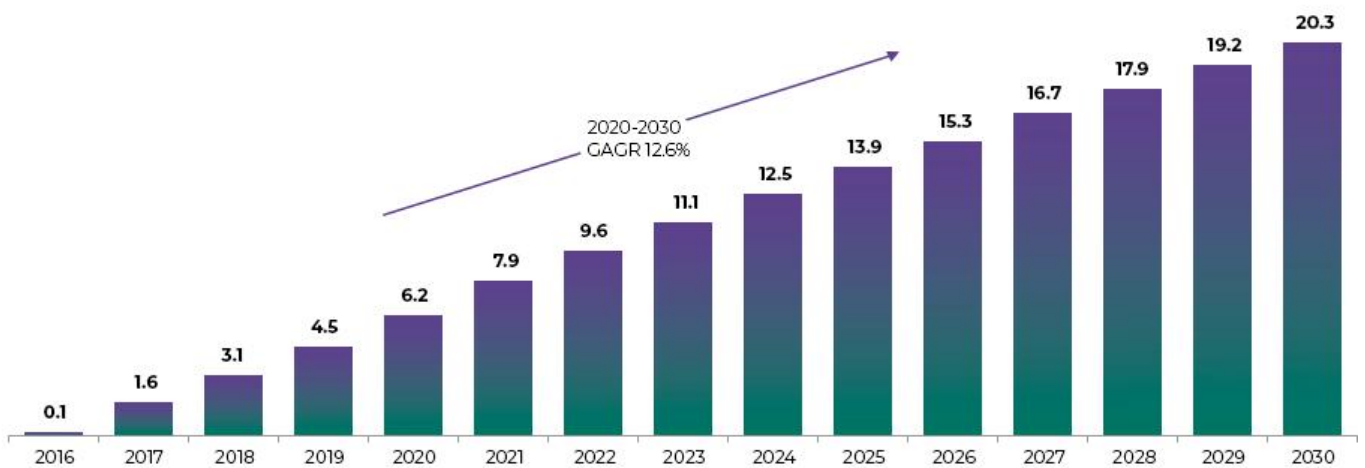
The use of smart contracts leads to an increase in the level of decentralization and democratization of contractual relations, eliminates ambiguity in the interpretation of contracts and implements opportunities to reduce costs.

This entailed the emergence of a large number of tokenized investment instruments, which can be divided into three types:

- currency transactions;
- venture investment funds;
- tokens linked to assets (gold, paintings, real estate, etc.)

New fintech market players aim at reorganizing the financial industry. In this environment, major players take actions to keep pace with the time, introducing new technologies to meet the consumers' demand.

Blockchain Technology Revenue Pool (\$ billions)



The main investment flow of digital funds can be directed to various solution areas that provide a basic autonomous infrastructure for a supranational economy: decentralized computing, data storage, decentralized exchanges, predictive markets, reputation systems, communications and social networks, etc.

Digital funds are the future of the digital economy, as they offer significant benefits: transparency, reliability, tradeability, possibility of reducing costs, etc.

The regulatory authorities of various countries are ready to adopt the Blockchain technology and cryptocurrencies. For example, in Japan Bitcoin is the official instrument of payment, and the Swiss tax authority has confirmed that Bitcoin is no subject to value added tax.

Nevertheless, much more needs to be done to make the tokenization of investment instruments an unhindered and transparent process, conforming with the legislative norms.

For the Fund Platform it is quite possible to become a bridge connecting the opposite banks.

Synopsis

As mentioned above, the Fund Platform is a social platform for digital funds. It means that the processes of creating funds, raising financing, calculating profits, investing, donating, etc. are available to absolutely any user.

All users of the platform are divided into 4 categories:

1. Investor (including sponsor, philanthropist, benefactor).
2. Fund manager.
3. Fund administrator.
4. Fund trader.

An investor can create its own fund, issue tokens and begin engaging capital to implement its concepts, thus becoming a Fund Manager. The Fund Manager can appoint Fund Administrators and Fund Traders having selected them from the platform users with assigning the dedicated functions. A detailed description of the functions available to each user category is given in Section 4 hereof.

