**Toward Decentralization, Equity and Balance**

# Cryptostone Whitepaper

**Cryptostone**

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# Contents

Cryptostone

# 1. Description

CRYPTOSTONE is a disruptive innovation and a fully anonymous and No KYC blockchain financial ecosystem.

# 2. Introduction

CRYPTOSTONE ecosystem includes:

- Cryptocurrency Payment Gateway (CPG)
- Centralized cryptocurrency Exchange (CX)
- ICO Launchpad
- Decentralized Cryptocurrency Exchange (DEX)
- Public Blockchain Network (Main Net)
- Native tokens/coins
- Wallet (Crypto Wallet)
- Other utilities:
  - Crypto Forex Services
  - DeFi Staking (No KYC Staking)
  - Tokenizing assets
  - NFTs
  - Escrow service for P2P trades
  - Smart Contracts

In the CRYPTOSTONE ecosystem, you can use our crypto payment gateway on your website to provide an alternative payment method for your customers. with our centralized exchange, you can trade easily and anonymously in a safe way while with our decentralized exchange you can even launch your exchange and trade in a fully decentralized and peer-to-peer way. Decentralized Worldwide Stock Market is another platform that is provided by us to facilitate fundraising events to our customers, which makes the fundraising and investment process inclusive and accessible based on decentralized listing & delisting by blockchain consensus.

# 3. Why us

The world of central decision-makers is coming to an end and decisions must be made by consensus and freely. we are against governments, banks, and stock exchanges.

We strongly believe in crypto-anarchism in which cryptographically protected anonymization technologies, digital pseudonyms, and digital money are employed to circumvent state control - surveillance, censorship, and taxation. Thus, we are Crypto-anarchists aiming at providing conditions for getting rid of state interference.

To this end, we are going toward balance and equity with access to modern global financial services by decentralizing and eliminating cumbersome, slowing, and restrictive governments, banks, and stock exchanges rules.

We should not wait for the wave of change. we do not want to wait for the wave of changes to pass over us; we want to be Mainstream.

Indeed, we are a startup that wants to create an anonymous ecosystem over a blockchain to utilize blockchain technology as a financial tool in our life.

We are here to solve some of the problems that exist in blockchain-based projects.

## 3.1. Cryptostone moves towards direct democracy

Democracy literally means rule by the people. it falls into two categories, indirect and direct. The concept of "indirect democracy" (also called representative democracy) refers to the fact that the people choose others to represent them and make important decisions on their behalf. In this regard, representative democracy is completely different from "direct democracy", in which the people, all members of a group, are given the right to vote. Representative democracy is typically employed in the countries where the population is too large to be constantly engaged in decision making. It's not always reliable because the votes of elected individuals may not provide faithful and accurate reflection of people's will. these individuals may distort the peoples' demands. Moreover, indirect democracy can lead to

massive bureaucracies, which are too slow to take action, especially on momentous issues.

However, each person's point of view is taken into account in a direct democracy providing free, fair, regular and competitive elections. it offers the people greater opportunities for participation in which they can exercise their sovereignty within the decision-making process in the most direct manner.

blockchain technology paved the way for bringing democracy back to full circle. So, by means of this technology, a paradigm shift is taking place from centralization to decentralization.

Centralization refers to the fact that the power of planning and decision making are exclusively in the hands of few people. It means that the systematic and consistent concentration of all the powers is at central points. Regulatory capture, corruption, rent-seeking efforts, government intervention in markets, and monopolies are the perfect examples of centralization.

the scenario, however, has been changed completely. Decentralization is growing in popularity due to rise in demand for transferring supervision and decision-making from a centralized association (individual, corporation, or group of people) to a dispersed network where corruption and monopoly are prevented and transparency, free economy, free markets and fair competition are provided.

To this end, CRYPTOSTONE, a financial blockchain ecosystem, has been developed. It is aimed at achieving equity, meaning that the income and opportunity among people can be evenly distributed. In other words, the absence of equity creates a scope of inequality in the market. For example, in a monopoly market where there is only a single buyer, the other people sell their labor at a very cheaper rate as compared to a competitive market where there is a lot to buy and wages are very competitive too. As a result, Income difference is one of the most common problem areas which an economy must face when there is no equity in the economy. In this case, equity, as a goal, can be reached through true decentralization achieved by Cryptostone.

