CrypStock

Combined inter-exchange cryptosystem

The most innovative crypto exchange, established by professionals, lets you better manage your crypto assets

From 127 %

30 %

From the benefit of the system it is distributed among token holders.
From 127% per year to your crypto assets.

50 %

Discount on service fees while making transactions on the exchange. The most profitable exchange rate for top 20 cryptocurrency.

ATM CRYPSTOCK BITCOIN MACHINE

All tokens are supported by crypto terminals and can be exchanged any time.

20 %

Discount on cash-in and cash-out in crypto terminals ATM CRYPSTOCK

CONTENT LIST

INTRUDUCTION

Inter-exchange trading system Crypstock is an innovative centralized exchange platform based on blockchain technology. It allows to make artbitrage transactions automatically, providing income for ICS token holders.

The system includes a regular crypto exchange, where a trader can get better prices on crypto transactions on the market and complicated inter-exchange arbitrage system, which works with several tools and is profitable for token holders.

CONCEPTION

The key idea of such a complex system is several professional tools that provide an opportunity for regular traders to work with better prices for trading operations, as well as the availability of a number of automated trading systems with complex configuration of trading operations on 30+ crypto exchanges, immediately receiving the income on exchange rate differences and, thus, earning money for token holders constantly and automatically.

This multi-purpose system includes:

- Crypto exchange
- Automatic arbitrage system with several subsystems
- Network of ATM crypto terminals for input and output of fiat money
- POS system for accepting cryptocurrency on trading spots
- Secure crypto wallets

All these tools help cryptocurrency market developement and ICS token holders to get a passive income, even not being professional traders.

We have 2 types of tokens for you

ICS token allows to pay fees and use services. This token is profitable, because the system will pay 30% from profit generated by all automatic inter-exchange operations of subsystems CrypStock.

You get HICS token for 20% of your token holders exceeding USD 5000 and it is also profitable. However, HICS token holders receive a distributed extra 20% profit of, generated from all automatic inter-exchange transactions of CrypStock subsystems. What factors make token income increase. See below.

The system gives you the tools to conduct your own exchange transactions at the best rates, as well as the entire infrastructure for entering crypto market and receive income.

Combined inter-exchange crypto system

"The complexity of the system lies in ensuring of the work on 30+ crypto exchanges, keeping money in each of them according to the correctly formed cryptocurrency portfolio, the possibility of conducting arbitrage transactions in a moment and a complex clearing system that ensures balances and transfer of assets in time."

Tools of inter-exchange

- Arbitrage module (algorythmic trading)
- System of inter-exchange block trading
- System of combined order books

ALGORYTHMIC TRAIDING

The algorithmic trading subsystem, based on the integration with other exchanges and using of own accounts, allows to conduct profitable transactions of closed-type (for example, arbitrage transactions) in automatic mode. This subsystem will not be included in the public service for users/traders of the system. The purpose of the algorithmic subsystem trading is to provide income to ICS token holders.

Algorythmic Traiding's Advantages

COMPLETE AUTOMATIZATION

NO TRANSACTIONS BETWEEN EXCHANGES

MOMENTARY EXECUTION

The approach adopted in other systems, where the user initiates an arbitration transaction and execution depends on the transfer of funds between exchanges, in most cases is not feasible, because arbitrage opportunities in the liquid market close with a high frequency. In CrypStock system, the components of the transaction are conducted simultaneously on different exchanges within own accounts and without transactions between exchanges. This lets to conduct a transaction in a moment. At the same time, replenishment of own accounts and distribution between currencies are performed by a special algorithm based on the statistical modeling and currency liquidity parameters on different exchanges.

There is a special module of "initiated" arbitration transactions. The idea is to place an order (B), which can be accompanied by arbitration closure of the opposite transaction with available order in the combined order book (A). In case of cancellation or closure (in another transaction) of order A, order B is canceled by the system.

+150%

This approach allows to increase the number of arbitrage transactions by 100-150%

BLOCK TRADING

Block trading is a special CrypStock service intended for VIPcustomers and big transactions in semi-automatic mode.

The block trading service uses a combined order book and statistically valid algorithm for the distribution of a big transaction in time and between exchanges. The service allows you to buy / sell large amounts of cryptocurrency at the best possible (average) rate. According to preliminary estimation of experts, difference of average prices (compared to a direct transaction on one of the exchanges) can reach from 5 to 10%.

There is an analytical module for block trading provided by the system. It is aimed to conduct major transactions on all connected exchanges with time optimization.

Optimization is based on the accumulation and analysis of transaction statistics and parameters of order books on connected exchanges. It is planned to use mathematical methods of analysis and optimization.

Blocktrading example

Below is a comparison of the results of purchasing ETH for BTC for USD 1,000,000. The calculation is based on real data from 12 exchanges (09/03/2018 15:00 - 16:40).

The following options has been compared:

- Direct purchase on Kraken
- Direct purchase on Bittrex
- Purchase by one transaction through the merged order book (12 exchanges)
- Purchase through the merged orderbook with time

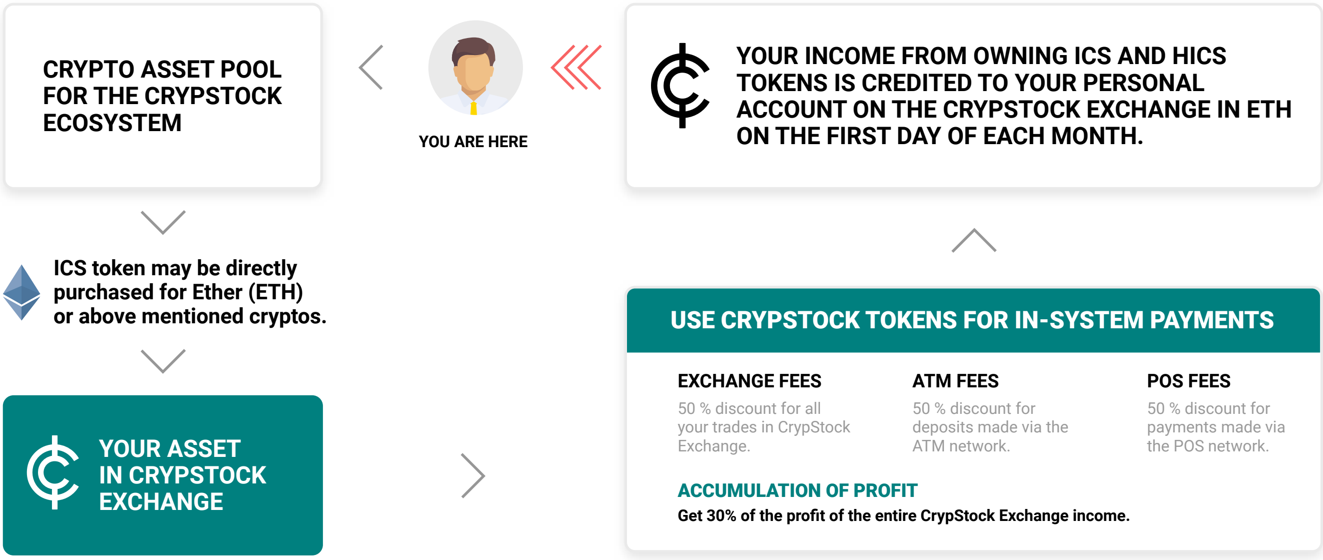
(approximately USD 50,000 * 20 transactions)