By virtue of similarity of the platform structure to the one of social media, any user can simultaneously apply to all 4 categories of users.

Based on the objectives of creating funds, their main types on the platform are defined as:

1. Crypto funds (investment hedge funds, mutual funds, venture funds, etc.) Funds of tokenization of assets and values (including from the real sector of the economy.)
2. Crowdfunding (including ICO / ITO / TGE.)
3. Pension.
4. Culture.
5. Educational.
6. Charity.



site

private
room

to create
fund

creating a token
fund

name
and description

choice of exchanges
for trade

type of fund (open
closed)

users
and managers
fund

distribution
means

user trades
on the stock exchange, in its fund
statistics are formed

sale of tokens
fund

managing
fund

distribution of funds,
according to the settings of the fund
at the time of creation



investors

Advantages

NEM Blockchain—Subtokens

The Fund Platform's team pro-actively collaborates with the developers of the NEM (New Economy Movement) project, as its technical features allow the funds not to create their own tokens only, as well as associated tokens (sub-tokens) for any strategies and products, providing investors with the chance to select exactly those fund tokens that meet their requirements for profitability and risk percentage.

We chose the NEM Platform because it meets the security requirements and is in line with the main objectives of the Fund Platform, in contrast to the Ethereum (for example), in case of which it is required to create several smart contracts for each fund in order to satisfy all the functions necessary for token issue.

In addition, other networks are characterized by a certain instability, which can cause significant problems in the operation of the platform.

Fund Up

Newly created funds without experience and history, but with unique ideas and ambitious plans get the «Fund Up» status (similar to Start Up).

Fundups have access to the standard structure and the minimum required set of functions. The life cycle of a fundup is divided into stages (rounds) of financing in such a way that the next stage cannot start without providing a report on the work done at the previous stage and approval of the investors.

By virtue of this, the investment process becomes more secure and well-ordered.

Builder

For experienced fund managers with a positive history, a builder is available, allowing to customize the structure of the fund and set its functions in accordance with the development strategy of the fund.

The main options available in the builder are:

- Selecting the fund type.
- Technical setup.
- Defining strategy.
- Structure fine-tuning.
- Marketing strategy development.
- Legal design.

Multiplatformity

One of the priorities in the Fund Platform development is to ensure maximum usability.

The platform is developed taking into account the simplicity of use on various devices and interfaces: web versions, mobile and desktop applications.

Telegram and WeChat versions

Since the popularity of Telegram and WeChat messengers is increasing annually and the growth rates only gain speed, and since the Fund Platform primarily represents speed, simplicity and convenience, we give our users an opportunity to create funds and invest without leaving their favorite and familiar applications.

Reserve fund

To ensure the liquidity of the fund tokens and the safety of investors' savings, the Fund Platform envisaged the creation of its own reserve fund.

Cold and hot funds

All platform funds are divided into hot and cold.

Fund Platform is loyal to its users and allows funds to place back-end parts on their own servers. These are hot funds, as the responsibility for stability and safety of work is borne by the fund itself. Cold funds are fully based on the Fund Platform servers.

Upon achieving the target, the fund can be transformed into an independent resource with its own infrastructure, while remaining on the platform listing.

Funds certification

The undoubted advantage of the Fund Platform is the legal support and an extensive set of options, such as: listing of currencies at stock exchanges without API, reduced commission, etc. All this will be available for funds that have passed the Fund Platform certification.

In order to pass the certification, the fund should:

- Conclude an agreement on performance certification between the fund and the Fund Platform.
- Make a deposit into the reserve fund in the amount established by the agreement on performance certification.

Site analysts will review funds with reduced risk and increased profitability, certifying only the best companies.

Funds marketplace

Another convenient feature for the investor is access to funds, ICO, and companies created and functioning separately, but listed on the platform.

Therefore, the funds marketplace opens up to the investor the widest range of available funds and ICO in the network.

Crypto assets ETF

The possibility to invest fiat money in ETF on crypto assets, thanks to the Fund Platform's cooperation with prime brokers.