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As a result, doing business, the people can enjoy the benefits of a decentralized world in which they are able to make decisions freely without central decision makers.

All mentioned benefits are mainly facilitated through consensus decision-making process.

## 3.2. Consensus decision-making

Consensus decision-making is a creative and dynamic way of reaching to an agreement among all members of group. The group using consensus is committed to finding solutions that everyone actively supports. In this regard, all opinions, ideas, and concerns are taken into account.

In other words, consensus decision-making is a process that builds trust and creates ownership and commitment. An effective consensus process is inclusive and engages all participants.
Consensus decisions can lead to better quality outcomes that empower the community to move forward to create their future together.

Blockchain consensus decision-making principles behind CRYPTOSTONE ecosystem
 ❖ Before voting in a public space, everyone can comment and express their opposition and agreement.
 ❖ Cryptostone acts as a facilitator to  make the process of reaching a consensus decision easier.
 ❖ As many stakeholders as possible should be involved in the consensus decision-making process to protect from attacks.
 ❖ Rewards are anticipated for maximum stakeholder participation.
 ❖ Proof of Importance Consensus is employed, which is based on time and stake. In the proof of importance consensus mechanism, nodes receive a rating dependent on the stake they own (i.e. the number of coins owned) and the length of time the node had those coins.

### 3.2.1. Benefits of consensus decision-making

- ❖ Inclusive participation engages and empowers the community.
- ❖ It requires a commitment to work together and increases cooperation.
- ❖ Distribution of power and resource in a community is equalized.
- ❖ It facilitates better decisions that are more representative of the larger community.
- ❖ More ownership and commitment are achieved.

### *3.3 Problems and Solutions*

Government agents act as individuals responding to incentives, much as actors within a market. This reduces the effectiveness of indirect democratic systems. Currency is a creature of law and government control over money can be a form of oppression. Bitcoin is nothing less than a fundamental assault on the idea that a law of currency is a necessary prerequisite of modern monetary order.

The people in power would have us believe that this system is natural and inevitable, but better alternatives to the current system are already here. Despite the increasing progress of blockchain-based projects, payment services, and financial ecosystems, there are still many problems, some of which are mentioned below.

- Unbanked people don't use traditional financial services such as credit cards and bank accounts; instead, they rely on alternative financial services, which are often expensive. Those who are underbanked have some type of bank account, but they still use cash and alternative financial services to make purchases. There are More than 2bn Unbanked or Underbanked in 140 countries including 1/3 of US and more than 2.7mn in UK housewives, youth, immigrants, and many more. They cannot use saving accounts to build emergency funds. Furthermore, they are not able to turn to time-saving tools for transactions such as paying bills and transferring money.

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- Because blockchain utilities are not yet truly decentralized, governments can intervene and impose restrictions on them. there are still lots of centralized decision-makers and financial monopolies held by the administrations and banks.

- There are so many cross-border payments restrictions, limitations, and costs for foreign merchants, foreign labor remittances, tourists, freelancers, remote workers, and SMEs. There are many limitations in exterritorial payments with fiats, and limitations of using services and international online payments for anyone, anywhere. In all financial and payment processes we have to trust third parties that means we can't directly control our assets, which may lead to fraud and scams. Furthermore, companies and banks are charging massive fees and taking multiple days to clear transfers. in addition, they can limit our transactions and control our financial accounts.

- You can buy the crypto of your choice from PayPal as well. While it is not a crypto-focused company, the platform has a feature to buy, sell and hold crypto coins. So, there is a need for crypto exchanges to enable people to even trade cryptocurrencies. Most of the nowadays crypto exchanges need KYC or they have withdrawal limitations and are not accessible to anyone from anywhere. Furthermore, if you want to trade security tokens in these types of exchanges you must be authenticated that causes some privacy problems and geographic limitations.

- Cryptocurrencies are more assets rather than payment tools

- Most fund and capital raising processes are exclusive, expensive, and extremely difficult for startups and small businesses. further, they are not open to anyone, anywhere. the capital raising process for companies is not streamlined and they can't use all potential of their offering capability. They also have lots of limitations. There are also lots of cross-border stock investment restrictions.