ID	EXCHANGE				MERGED A		MERGED B	
		Price BTC	Price USD	Amouth of ETH	USD	%	USD	%
1	**Kraken**	0.07871	717.76	1,393.23	12,313.41	**1.2%**	17,330.01	**1.7%**
2	**Bittrex**	0.079	720.40	1,388.12	15,898.60	**1.6%**	20,915.19	**2.1%**
3	**Merged A**	0.07773	708.82	1,410.80				
4	**Merged B**	0.0773377	705.24	1,417.95				

The example shows that option (1) saves 1.2-1.6% for the user compared to direct purchase, and option (2) saves 1.7-2.1%. According to our estimates, for transactions of USD 10,000,000 benefit can reach more than 5% if using option (2) .

CRYPTOSTOCK EFFECTIVENESS

Technological effectiveness of Crypstock system lies in combining of its own order book with orders on on connected crypto exchanges. This approach and the usage of system's accounts on other exchanges provide high liquidity of traded cryptocurrency, as well as the best prices on the market. The more transaction volume, the more profitable it will be for a trader to execute it on CrypStock compared to other exchanges. On the other hand, the original subsystems of algorithmic trading and market-making generate additional revenue to the system, providing profit to ICS token holders.



The CrypStock multi-exchange trading system is fundamentally different from other systems that offer users the ability to conduct transactions on different exchanges from one account and arbitrage transactions as a service.

1 The system of special buffer accounts at many stock exchanges, owned by the CrypStock system and managed automatically by system's software or in a semi-automatic mode.

2 The merged order book, which includes orders from many exchanges and allows you to conduct transactions on different exchanges within the same system and as if on one exchange.

THE MERGED ORDER BOOK

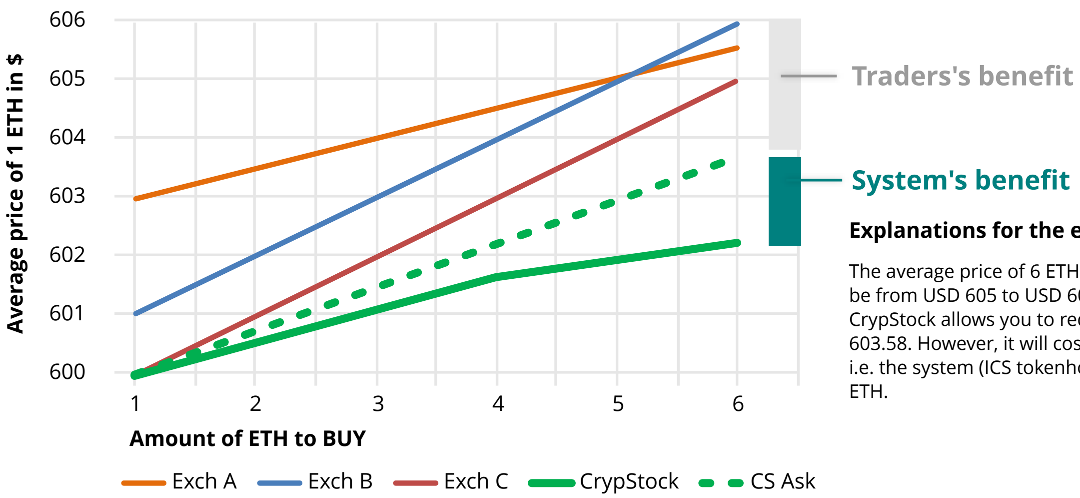
The CrypStock platform is fundamentally different from other systems that offer users an opportunity to conduct transactions on different exchanges from one account. The concept is based on the fact that traders perform transactions in a system, which is a smart intermediary between its own order books and other exchanges. At the same time, combination of order books and usage of own funds on different exchanges allows you to get the best prices compared to each exchange. The following example shows a scheme of the combination of orders and different exchanges and a comparison of the average price:

The average price when buying from 1 to 6 ETH on each of the exchanges <-> on CrypStock

	AVERAGE BUY PRICE USD				TRADER	
Amount	**Exch A**	**Exch B**	**Exch C**	**CrypStock**	**CS Ask**	**Profit $/ETH**
1	601	600	603	600	600	0
2	602	601	603,5	600,5	600,75	0,25
3	603	602	604	601	601,5	0,5
4	604	603	604,5	601,5	602,25	0,75
5	605	604	605	601,8	602,9	1,1
6	**606**	**605**	**605,5**	**602,17**	**603,58**	**1,42**

Requests for sale ETH / USD (ASK)

Amount	Exch A	Exch B	Exch C	CrypStock
600		1		**1**
601	1			**1**
602		1		**1**
603	1		1	**1**
604		1	1	**2**
605	1		1	**2**
606		1	1	**2**
607	1		1	**2**
608		1	1	**2**
609	1		1	**2**
610		1	1	**2**
611	1		1	**2**



Explanations for the example of calculation:

The average price of 6 ETH on stock exchanges A, B, C will be from USD 605 to USD 606. The combined order book CrypStock allows you to reduce the average price to USD 603.58. However, it will cost the system only USD 602.17, i.e. the system (ICS tokenholders) will earn USD 1.41 per ETH.

As you can see from the example, this approach allows a trader to get better prices and lets the system get profit from each transaction.
The described concept is the basis for services that have no competitors on the market for today.

THE EXCHANGE

In addition to the features described above, the CrypStock system is created as a functional crypto exchange, which provides users / traders with all necessary tools, including:

IDENTIFICATION AND SAFETY

- adopted verification system - KYC (know your client)
- two-factor authentication (to log in, conduct transactions, withdraw funds)

ORDERS AND EXECUTION OF TRANSACTIONS

- monitoring of the order book
- managing orders (creation, cancellation, analysis and calculations)
- request history
- history of transactions

SERVICES FOR ADVANCED USERS

- API (application programming interface) is a large set of tools for visualization of market information and portfolio analysis

ASSETS PORTFOLIO MANAGEMENT

- input and withdrawal of cryptocurrency, participating in the auction
- transaction history
- profitability analysis (performance)

MARKET MONITORING

- prices, revenue and statistics

Transactions are conducted with a server program that processes stock information and performing transactions in real-time mode.