Low barrier of entry

By virtue of the low costs of creating, promoting and maintaining funds on the platform (compared with independent funds), they can receive investments made not only by large or professional investors, but also by users with moderate savings.

The minimum amount of investment in most of the platform funds is equivalent to only a few dozen dollars.

Token swap

The token swap option allows third-party funds, ICOs and companies to list and sell their tokens directly on the platform, which is also convenient for investors.

Multichain tokens

To ensure the stable and rapid operation of funds, managers will be able to choose the type of the fund token:

- a token on one blockchain based on selection;
- a token on two blockchains, one of which is NEM;
- a multi-chain token.

The platform analysis and testing system determines the network with the highest transaction speed and the lowest commission and performs operations with the fund tokens in this very network. The manager can control the transition between the blockchains manually or automatically.

Fundex exchange

The Fund Platform's team strives to provide its users with access to the most required functions, without the need to apply to third-party services.

Fundex, the built-in exchange, first of all will allow to perform exchange operations between the platform funds tokens. Using the FUND platform token, exchange will be possible between other cryptocurrencies, tokens and cryptocurrencies, fiat and cryptocurrencies, fiat and tokens.

Exchange trading via API

Since trading on third-party cryptocurrency exchanges entails certain risks related to the theft of investors' funds, the Fund Platform provided for the organization of trades through a specially designed trading terminal, so that trades on selected exchanges will be carried out without any direct access to funds.

Turnkey funds

The Fund Platform also provides services for the development of funds with specific individual structural solutions and functions, including providing legal and marketing packaging.

Fundy—your assistant

Fundy is a Q&A wiki-system, and also a personal smart assistant of the user, functioning on the principles of machine learning.

Functionality And Possibilities

The main functions of the platform are:

- administration,
- audit,
- marketing,
- rating assignment.

Functionality and opportunities for all categories of users are presented below with the example of investment crypto funds as one of the main types of digital funds of the platform.

For investors

Choosing a fund based on a variety of statistics data, for example:

- rating;
- capitalization;
- managed funds;
- risk/return indicator.

Creation, structuring and diversification of the investment portfolio through buying, selling or exchanging one fund's tokens for another's, or subtoken tokens within the same fund.

Tracking of general portfolio indicators, as well as conducting in-depth analysis and audit of the results of own investment activity. Generating and uploading reports with the necessary analytical data. Communication in funds chats.

For managers

Fund creation, including financing the launch process; the definition of team members and areas of responsibility; creation of the schedule of the processes required for the fund launch; definition and description of own investment strategy and target investors; resolution of problems with the definition of name, commissions, risk policies.

Access to detailed guidelines for the fund creation.

Management of the fund's infrastructure, including adding investment tools, opening new accounts, etc.

Managing fund traders, including distribution and collection of funds available for trade and investment operations; adjustment of traders' access to trading terminals in automatic and manual modes; adjusting the distribution of remuneration between traders, etc.

Determining the structure for the fund's token, including methods for distributing revenue and buy-back.

Issue of internal tokens with different strategies or products:

For example, one internal token will have a trading strategy with cryptocurrencies only, and the second token will be a portfolio of various tools, similar to a structured product (ICO/ITO tokens of startups, cryptocurrencies). Therefore, the scope of investment products issued by the fund's team expands.

Distribution of the fund's profit among the holders of the tokens.

Rebalancing, i.e. performing the necessary operations to change the structure of the investment fund in accordance with predetermined rules, depending on the dynamics of price behavior.

Import of necessary documents, reports and other related data.

For administrators

Interaction with investors in funds' chats, including moderation and providing answers to questions.

Investors' personal data check for the purpose of identification and verification.

Issue of the fund's official accounting documents and news.

For traders

Implementation of the following trade and investment activities in accordance with the fund's strategies:

- Selection of cryptocurrency exchanges and trading pairs.
- Selection of ICO tokens.
- Selection of other platform funds.
- Opening and closing of trading positions in the trading terminal of the platform on selected exchanges and currency pairs.
- Registering profits for selected products.