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We are here to solve these types of problems with our services. Here are some of our **solutions**:

- Anyone from across the globe can use the crypto payment gateway to pay the merchants with cryptocurrencies without any concern of time, fee and fiat payment limitation with our NO-KYC CPG services. We are providing easy, fast and reliable cross-border payment solutions and global financial services in a decentralized world to more than 2bn Unbanked and Underbanked in Cryptostone financial ecosystem without traditional financial system limitations.

- We are going to increase the number of crypto payment gateways by providing easy and fast payment gateway services for SMEs at a lower cost than traditional payment gateways to convert cryptocurrencies to payment tools.

- One of our solutions is providing decentralized and P2P services with No third parties and no centralized decision making as a paradigm and price is not controlled by anyone. Decentralized platforms are more secure because there's no possibility of multiple users losing their funds and every user's money will be in their hands alone.

- Simplified fund and capital raising, investment, decentralized cross-border stock market and security token crowdfunding marketplace. We facilitate asset trading by streamlining liquidity and allow people around the world to invest, trade, and connect in a peer-to-peer blockchain-based network. It protects investors through blockchain technology and a smart contract system, and it makes it easy to unlock the blockchain to tokenize and trade traditional assets. our network makes the fundraising process inclusive and accessible, fair and flexible, innovative and easy, and open to anyone, anywhere.

- Disruptive innovation increases user satisfaction by eliminating local laws and going beyond national borders.

- With our no KYC platform, nobody has to reveal their identity and because of that, we don't have any geographical limitations. merchants benefit from crypto payment and instant solutions for liquidity enabling them to receive new income streams.

## 4. Product

All Products list:
1. Cryptocurrency Payment Gateway (CPG)
2. Centralized cryptocurrency Exchange (CX)
3. ICO Launchpad
4. Decentralized Cryptocurrency Exchange (DEX)
5. Public Blockchain Network (MainNet)
6. Native tokens/coins
7. Wallet
8. Crypto Forex Services
9. DeFi Staking (No KYC Staking)
10. Tokenizing assets
11. NFTs
12. Escrow service for P2P trades
13. Smart Contracts

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| Feature / Utility | Other Projects | |
|---|---|---|
| Blockchain Technology | | ✅ |
| Proof Of Stake | | ✅ |
| Fully Anonymous (No KYC) | | ✅ |
| Smart Contracts | | ✅ |
| Crypto Payment Gateway | | ✅ |
| Anti-fraud labeling system | | ✅ |
| DeFi Lending Platform (No KYC Lending) | | ✅ |
| Decentralized Worldwide Security Token Stock Market | N/A | ✅ |
| Decentralized Crypto Exchange (DEX) | | ✅ |
| Centralized Crypto Exchange (No KYC CX) | | ✅ |
| Crypto Forex Services | | ✅ |
| Crypto Wallet | | ✅ |
| Tokenizing assets | | ✅ |
| NFTs | | ✅ |
| Escrow service for P2P trades | N/A | ✅ |
| Low costs | | ✅ |

Cryptostone Ecosystem Comparison Table

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## 4.1. *Crypto Payment Gateway (CPG)*

A crypto payment gateway is a platform for online transactions that helps companies accept payments in cryptocurrencies. As we mentioned earlier for problems of cross-border payments, etc., we offer our NO-KYC CPG services. In our ecosystem, everyone can use our Crypto Payment Gateway (CPG) on their website to provide an alternative payment method to their customers. And anyone from across the globe can use the crypto payment gateway to pay the merchants with cryptocurrencies without any concern of time and fee and fiat payment limitation without any KYC. Also, you can track in real-time with our CPG API & plugins and connect the transaction systems with our e-commerce solutions. Our crypto payment gateway will remove cross-border restrictions and it is accessible for anyone, anywhere.

## 4.2. *Centralized Exchange (CX)*

Centralized cryptocurrency exchanges (CX) are online platforms used to buy and sell cryptocurrencies. Decentralized platforms are slower than centralized ones. According to an analysis, centralized crypto exchanges take an average of 10 milliseconds to execute orders whereas a decentralized exchange takes a minimum of 15 seconds to match and fill an order. To work with the decentralized exchanges, some nodes are needed to to be launched, which not possible for everyone. So, they are the most common means that investors use to buy and sell cryptocurrency. We will support spot, futures, margin, and demo trading. Our CX will be a NO-KYC platform. We immediately connect buyers with sellers by streamlining liquidity. by our user-friendly exchange, you can trade 24/7 with a small fee as fast as possible.