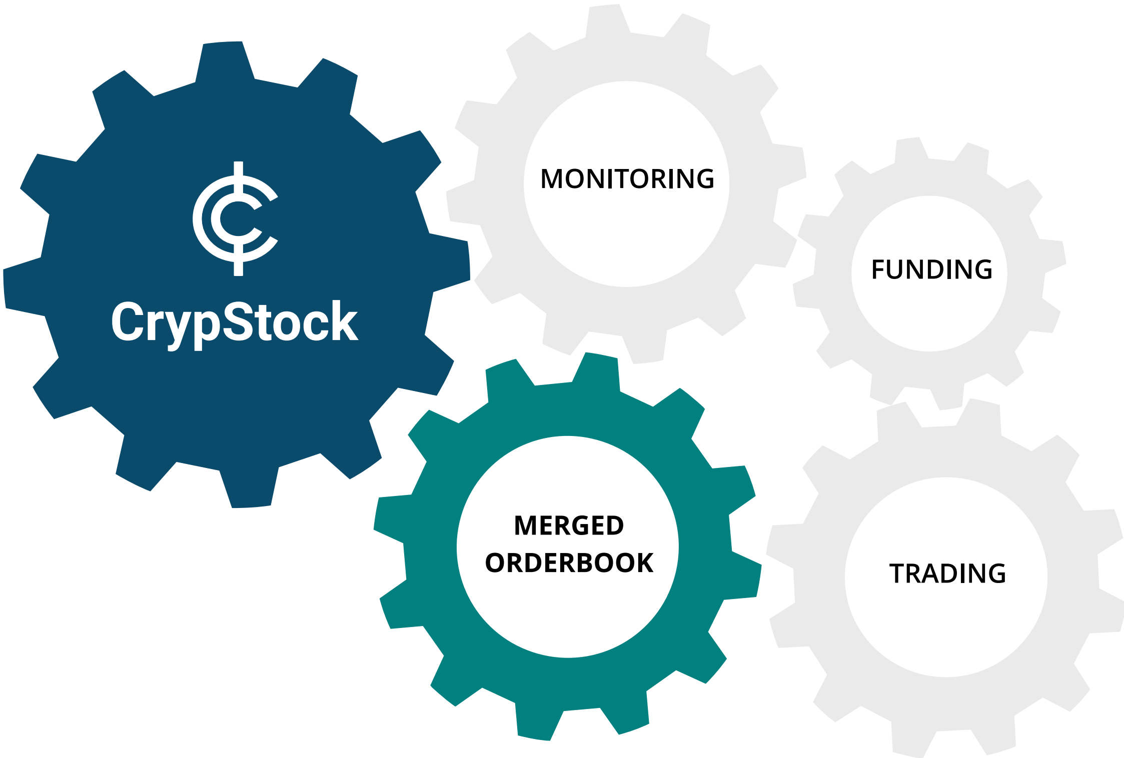
The system's website includes a management and monitoring module, which provide:

- Management of installations and monitoring of arbitration transactions
- Management of transaction's triggers between exchanges
- Implementation (manual and automatic) and monitoring of block trading transactions
- Analysis of transaction statistics on connected exchanges

TRADING OPERATIONS

Trading operations subsystem provide services for standard exchange operations (funding, trading, monitoring) with cryptocurrency pairs for regular users / traders.

The combined order book is more "dense" than the order book of each exchanges.



1 **This allows to buy / sell at a better price than on each stock exchange. The larger the transaction volume, the bigger difference is between the average price on CrypStock and prices on each of the exchanges.**

2 **Unlike any new exchange, CrypStock system provides traders with high liquidity from the first day immediately after the launch.**

The system ensures the integration of external order books with its own orders (set by CrypStock users). One of the advantages of this approach is that a part of orders can be handled in the system that allows to optimize trading operations and reduce transactions fees.

THE ROLE OF TOKEN

Token - ICS ICS

ICS token is a cryptocurrency of the project created to pay transaction fees on the exchange and pay for the system services.

This token is profitable.

ICS token allows to get profit from the operational activities of the exchange and all subsystems, considering all the token holders. The company will distribute 30% of the profit between token holders in automatic mode. 70% remained will ensure the exchange's efficiency. See below.

! All tokens of the project are ensured by crypto terminals and you can exchange it any time

Name of the token	**Interexchange CrypStock**
Short name (2-4 characters)	**ICS**
Number of characters after comma 18	**18**
Emission	**Limited for pre-sale and crowdsale**
Additional emission	**No**
Token freeze	**Tokens of the team and fork will be frozen for 6 month**
Token burning	**no**

ICS token will be in demand, because it will be used in fees payment on exchange transactions and purchase of ATM crypto terminals of CrypStock network.

Token - HICS

ONLY FOR PURCHASES WHO PURCHASE FOR USD 5000 AND MORE.

Purchases receive this type of token if they purchase for more than USD 5000.
When contributing USD 5000, user gets USD 4000 in ICS tokens and the sum equal to USD 1000 in Heritage (HICS) tokens.

URCHASER

USD 5 000

- user receives USD 4000 in ICS tokens
- the sum equal to USD 1000 in Heritage tokens

Number of tokens is limited. 50 000 000 tokens only
There are 15 000 000 HICS tokens to be distributed during pre-sale
There are 35 000 000 HICS tokens to be distributed during crowdsale

HICS tokens can be sold, exchanged or donated. HICS token provides life-time profit of 20% from the system. This profit will be distributed among HICS token holders.

Name of the token	**Interexchange CrypStock HERITAGE**
Short name (2-4 characters)	**HICS**
Number of characters after comma 18	**18**
Emission	**Limited for pre-sale and crowdsale**
Additional emission	**no**
Token freeze	**no**
Token burning	**no**

HICS token provides a high profit and has a positive dynamics of growth.

SYSTEM'S INCOME

INCOME FROM ICS TOKEN

127%
1st year

216%
2st year

305%
3st year

INCOME FROM HERITAGE (HICS) TOKEN

215%
1st year

365%
2st year

515%
3st year

FIAT MONEY

If you want to contribute to the project, but do not have an opportunity to convert fiat money into cryptocurrency, we have a special convertible token that allows both private individuals and legal entities to proceed with it.