ICO

To raise funds for the development and launch of the platform, the Fund Platform's team issued FUND tokens on NEM (New Economy Movement) blockchain.

In December 2017, Presale was successfully held.

The cost of the FUND token at the ICO will be \$0.1 per token.

Using the Personal Account on the website fundplatform.io, you can purchase FUND tokens by depositing BTC, ETH, XEM or other cryptocurrency at the exchange rate as of the time of the transaction.

After the ICO is finished, FUND tokens will be credited to you in your Personal Account. You can either withdraw the tokens to any of the available NEM project wallets and activate the delegated harvesting (mining) for the purpose of selling in the long term or storage, or sell on cryptocurrency exchanges to fix profits.

The offering of the FUND token for cryptocurrency exchanges is planned provided a collection amount exceeds \$2,900,000. The list of exchanges will be published after the ICO.

Dates

LAUNCH: April 3, 2018 at 12:00 GMT.

END: May 3, 2018 at 12:00 GMT.

Collection targets

\$3,000,000 (minimum required amount)

Development of Alpha version of the platform, which allows to create funds and record statistics.

\$4,500,000

Development of Beta version of the platform. Creation of the analytics department.

\$9,750,000

Development of the fully-featured version of the platform. Creating reserve capital for insurance of funds having special agreements with the Fund Platform service.

Establishment of the legal department involved in funds certification, and ensuring that the funds' structure fully meets regulatory requirements. If this goal is not achieved, then the second round of ICO will be launched.

\$30,000,000

The maximum required amount that will significantly speed up the development and scaling processes.

Benefits for owners of FUND tokens

No commission on the platform when investing by using the FUND token.

Possibility to pay for internal services of the platform in the FUND tokens (reviews, audits, legal support, etc.)

Possibility to take part in voting on the platform.

Possibility of selling tokens in the long term, based on the difference in rates.

Why will the price of FUND token grow?

The target of the project are international markets.

The low cost of creating a fund will allow a wide range of managers to create funds.

The cryptocurrency industry is actively developing. Every day dozens of new ICO projects emerge. Large hedge funds enter the crypto asset market or are transformed into crypto funds. One can already see the redistribution of venture funds' assets, and this trend will only accelerate. All this is a consequence of the fact that digital funds have many advantages over traditional funds.

The amounts invested in digital funds are much larger than the ones invested in traditional funds.

In the near future, digital funds are likely to get legal recognition of the authorities in many countries. Such precedents already happen. In turn, this will give a new boost to the growth of the cryptocurrencies' capitalization.

The company plans to achieve self-sufficiency in 5 months after the launch of the platform's beta version.

Amount and distribution of FUND tokens

A pool of 60% of tokens will be distributed among investors who participated in Presale and ICO.

A pool of 25% of tokens will be kept by the company, ensuring the smooth development of the Fund Platform and being its reserve. The said tokens will not be sold for 24 months but blocked using the NEM Platform.

10% of tokens will remain for the platform founders and the key team. These tokens will also be blocked and not sold for 24 months. Therefore, these tokens will act as an impetus for the platform founders and the key team after the ICO.

5% of tokens will be distributed after the ICO among bounty program participants, and are blocked for sale for 6 months.

Additional issue is not provided.

About Tokens

The FUND token will be issued on the NEM platform using services such as:

- multi-signature wallets;
- apostille;
- NEM Mosaics;
- Namespaces.

It will be possible for the funds not to create their own tokens only, but subsidiary tokens (subtokens) as well, allowing investors to select only those tokens that meet their requirements for profitability and risk percentage.

Also, funds can create tokens based on the FUND platform token (Namespace), which will significantly reduce the cost of creating the fund.

Deposit using FUND tokens

The usual way of investing involves sending a cryptocurrency to your personal investment address, available in your personal account.

Each time an investor sends a cryptocurrency to the service address, the Fund Platform reserves FUND tokens. Then, the user selects the fund he or she likes and exchanges the FUND tokens for the tokens of the fund he chooses at the exchange rate as of the time of the exchange.