The coins we will firstly support as trading pairs are Bitcoin, Litecoin, Bitcoin Cash, Ethereum, Tether, Binance coin, and XRP.

### 4.2.1. No-KYC

To respect user's privacy, there is no KYC procedure on the CX platform. All customers may sign-up without providing additional personal information about themselves.

### 4.2.2. Device Compatibility

Our goal is to bring our platform into the variant devices and operating systems such as:
- Web-based client
- Android client
- IOS client

## 4.3. ICO Launchpad

A blockchain crowdfunding platform on which users can buy ICO tokens and coins with fiat or other cryptocurrencies. This platform supports automatic distribution mechanisms and crypto payment gateways.

## 4.4. Decentralized Exchange (DEX)

A decentralized exchange (DEX) is a peer-to-peer (P2P) marketplace that connects cryptocurrency buyers and sellers. In contrast to centralized exchanges (CCEs), decentralized platforms are non-custodial, meaning that a user remains in control of their private keys when transacting on a DEX platform. By our CCE, everyone can trade easily and anonymously. you can trade 24/7 with a small fee as fast as possible while by DEX you can even launch your exchange and every user's money will be in their hand. The transactions are highly secure and wallet-to-wallet. Also, third parties can't access your data. With our No-KYC decentralized exchange, all third parties are eliminated and everything is established on the blockchain, thereby helping people gain a better trading experience.

## 4.5. Main-net

Main-net is the term used to describe when a blockchain protocol is fully developed and deployed, meaning that cryptocurrency transactions are being broadcasted, verified, and recorded on a distributed ledger technology (blockchain). Our main-net is a dedicated network to keep all transaction records. Our Main-net will be a p2p network to act as a distributed ledger to keep track of assets, transactions and provide a lot of features for users, and may tokenize any asset on the blockchain. Any companies and startups can tokenize their securities with our platform and we give them the services oftokenizing, whitepaper and business plan advice, and implementation of tokenizing their assets.

## 4.6. Wallet

A cryptocurrency wallet is an app that allows cryptocurrency users to store and retrieve their digital assets. When a user acquires cryptocurrency, such as bitcoins, they can store it on a cryptocurrency wallet and from there use it to make transactions. Our wallet is a multi-platform wallet (Windows, Mac, Linux, Android, IOS) to create and manage the accounts, transactions, assets, and the other functionalities which are provided by the ecosystem.

## 4.7. Native token

A crypto token is a digital asset that is native to a cryptocurrency exchange. A crypto exchange may launch its own token for a variety of reasons, and exchange owners often give tokens to users as incentives. With our native token, people can trade and pay fewer fees on our exchange. Some of our native token's benefits are:

✓ Cryptostone Exchange fee discount
✓ CPG transaction fee discount
✓ Acceptable on Cryptostone payment gateway
✓ Ability to be listed on Cryptostone other trusty exchanges
✓ Discount on purchases or trades in the ecosystem
✓ potential value increases due to project growth

## 4.8. Cryptostone ecosystem opportunities

Cryptostone enables businesses to accelerate digital transformation due to its multiple advantages including utilizing blockchain as a standard for digital transactions, as an accelerator of business processes, as a game changer in the supply chain, as the architecture for connectivity, as a platform for smart contracts, as a fuel for the finance function, and as a success factor in competition.

In addition, small businesses can benefit from Cryptostone because of the following merits:

❖ It offres a new form of payment
❖ It provides safer and cheaper cloud storage
❖ Businesses can leverage smart contracts in our ecosystem
❖ Businesses can use it for capital raising
❖ It offers the option of paying employees in cryptocurrency

## 5. How it works

As a person wishing to tele-shop or has cross-border payment, you can pay with our token with a discount, or any cryptocurrency using our CPG. So, anyone anywhere could pay and shop internationally with less fee and in a simple way. With CPG, connect to our exchange that has two options for you. first, you can trade cryptocurrencies without KYC. You can also use our native token in exchange for trading crypto with less fee. Furthermore, companies and startups that have fundraising problems and limitations or the ones who want to have cross-border stock investment can solve their problem using our STO platform. we will tokenize their securities, which will be tradable on our exchange.