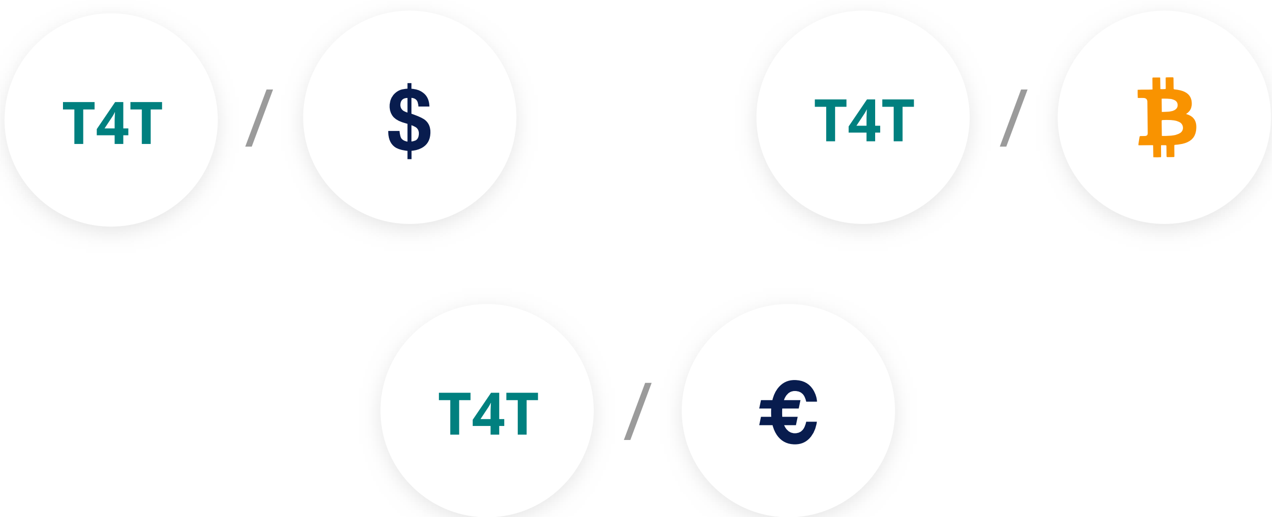
T4T token (Token4Trade)

Our system solves a problem of converting fiat money into cryptocurrency. There is a special conversion token (T4T), which is connected to traditional types of payment and already exists on the CrypStock exchange as the USD equivalent (like USDT). Token is convertible through personal account on the exchange. The funds are credited manually after receipts from private individuals or companies on the accounts mentioned in the exchange profile.

You can buy T4T token using following options:

- Funds transferred from a private individual to the company's account
- Funds transferred from a legal entity to the company's account

After funds are received, T4T tokens are credited to your personal account.



ATM CRYPSTOCK CRYPTO TERMINALS

In order to provide a comfortable exchange of cryptocurrency, refilling funds to personal wallets and cash withdrawals, we are developing our own network of ATM crypto terminals.

Our offices developing crypto terminals network are already established in several countries and will work in test mode already in 2018. We are actively developing the network with our own contribution and will share our income with contributors, including exchange income.

All ICS tokens are ensured by crypto terminals and you will be able toexchange upon request.

ATM CRYPSTOCK FRANCHISING

We want to scale! That's why we have developed a franchise model that will be profitable for contributors. Using the franchise model you can purchase crypto terminals (for ICS tokens) and get money for transaction fees.

Our terminals receive and accept cryptocurrency

ATM terminals will have wallets with any type of cryptocurrency existing on exchange. It is a trader account and you can get an access to it from a crypto terminal.

SMART CONTRACT'S SCHEME

ORIGINAL SMART CONTRACT

Token generation. This smart contract is used for all stages, including private sale, pre-sale, crowdsale.

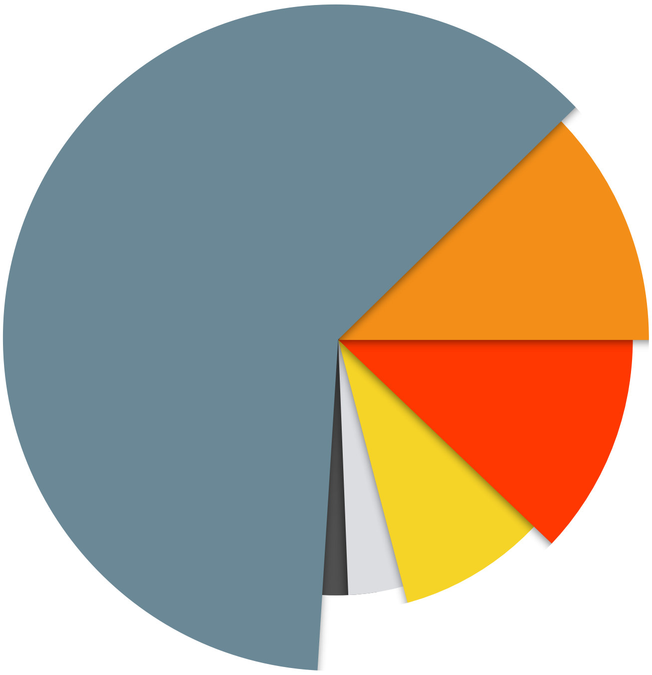
HERITAGE SMART COMNTRACT

This smart contract controls distribution and registry of all Heritage tokens.

FINAL SMART CONTRACT

The main smart contract distributes profits among all tokenholders.

DISTRIBUTION OF TOKENS ON PRE-SALE AND CROWD-SALE STAGE



55% tokens for distribution

17% chipmine fork

16% bonuses

8% team

3% bounty

1% advisors

TOKENIZATION

EMISSION		AVERAGE BONUS	TOKEN PRICE
500 000 000 ICS token	50 000 000 HICS token	14%	USD 0.25

! UNDISTRIBUTED TOKENS WILL

SALES STAGES

11.06 - 11.07. 2018

PRE-SALE

Hardcap no limit

Softcap 1 000 000 USD

STAGES	40%	25%	20%	15%
	from 11 June to 15 June (inclusive)	from 16 June to 23 June (inclusive)	from 24 June to 01 July (inclusive)	from 02 July to 11 July (inclusive)

15.08 - 10.09. 2018

CROWDSALE

Hardcap 59 285 000 USD

Softcap 5 000 0000 USD

STAGES	20%	15%	10%	5%
	from 15 August to 25 August (inclusive)	from 26 August to 02 September (inclusive)	from 03 September to 12 September (inclusive)	from 12 September to 20 September (inclusive)

FUNDS DISTRIBUTION, USD

500 000	Mastercard
500 000	Software
3 000 000	Exchange maintenance
5 500 000	Pre-Sale
4 785 714	ATM network development
15 000 000	Marketing
30 000 000	Accounts' buffering

59 285 714 in total

ROADMAP

1

November, 2016

Classic exchange development

Founders of the company take part in classic exchange development.

2

January, 2017

Analytic data

Analytic data of cryptocurrency operations on 15 exchanges.

3

June, 2017

Algorithms

Development of an automatized algorithm of trading operations.

4

September, 2017

Solution

The project founders make a decision of developing an inter-exchange system with several subsystems.

5

November 1, 2017

Statement of work

Statement of work is prepared, confirmed by the company founders. Preparation for the start of development

6

December 3, 2017

Start of development

Project implementation with the whole team has started.