After the investment is received, the back-end launches an algorithm in the Fund Platform, which counts the number of tokens due to the investor based on the value of the investor's cryptocurrency as of the time of investing, converted to USD. Then the back-end service activates the FUND issue function to issue new tokens for a new investor.

Technical Part

General description

Let us consider the example of the platform's web version.

Web applications, according to a three-tier client-server architecture, are divided into the following layers:

- Database server.
- Fund Platform Core server.
- Fund Platform Client web client.

Blockchain allows you to safely store and transfer digital assets without intermediaries. To perform such functions, Blockchain has the following characteristics:

- storage and transmission of information (database);
- user identification (encrypted secure authentication methods);
- using no intermediary (distribution among participants, decentralization);
- transparency (free public access for own users);
- security (availability of a consensus-based attack-resistant mechanism).

We will use the NEM peering platform's blockchain, which allows to make payments, exchange messages and create assets.

Catapult, in turn, will provide an opportunity to build a new organizational architecture. This technology can work with high transaction performance even within a geographically dispersed network. Catapult is being under development since 1Q 2016.

Only the server will communicate directly with the Blockchain, either sending REST requests to its external API, or via WebSocket.

The database will store data on token holders, investors and fund managers: logins, passwords, wallet numbers, etc.

The Fund Platform Core server is the main link of the Fund Platform system—it provides the user's interaction with the system, allows to create funds and trade on the exchanges.

Interaction with exchanges is organized through requests to their external API.

The user will interact with the system via the Fund Platform Client web client. The web client will be a Single Page Application with user-friendly operation that allows managers to select and monitor the infrastructure of the fund, issue and distribute fund tokens, etc., and investors to conduct in-depth analysis and verify the results of investment activities, file tokens for redemption to participate in the distribution of the fund's income, etc.

Stack of technologies

- Database: PostgreSQL.
- Server part: Java, PHP + Spring Framework or JavaScript, PHP + Node.js.
- Client: Typescript + Angular 4.

Server scheme description

The layer of controllers is divided into two sub-layers:

- controllers for the web client;
- controllers for operating with NEM blockchain.

In the future, a layer for a mobile application will be added.

Roadmap

1Q-2Q 2017 / RESEARCH AND DESIGN

Design of platform solutions. Coordination with advisers.

December 10, 2017 – December 25, 2017 / PRESALE

Conducting Presale. Formation of budget for marketing and development.

1Q 2018 / PRIVATE SALE

Conducting Private Sale and a large-scale marketing campaign.

April 3, 2018 – May 3, 2018 / ICO

Conducting ICO and developing the Alpha version of the platform.

2Q 2018 / FUND TOKEN EXCHANGE LISTING

Listing the FUND token on cryptocurrency exchanges to achieve liquidity.

2Q 2018 / ALPHA VERSION OF THE PLATFORM

Launch of the Alpha version of the platform allowing to create a fund and record statistics.

4Q 2018 / BETA VERSION OF THE PLATFORM

Launch of the Beta version of the platform with significantly enhanced functionality.

1Q-2Q 2019 / PLATFORM RELEASE

Launch of a fully functioning version of the platform.

3Q 2019 – 3Q 2020 / FURTHER DEVELOPMENT OF THE PLATFORM

Development of proprietary blockchain. Scaling and expanding the functionality.

Platform Monetization

The company's revenue will originate from several sources:

- Commission for funds creation and structuring.
- Commission for funds deposit/withdrawal.
- Commission for integration with banks, exchanges and brokers.
- Commission for promotion.
- Commission for listing third-party funds, ICOs and companies.
- Consulting and support services.
- Service of creation turnkey funds with an individual structure.
- Service of funds certification.
- Partnership programs with exchanges and brokers, providing the best conditions for the platform's clients.

Contacts And Links

fundplatform.io — the official website of the Fund Platform.

<https://t.me/FundPlatform>

<https://bitcointalk.org/index.php?topic=2340823.0>

<https://medium.com/@fundplatformsmm>

<https://www.facebook.com/fundplatformproject/>

https://twitter.com/fund_platform

<https://www.reddit.com/user/FundPlatform/>

<https://www.youtube.com/channel/UChK36NZcLwAwWeMil8-8tEA>

<https://vk.com/fundplatform>

<https://blog.nem.io/> — NEM (New Economy Movement) project's website.