## 5.1. Crypto Payment Gateway

When the user clicks the Place the Order button at the checkout, the web browser immediately encrypts the payment details. It also sends the payment details to the merchant's web server through an SSL connection. Also, it sends the payment details to the merchant's web server through an SSL connection.

Once the merchant receives details, the merchant sends details to the crypto payment gateway with an encrypted SSL.

The cryptocurrency payment gateway sends the details to the payment processor. Then it receives a request and sends a response code back to the payment processor. That response code has all the data and information about the transaction status.

Then the payment processor sends the response code to the gateway. From there it is forwarded to the website.

Finally, the website displays relevant information to the user.

## 5.2. Centralized Exchange

Our centralized exchange is a platform that facilitates the buying and selling of cryptocurrencies. it functions as a trusted intermediary in trades and often acts as a custodian by storing and protecting the funds.

Login → transfer crypto to ex wallet without the private key

→ The buy and sell orders entered into order book → order executed → exchange commission → transfer from ex wallet to own wallet.

## 5.3. Decentralized Exchange

A DEX or a decentralized cryptocurrency exchange is similar to a centralized one, except it doesn't have a third party on which you can rely. All of the funds on this exchange remain stored on the blockchain. These platforms allow peer-to-peer (P2P) trading for which it uses assets, proxy tokens, or an escrow system, unlike the IOU-based system a centralized crypto exchange uses.

A token owner raises an order to exchange his/her assets/funds with another available on the DEX. The user also specifies the number of units they want to sell, the cost of each token, and until which time bidding for their assets is allowed.

Once the selling order as mentioned above is set, other users can submit bids through a buy order.

Once the time assigned by the seller expires, all the bids are reviewed and calculated in the best interest of both buyer & seller parties.

- log in to the DEX portal with your wallet
- submit a buy or sell request
- smart-contract logic gets executed and the transfer of assets is done
- requested tokens will be sent to your wallet
- Disconnect.

## 5.4. Coin

Used to trade and pay fees with a discount on our exchange.

## 5.5. Wallet

Handling the accounts and assets,

Create an account → send, receive and hold

# 6.    Supply and ICO (Tokenomics)

The total supply is 29,000,000,000 units and supply divisibility will be according on

- Supply Reserve %14.0
- Public sale %20.0
- Private sale %4.5
- Ecosystem %20.0
- Advisor %4.5
- Marketing %16.0
- Team %17.5
- Rewards %3.5