7

January 29, 2018

Incorporation

Company incorporation and all legal procedures as per Israel laws.

8

January, 2018

ATM Department created

A professional team for the development of ATM network in Israel, Germany and Cyprus is gathered.

9

February 28, 2018

Project fork

All token holders of ChipMine project voted for dividing the project into Chipmine and Crypstock exchange.

10

May-June, 2018

Mocapes and prototypes

Arbitrage and trading operations in the imitative website models with partial functionality without real time mode.

11

July-August, 2018

Prototype A

The main exchange and arbitration system with 10 exchanges and 5 currency pairs, partly in real time.

12

September-October, 2018

Prototype B

Up to 20 exchanges and 10 currency pairs, including CrypStock tokens, and merged order book are traded in real time.

13

November, 2018

Pilot Version

Start of exchange. All main systems work. Arbitrage system up to 30 exchanges and 20 currency pairs

14

December, 2018

Fully-functional mode

The exchange works in fully-functional mode.
External cryptocurrencies are connected.
New tokens are accepted.
Arbitration works with 50+ exchanges.
The merged order book system works with completely filled buffer accounts on 50+ exchanges.

THE TEAM

Felix Roitman

Project Manager and Founder

Accomplished business developer & analyst with over 10 years in the investment and financial sectors, Mr. Roitman has formed part and led teams of highly successful ventures yielding multi-million revenues during his involvement.

Alex Keselman

Technical Manager, Co-Founder, Cryptocurrency market expert

More than 25 years of experience in project management in the field of development of financial and exchange trading systems. Between Alex customers - Leumi and Hapoalim banks, the Central Bank of Israel, Tel-Aviv Stock Exchange, Ukrainian Exchange etc.. CTO of an American public company (WRIT U.S.: OTC).

Yishai Harniv

Web Developer

An extensive 5 years experience in the newest web technologies. Between the projects - Pelecoin (www.pelecoin.com), CrypStock (2016-2017).

David Suleymanov

Marketing director at Crypstock

CEO Xport Media. 18 years of experience in a full stake marketing and PR services globally. New product launches for various global brands.

Raz Kohen

Team Leader

A software engineer with an extensive experience in the web development of sophisticated financial web projects. Between the projects – Pelecoin (www.pelecoin.com), visualization of financial information of Bank of Israel (Virtech), CrypStock (2016-2017).

Offir Yehezkel

Team Leader

A software engineer specializing in the real-time technologies for the web-based client-server systems. Offir participated in a number of projects in the field of crypto. Between the projects – Pelecoin (www.pelecoin.com), CrypStock (2016-2017).

Kfir Girstain

Software engineer

A web developer specializing in server side and client side.

Itai Naor

Software Engineer

A software engineer specializing in the visualization of financial information. Itai participated in a number of projects for big Israeli companies and Bank of Israel (Virtech).

ADVISORS

MATHEW LEVANT

Licensed as Foreign Legal Consultant in NY, USA

A skilled legal professional with advanced knowledge of many areas of law, Mathew serves as Managing Partner at Levant and Partners, a law firm specializing in International M&A, corporate matters, TMT and IP. Mathew is also President at the International Legal Foundation where he volunteers his time providing pro-bono legal support for important causes and non-profit organizations.

OLEG TKACHENKO

ADVISOR, EXCHANGE AND MARKET MAKING

From 2008 – President of the Ukrainian Exchange. One of the creators of the Ukrainian market of derivatives. One of the initiators of the cryptocurrency (and their derivatives) legalization in Ukraine.

VLAD VAIER

ADVISOR, SOFTWARE ENGINEERING AND SECURITY

Software development expert with over 20 years of hands-on experience in bringing vast financial projects to life. Specializing in the field of smart payment solutions and blockchain technologies.

ZEEV VOLKOVICH

ADVISER, R&D

Ph. D, professor, dean of the Computer Sciences faculty, specialization – cryptography, experience in the research and consulting – more than 25 years.

SERGEI MAZIN

ADVISER, SOFTWARE ENGINEERING, QA

D.Sc. (Doctor of Science), 15 in the leading Israeli IT companies (including 10 years in Intel), specialization – QA and testing of sophisticated software products and information systems.

REFERENCES

SITE:

http://crypstock.io

TELEGRAM:

https://t.me/crypstock

FACEBOOK:

https://www.facebook.com/CrypstockExchange/

LINKEDIN:

https://www.linkedin.com/company/crypstock/

TWITTER:

https://twitter.com/crypstock

REDDIT:

https://www.reddit.com/r/CRYPSTOCK/

BITCOINTALK:

https://bitcointalk.org/index.php?topic=4353642.new#new

LEGAL NOTICES

OVERVIEW OF CRYPSTOCK CORPORATE STRUCTURE

Principally, the corporate structure of CrypStock project is intended to include the following companies:
[Estonian company's name] ("Company") which is a business company incorporated in Estonia. The main purpose of the Company is to organize and conduct a process of the ICS/HICS/HICS/HICS tokens sale. In particular, the Company will create the ICS/HICS tokens and distribute them to the community. Besides, the Company will contract with entities and agents for the development of the CrypStock platform and its underlying software, as well as for marketing of the CrypStock ecosystem in order to foster a community around it. The intended use of funds collected through the ICS/HICS tokens sale is more detailed described in section "DISTRIBUTION OF TOKENS ON PRE-SALE AND CROWDSALE STAGE" of this White Paper;
[ChipMine?] which is a business company incorporated in Israel. Its purpose is to develop, operate and maintain the CrypStock platform and to help foster a community around it. For this purposes, it will contract with the Company.
It should be noted that the CrypStock project is intended to exist for a long-term period, that means that the corporate structure and the companies' roles described above are not binding for the CrypStock management team and can be restructured or adjusted from time to time.

OVERVIEW OF ICS/HICS TOKENS

ICS/HICS TOKENS' BACKGROUND

The ICS/HICS tokens are at the core of the CrypStock ecosystem. The CrypStock ecosystem is based on an open source tokens named ICS/HICS ("ICS/HICS tokens") which represent software with cryptographic elements and which are sold out as a functional utility appliance for the CrypStock platform.
Like other similar digital tokens, the ICS/HICS tokens are transferable, fungible, and can be used openly for creation and development of CrypStock ecosystem.
The ICS/HICS tokens may be listed on multiple cryptographic token exchanges in order to give an opportunity to openly buy them for those who want to take advantage of participation in the CrypStock ecosystem, and to sell them for those who would like to exit the CrypStock ecosystem.
However, the Company is not responsible for nor does it pursue the circulation and trading of the ICS/HICS tokens on the market. Trading of the ICS/HICS tokens will merely depend on the consensus on its value between the relevant market participants, and no one is obliged to purchase any ICS/HICS token from any holder of the ICS/HICS token, not does anyone guarantee the liquidity or market price of the ICS/HICS tokens to any extent at any time.