<https://ru.wikipedia.org/wiki/API> — интерфейс программирования.

Glossary

Digital fund is a set of tools and capital funds to achieve certain goals, functioning in the digital economy.

Digital economy is a system of economic, social and cultural relations based on the use of digital technologies.

White paper

A document for potential investors that contains a proposal, a description of the project, technical solutions, market and risks analysis.

Fintech / Financial Technologies

The industry, consisting of companies using technology and innovations to compete with traditional financial institutions, such as banks and intermediaries, on the financial services market. Fintech companies include numerous technological startups as well as major well-established organizations trying to improve and optimize the financial services they provide.

Cryptocurrency fund / Crypto fund

A fund specializing in investment in cryptocurrencies.

Crypto currency / Cryptographic currency

A digital currency, the creation and control of which are based on cryptography methods. Cryptocurrencies accounting is decentralized. Their functions are based on Blockchain technology.

Blockchain

A continuous successive chain of information-storing blocks (a linked list) which is constructed according to certain rules. Most often, copies of the chains of blocks are stored independently of each other (in an extreme parallel) on a variety of different computers.

Fiat money / Fiat currency / Fiat Money the nominal value of which is established and guaranteed by the state, regardless of cost of the original material the money is made from or present in a bank's storehouse. Historically, most of the currencies were backed up by a physical commodity, such as gold or silver, but the fiat money is backed up by trust to the state only. Today, most of the paper money in the world is fiat money.

Initial Coin (Token) Offering / ICO / ITO

Way of investment attraction by selling to investors a fixed number of new units of cryptocurrencies (coins, tokens) received in a single or accelerated issue.

Token

Digital asset (project's cryptocurrency), which the investor receives from the company in exchange for a different cryptocurrency or fiat money.

Subsidiary Token / Sub-token

A token issued inside one fund on the Fund Platform.

Ethereum / Ether / ETH

A cryptocurrency and a platform for creating decentralized online services based on Blockchain, working on the basis of smart contracts. Implemented as a single decentralized virtual machine.

Smart contract

A computer algorithm designed to conclude and maintain a protocol of contracts in the Blockchain technology.

NEM (New Economy Movement) / XEM

A cryptocurrency and a peer-to-peer cryptocurrency platform. It is written in Java and JavaScript and uses 100% original code.

Altcoin

The generalized name for all cryptocurrencies except Bitcoin.

Mining

Activities to maintain a distributed platform and create new units with the possibility to receive remuneration in the form of new units and fees in various cryptocurrencies.

POI-mining

Mining based on POI algorithm (Proof of Importance), modification of «Proof-of-Stake». However, unlike PoS, POI does not take into account the proof of storing certain amount of money only, but also the activity of the user, i.e. the number of transactions performed.

Delegated harvesting

The process of charging XEM coins as a reward for the block in the NEM network.

Cryptocurrency asset / Crypto asset

A digital derivative financial instrument that possesses all the properties of a cryptocurrency issued by a company or group of persons with the aim of attracting financial resources for the implementation of prospective projects or acquisitions of assets for capitalization, where crypto asset acts as an instrument guaranteeing the identification of the owner of a cryptoactive asset with the fulfillment of the issuer's obligations to the crypto asset holder.

Hedge fund

An investment fund focused on maximizing profitability at a given risk or minimizing risks for a given profitability.

ETF / Exchange Traded Funds

Foreign exchange investment funds, whose securities are traded on the stock exchange, in other words, transparent «wrapping», in which you can buy «the whole market», i.e. to invest in all securities included in the corresponding index through the brokerage account.

Prime broker

Liquidity providers of a very high level. These include major global financial conglomerates such as Barclays Capital, Morgan Stanley, Citibank, Deutsche Bank, Bank of America, JPMorgan Chase.

Catapult

A large NEM upgrade for transition from Java to C++ to improve performance, which will help reduce latency period and improve two-way communication.