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## 6.1. Overall

Here is the overall chart about total supply.
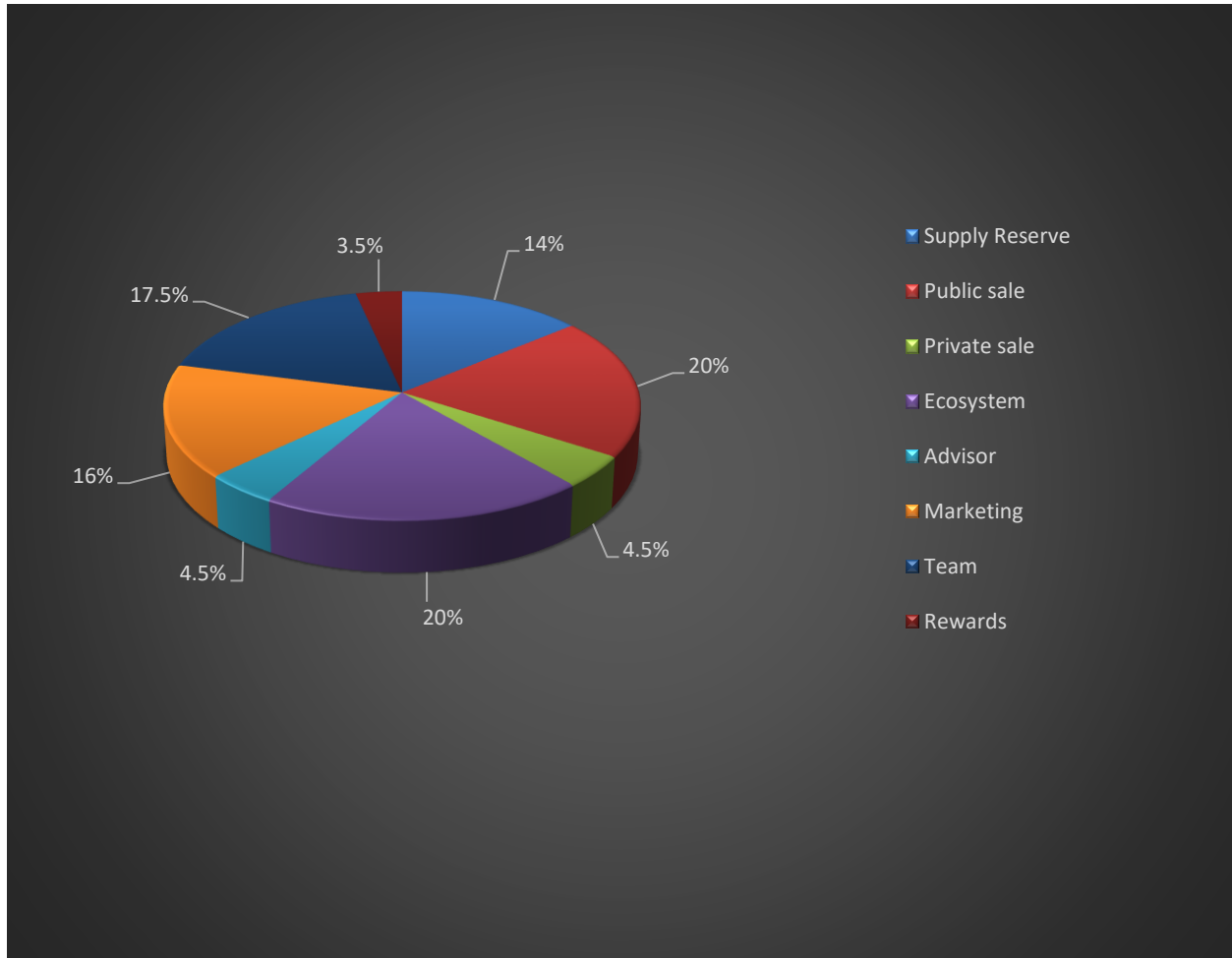
## 6.2. Sale events

- Public sale %20.0:

    o ICO (Presale): %20 (50 Phases, section 6.5)

- Private sale %4.5

| Public sale | ICO (Presale) | %20 |
|---|---|---|
| Private sale | Private sale | %4.5 |
| TOTAL | | %24.5 |

## 6.3. Ecosystem

Up to %20 of total supply can be used for development, infrastructure, and anything that helps us with the ecosystem growth for long-term durations.

## 6.4. Rewards

Any bonus or gift can be paid up to %8 of the total supply to users as an incentive to move over time.

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## 6.5.  *Multi Phase Initial Coin Offering (ICO) Mechanism*

Cryptostone will use a Multi-Phase Initial Coin Offering (**ICO Presale – 20%**) Mechanism. In each phase of ICO, the Cryptostone Token (CPS) price will increase by 10 percent.

**ICO structure:**
- Total Supply: **29,000,000,000** CPS
- Number of phases: **50**
- CPS price increase per phase: **10%**
- First Phase Cap: **$5,000**
- Last Phase Cap: **$660,000**
- Initial phase CPS price: **$0.000033**
- Final phase CPS price: **$0.0035**
- List price: **$0.0035**