It should be noted that legislation in certain countries, such as the United States of America and People's Republic of China, may prohibit the sale of the ICS/HICS tokens to the residents of those countries. When buying the ICS/HICS tokens, the purchaser should be aware of the restrictions on their subsequent sale and thereby obliges to follow our instructions and/or those of the cryptographic token exchange when such purchaser resells his ICS/HICS tokens to other users.
The ICS/HICS tokens are intended for experts in dealing with cryptographic tokens and blockchain-based software systems. We do not recommend purchasing the ICS/HICS tokens unless you have prior experience with cryptographic tokens and blockchain-based software systems.

ICS/HICS TOKENS' TECHNICAL IMPLEMENTATION

The ICS/HICS tokens are ERC20 compatible tokens based on the Ethereum blockchain. Ethereum optimally fits for CrypStock ecosystem as it has become the commonly preferred choice in the cryptocurrency industry for enabling trading operations via blockchain. ERC20 is the Ethereum token standard, and the compatibility between ERC20 and the Ethereum ecosystem allows to program smart contracts, which grant secure and customized cryptocurrency operations, matching the specific requirements of CrypStock ecosystem and enabling easy distribution between its community in a truly decentralized system.

USAGE OF ICS/HICS TOKENS

The ICS/HICS tokens are intended to be used by their holders only for its designated purposes. Number of such purposes may be increased over time, including, but not limited to, by means of adding new services and features available in exchange for the ICS/HICS tokens. However, we do not promise or guarantee that we will make any efforts in order to imbue the ICS/HICS tokens or the CrypStock platform with greater utility or to develop more sophisticated functionality thereof beyond that is strictly provided in this White Paper.
The ICS/HICS tokens have their functional utility only within the CrypStock ecosystem and their creation is conditioned by the need to develop its internal economy that will establish transparent and fair relations among the community within the ecosystem.

LEGAL STATUS OF ICS/HICS TOKENS

The ICS/HICS tokens do not grant participation in the Company or its assets. The ICS/HICS tokens do not provide token holders with any ownership or other interest in the Company. Acquisition of the ICS/HICS tokens does not present an exchange of cryptocurrencies for any form of shares in the Company or the Company’s assets, including intellectual property. ICS/HICS token holders are not entitled to any guaranteed form of dividends, revenue distributions, and voting rights.

The ICS/HICS tokens do not represent a loan to the Company. The ICS/HICS tokens neither debt instrument or bonds of any kind nor any other form of loan advanced to the Company. Acquisition of the ICS/HICS tokens, whether through the ICS/HICS token sale or otherwise, does not grant to ICS/HICS token holders any right of claim on the Company's financial or any other assets.
The ICS/HICS tokens may be considered as securities in some jurisdictions. However, this White Paper does not constitute a prospectus or offer document of any sort, is not intended to constitute an offer of securities or a solicitation for investment, does not pertain in any way to an initial public offering or a share/equity offering, and does not pertain in any way to an offering of securities in any jurisdiction. The ICS/HICS tokens are not intended to be marketed, offered for sale, purchased, sold, or traded in any jurisdiction where they are prohibited by applicable laws or require further registration with any applicable governmental authorities. We do not recommend buying the ICS/HICS tokens for speculative investment purposes.

The ICS/HICS tokens do not represent any other financial or investment instrument. In particular, the ICS/HICS tokens are not and shall in no case be understood, deemed, interpreted or construed as: (i) any form of financial derivatives; (ii) any commercial paper or negotiable instrument; (iii) any form of investment contract between the relevant holder and any other person; (iv) any commodity or asset that any person is obliged to redeem or purchase; (v) any note, debenture, warrant or other certificate that entitles the holder to interest, dividend or any kind of return from any person; (vi) the rights under the price difference (margin) contract or any other contract whose purpose or its intended purpose is to ensure profit or avoid losses; or (vii) structural units in the collective investment mechanism or in the institution of joint investment, including trusts and investment funds.
The ICS/HICS tokens are not currencies in any jurisdiction. The ICS/HICS tokens are not currencies issued by any central bank or national, supra-national or quasi-national organization, nor is it backed by any hard assets or other credit.
The ICS/HICS tokens are non-refundable. Unless otherwise is provided by applicable legislation or strictly set out in the legally binding documentation on sale of the ICS/HICS tokens, the Company is not obliged to provide ICS/HICS token holders with a refund related to the ICS/HICS tokens for any reason, and ICS/HICS token holders will not receive money or other compensation in lieu of the refund.

RISK FACTORS

An acquisition of the ICS/HICS tokens involves a high degree of risk. Each potential purchaser of the ICS/HICS tokens should carefully consider the following information about these risks before he decides to buy the ICS/HICS tokens. If any of the following risks actually occurs, the CrypStock platform and the value of the ICS/HICS tokens could be materially adversely affected.

Risks and uncertainties described below in this White Paper may not be the only ones token holders face. Additional risks and uncertainties may also materially adversely effect on the CrypStock platform or the value of the ICS/HICS tokens. In such cases, the trading price of ICS/HICS tokens (in the case where they are listed on a cryptocurrency exchange) could decline due to any of considerations, uncertainties or material risks, and you may lose all or part of your ICS/HICS tokens.

RISKS CONNECTED TO THE VALUE OF ICS/HICS TOKENS

1. No Rights, Functionality or Features Other than Strictly Provided Herein. The ICS/HICS tokens do not have any rights, uses, purpose, attributes, functionalities or features, express or implied, including, without limitation, any uses, purpose, attributes, functionalities or features on the CrypStock platform, other than strictly provided in this White Paper.

2. Lack of Development of Market for ICS/HICS Tokens. Because there has been no prior public trading market for the ICS/HICS tokens, the sale of the ICS/HICS tokens described in this White Paper may not result in an active or liquid market for the ICS/HICS tokens, and their price may be highly volatile. Although applications may be made to the cryptographic token exchanges for the ICS/HICS tokens to be admitted to trading, an active public market may not develop or be sustained after the ICS/HICS tokens sale. If a liquid trading market for the ICS/HICS tokens does not develop, the price of the ICS/HICS tokens may become more volatile and a token holder may be unable to sell or otherwise transact in the ICS/HICS Tokens at any time.

3. Risks Relating to Highly Speculative Traded Price. The valuation of digital tokens in a secondary market is usually not transparent, and highly speculative. The ICS/HICS tokens do not hold any ownership rights to Company's assets and, therefore, are not backed by any tangible asset. Traded price of the ICS/HICS tokens can fluctuate greatly within a short period of time. There is a high risk that a token holder could lose his/her entire contribution amount. In the worst-case scenario, the ICS/HICS tokens could be rendered worthless.

4. ICS/HICS Tokens May Have No Value. The ICS/HICS tokens may have no value and there is no guarantee or representation of liquidity for the ICS/HICS tokens. Company Parties are not and shall not be responsible for or liable for the market value of the ICS/HICS Tokens, the transferability and/or liquidity of the ICS/HICS tokens and/or the availability of any market for the ICS/HICS tokens through third parties or otherwise. For the purposes of this section of the White Paper, the term "Company Parties" shall include Company and its respective past, present and future employees, officers, directors, contractors, consultants, attorneys, accountants, financial advisors, equity holders, suppliers, vendors, service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (hereinafter in this section of the White Paper – "Company Parties").

6. Risks of Negative Publicity. Negative publicity involving the Company, the CrypStock platform, the ICS/HICS tokens or any of the Company's Parties may materially and adversely affect the market perception or market price of the ICS/HICS tokens, whether or not it is justified.

7. Use of ICS/HICS Tokens in Restricted Activities by Third Parties. Programs or websites banned or restricted in certain jurisdictions, such as gambling, betting, lottery, sweepstake, pornography and otherwise, could accept different crypto-currencies or tokens in their operation. The regulatory authorities of certain jurisdictions could accordingly take administrative or judicial actions against the such programs or websites or even the developers or users thereof. The Company neither intends nor is able to act as a censor to scrutinize to any extent any program or website that uses ICS/HICS tokens with such goals. Therefore, any punishment, penalty, sanction, crackdown or other regulatory effort made by any governmental authority may more or less frighten or deter existing or potential users away from using and holding the ICS/HICS tokens, and consequently bring material adverse impact on the prospect of the ICS/HICS tokens.

8. Risks Arising from Taxation. The tax characterization of the ICS/HICS tokens is uncertain. The buyer shall seek his own tax advice in connection with acquisition, storage, transfer and use of the ICS/HICS tokens, which may result in adverse tax consequences to the buyer, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties or other charges and tax reporting requirements.

BLOCKCHAIN AND SOFTWARE RISKS

1. Blockchain Delay Risk. On the most blockchains used for cryptocurrencies' transactions (e.g., Ethereum, Bitcoin blockchains), timing of block production is determined by proof of work so block production can occur at random times. For example, the cryptocurrency sent as a payment for the ICS/HICS tokens in the final seconds of the ICS/HICS token sale may not get included into that period. The respective blockchain may not include the purchaser’s transaction at the time the purchaser expects and the payment for the ICS/HICS tokens may reach the intended wallet address not in the same day the purchaser sends the cryptocurrency.

2. Blockchain Congestion Risk. The most blockchains used for cryptocurrencies' transactions (e.g., Ethereum, Bitcoin blockchains) are prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the network in an attempt to gain an advantage in purchasing cryptographic tokens. That may result in a situation where block producers may not include the purchaser’s transaction when the purchaser wants or the purchaser’s transaction may not be included at all.

3. Risk of Software Weaknesses. The token smart contract concept, the underlying software application and software platform (i.e. the Ethereum, Bitcoin blockchains) are still in an early development stage and unproven. There are no representations and warranties that the process for creating the ICS/HICS tokens will be uninterrupted or error-free. There is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of the cryptocurrency and/or the ICS/HICS tokens.

SECURITY RISKS

1. Risk of Loss of Private Keys. The ICS/HICS tokens may be held by a token holder in his/her digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private keys associated with such token holder's digital wallet or vault storing the ICS/HICS tokens will result in loss of such ICS/HICS tokens, access to token holder's ICS/HICS token balance and/or any initial balances in blockchains created by third parties. Moreover, any third party that gains access to such private keys, including by gaining access to login credentials of a hosted wallet or vault service the token holder uses, may be able to misappropriate the token holder's ICS/HICS tokens.

2. Lack of ICS/HICS Token Security. The ICS/HICS tokens may be subject to expropriation and/or theft. Hackers or other malicious groups or organizations may attempt to interfere with the token smart contract which creates the ICS/HICS tokens in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform rests on open source software, there is the risk that Ethereum smart contracts may contain intentional or unintentional bugs or weaknesses which may negatively affect the ICS/HICS tokens or result in the loss of ICS/HICS tokens, the loss of ability to access or control the ICS/HICS tokens. In the event of such a software bug or weakness, there may be no remedy and holders of the Tokens are not guaranteed any remedy, refund or compensation.

3. Attacks on Token Smart Contract. The blockchain used for the token smart contract which creates the ICS/HICS tokens is susceptible to mining attacks, including double-spend attacks, majority mining power attacks, ""selfish-mining"" attacks, and race condition attacks. Any successful attacks present a risk to the token smart contract, expected proper execution and sequencing of the ICS/HICS tokens transactions, and expected proper execution and sequencing of contract computations.

4. Risk of Incompatible Wallet Service. The wallet or wallet service provider used for the acquisition and storage of the ICS/HICS tokens, has to be technically compatible with the ICS/HICS tokens. The failure to assure this may have the result that purchaser of the ICS/HICS tokens will not gain access to his ICS/HICS tokens.

5. Risks of Theft of the Funds Raised in the ICS/HICS Token Sale. The Company will make every effort to ensure that the funds received from the ICS/HICS 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 website, in the smart contract(s), on the Ethereum 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 ICS/HICS token sale is completed, the Company may not be able to receive the cryptocurrencies raised and to use such funds for the development of the CrypStock platform and/or for launching any future business line. In such case, the launch of the CrypStock platform might be temporarily or permanently curtailed. As such, distributed Tokens may hold little worth or value, and this would impact its trading price.

RISKS RELATING TO COMPANY

1. Risks Related to Highly Competitive Environment. The financial technology and cryptocurrency industries, and the markets in which the Company competes are highly competitive and have grown rapidly over the past years and continue to evolve in response to new technological advances, changing business models 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 and 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 cannot give any assurance that the Company will be able to compete successfully.

2. Risks Relating to General Global Market and Economic Conditions. Challenging economic conditions worldwide have from time to time 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.

3. Risks of Non-Protection of Intellectual Property Rights. The Company relies on unpatented proprietary know-how and trade secrets and employ commercially reasonable methods to protect know-how and trade secrets. However, these methods may not afford complete protection and the Company cannot give any assurance that third parties will not independently develop the know-how and trade secrets or develop better production methods than the Company.

4. Risks of Infringement Claims. The competitors of the Company, other entities and individuals, may own or claim to own intellectual property relating to products and solutions of the Company. Third parties may claim that products and solutions and underlying technology of the Company infringe or violate their intellectual property rights. The Company may be unaware of the intellectual property rights that others may claim cover some or all of products or technology of the Company.

RISKS RELATING TO CRYPSTOCK PLATFORM DEVELOPMENT

1. Lack of Interest to the CrypStock Platform. Even if the CrypStock platform is finished and adopted and launched, the ongoing success of the CrypStock platform relies on the interest and participation of third parties like developers. There can be no assurance or guarantee that there will be sufficient interest or participation in the CrypStock platform.

2. Changes to the CrypStock Platform. The CrypStock platform is still under development and may undergo significant changes over time. Although the project management team intends for the CrypStock platform to have the features and specifications set forth in this White Paper, changes to such features and specifications can be made for any number of reasons, any of which may mean that the CrypStock platform does not meet expectations of a holder of the ICS/HICS tokens.

3. Ability to Introduce New Technologies. The blockchain technologies industry is characterized by rapid technological change and the frequent introduction of new products, product enhancements and new distribution methods, each of which can decrease demand for current solutions or render them obsolete.

4. Risk Associated with Other Applications. The CrypStock platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which the ICS/HICS token will have no intrinsic value.

5. Risk of an Unfavorable Fluctuation of Cryptocurrency Value. The proceeds of the sale of the ICS/HICS tokens will be denominated in cryptocurrency, and may be converted into other cryptographic and fiat currencies. If the value of cryptocurrencies fluctuates unfavorably during or after the ICS/HICS token sale, the project management team may not be able to fund development, or may not be able to develop or maintain the CrypStock platform in the manner that it intended.

6. Risk of Dissolution of Company or CrypStock Platform. It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of Ethereum, Bitcoin or other cryptographic and fiat currencies, decrease in the ICS/HICS tokens utility due to negative adoption of the CrypStock platform, the failure of commercial relationships, or intellectual property ownership challenges, the CrypStock platform may no longer be viable to operate and the Company may dissolve.

RISKS ARISING IN COURSE OF COMPANY PARTIES' BUSINESS

1. Risks Related to Invalidation of Company Parties Transactions. Company Parties have taken a variety of actions relating to their business that, if successfully challenged for not complying with applicable legal requirements, could be invalidated or could result in the imposition of liabilities on respective Company Party. Since applicable legislation may subject to many different interpretations, respective Company Party may not be able to successfully defend any challenge brought against such transactions, and the invalidation of any such transactions or imposition of any such liability may, individually or in the aggregate, have a material adverse effect on the CrypStock platform.

2. Risk Arising from Emerging Markets. Company Parties or some of them may operate on emerging markets. Emerging markets are subject to greater risks than more developed markets, including significant legal, economic and political risks. Emerging economies are subject to rapid change and that the information set out in this White Paper may become outdated relatively quickly.

GOVERNMENTAL RISKS

1. Uncertain Regulatory Framework. The regulatory status of cryptographic tokens, digital assets and blockchain technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether governmental authorities will regulate such technologies. It is likewise difficult to predict how or whether any governmental authority may make changes to existing laws, regulations and/or rules that will affect cryptographic tokens, digital assets, blockchain technology and its applications. Such changes could negatively impact the tokens in various ways, including, for example, through a determination that the tokens are regulated financial instruments that require registration. Company may cease the distribution of the ICS/HICS tokens, the development of the CrypStock platform or cease operations in a jurisdiction in the event that governmental actions make it unlawful or commercially undesirable to continue to do so.

2. Failure to Obtain, Maintain or Renew Licenses and Permits. Company' business will depend on the continuing validity of licenses and permits and its compliance with their terms. Regulatory authorities will exercise considerable discretion in the timing of license issuance and renewal and the monitoring of licensees' compliance with license terms. Requirements which may be imposed by these authorities and which may require any of Company Party to comply with numerous standards, recruit qualified personnel, maintain necessary technical equipment and quality control systems, monitor our operations, maintain appropriate filings and, upon request, submit appropriate information to the licensing authorities, may be costly and time-consuming and may result in delays in the commencement or continuation of operation of the CrypStock platform.

Further, private individuals and the public at large possess rights to comment on and otherwise engage in the licensing process, including through intervention in courts and political pressure. Accordingly, the licenses any Company Party may need may not be issued or renewed, or if issued or renewed, may not be issued or renewed in a timely fashion, or may involve requirements which restrict any Company Party's ability to conduct its operations or to do so profitably.

3. Risk of Government Action. The industry in which Company Parties operate is new, and may be subject to heightened oversight and scrutiny, including investigations or enforcement actions. There can be no assurance that governmental authorities will not examine the operations of Company Parties and/or pursue enforcement actions against them. All of this may subject Company Parties to judgments, settlements, fines or penalties, or cause Company Parties to restructure their operations and activities or to cease offering certain products or services, all of which could harm Company Parties' reputation or lead to higher operational costs, which may in turn have a material adverse effect on the ICS/HICS tokens and/or the development of the CrypStock platform.

4. Risk of Burdensomeness of Applicable Laws, Regulations and Standards. Failure to comply with existing laws and regulations or the findings of government inspections, or increased governmental regulation of Company Parties operations, could result in substantial additional compliance costs or various sanctions, which could materially adversely affect Company Parties business and the CrypStock platform. Company Parties operations and properties are subject to regulation by various government entities and agencies, in connection with ongoing compliance with existing laws, regulations and standards. Regulatory authorities exercise considerable discretion in matters of enforcement and interpretation of applicable laws, regulations and standards. Respective authorities have the right to, and frequently do, conduct periodic inspections of any Company Party's operations and properties throughout the year. Any such future inspections may conclude that any Company Party has violated laws, decrees or regulations, and it may be unable to refute such conclusions or remedy the violations. Any Company Party's failure to comply with existing laws and regulations or the findings of government inspections may result in the imposition of fines or penalties or more severe sanctions or in requirements that respective Company Party cease certain of its business activities, or in criminal and administrative penalties applicable to respective officers. Any such decisions, requirements or sanctions, or any increase in governmental regulation of respective operations, could increase Company Parties' costs and materially adversely affect Company Parties business and the CrypStock platform.

5. Unlawful or Arbitrary Government Action. Governmental authorities may have a high degree of discretion and, at times, act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that is contrary a law or influenced by political or commercial considerations.

Moreover, the government also has the power in certain circumstances, by regulation or government act, to interfere with the performance of, nullify or terminate contracts. Unlawful, selective or arbitrary governmental actions have reportedly included the denial or withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions and civil actions. Federal and local government entities have also used common defects in matters surrounding the Token sale as pretexts for court claims and other demands to invalidate or to void any related transaction, often for political purposes. In this environment, Company Parties' competitors may receive preferential treatment from the government, potentially giving them a competitive advantage over Company Parties.

UNANTICIPATED RISKS

1. Blockchain technologies and cryptographic tokens such as the ICS/HICS tokens are a relatively new and dynamic technology. In addition to the risks included above, there are other risks associated with your purchase, holding and use of the ICS/HICS tokens, including those that the Company cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.

CrypStock