**Overall:**
- Soft Cap: **$908,000**
- Hard Cap: **$7,181,000**

| Phase | USD | 1 CPS (USD) |
|---|---|---|
| Phase 1 | $5,000 | $0.000033 |
| Phase 2 | $6,000 | $0.000037 |
| Phase 3 | $7,000 | $0.000040 |
| Phase 4 | $8,000 | $0.000043 |
| Phase 5 | $9,000 | $0.000047 |
| Phase 6 | $10,000 | $0.000050 |
| Phase 7 | $11,000 | $0.000057 |
| Phase 8 | $12,000 | $0.000063 |
| Phase 9 | $13,000 | $0.000070 |
| Phase 10 | $14,000 | $0.000077 |
| Phase 11 | $15,000 | $0.000083 |
| Phase 12 | $17,000 | $0.000093 |
| Phase 13 | $19,000 | $0.00010 |

| Phase 14 | $21,000 | $0.00011 |
|---|---|---|
| Phase 15 | $23,000 | $0.00012 |
| Phase 16 | $25,000 | $0.00014 |
| Phase 17 | $28,000 | $0.00015 |
| Phase 18 | $31,000 | $0.00017 |
| Phase 19 | $34,000 | $0.00018 |
| Phase 20 | $37,000 | $0.00020 |
| Phase 21 | $41,000 | $0.00022 |
| Phase 22 | $45,000 | $0.00025 |
| Phase 23 | $50,000 | $0.00027 |
| Phase 24 | $55,000 | $0.00030 |
| Phase 25 | $61,000 | $0.00033 |
| Phase 26 | $67,000 | $0.00036 |
| Phase 27 | $74,000 | $0.00040 |
| Phase 28 | $81,000 | $0.00044 |
| Phase 29 | $89,000 | $0.00048 |
| Phase 30 | $98,000 | $0.00053 |
| Phase 31 | $108,000 | $0.00058 |
| Phase 32 | $119,000 | $0.00064 |
| Phase 33 | $131,000 | $0.00070 |
| Phase 34 | $144,000 | $0.00077 |
| Phase 35 | $158,000 | $0.00085 |
| Phase 36 | $174,000 | $0.00093 |
| Phase 37 | $191,000 | $0.001 |
| Phase 38 | $210,000 | $0.0011 |
| Phase 39 | $231,000 | $0.0012 |
| Phase 40 | $254,000 | $0.0014 |
| Phase 41 | $279,000 | $0.0015 |
| Phase 42 | $307,000 | $0.0017 |
| Phase 43 | $338,000 | $0.0018 |
| Phase 44 | $372,000 | $0.0020 |
| Phase 45 | $409,000 | $0.0022 |
| Phase 46 | $450,000 | $0.0024 |
| Phase 47 | $495,000 | $0.0027 |
| Phase 48 | $545,000 | $0.0029 |
| Phase 49 | $600,000 | $0.0032 |
| Phase 50 | $660,000 | $0.0035 |

## 6.6. Anti-whale mechanism

Transactions are limited to $10,000 in the private and public sales to help implement the anti-whale mechanism.

## 6.7. Anti-dump mechanism

To help prevent dumping we have a vesting mechanism (section 6.8) and also, we have a scheduled timesheet for the distribution of Airdrops and ICOs. In this mechanism, the distribution will be done within 12 weeks after the start, and if the recipient dumps, the distribution of her/his tokens will be delayed for 3 months after the last distribution. Tokens will be divided into 12 portions and investors will receive one portion per week.

## 6.8. Vesting period

Cryptostone has a vesting period for the below groups for two years:
1. Team
2. Advisors
3. Private investors
The above vesting period is to prevent dumping by team, advisors, and private investors.

Cryptostone doesn't have any vesting period for ICO participants, so token distribution will start after CEX listing (Based on whitepaper section 6.7) and they will be tradable based on whitepaper section 6.7

|  | Percentage | Vesting time |
|---|---|---|
| **Team** | 17.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |
| **Advisor** | 4.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |
| **Private investors** | 4.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |

## 6.9. Cryptostone Token Distribution Plan

|  | Description | Percentage | Distribution time |
|---|---|---|---|
| **Supply reserve** |  | 14% | Long term reserved |
| **Public sale** | ICOs | 20% | After CEX listing (Based on whitepaper section 6.7) |
| **Private sale** |  | 4.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |
| **Ecosystem** |  | 20% | Long term reserved |
| **Advisors** |  | 4.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |
| **Marketing** |  | 16% | During market growth based on the marketing strategy (After CEX listing) |
| **Team** |  | 17.5% | 2 years after the first CEX listing (Based on whitepaper section 6.8) |
| **Rewards** | Airdrops, Bounties, Referrals, Bonuses | 3.5% | After CEX listing (Based on whitepaper section 6.7) |

## 6.10. Burn strategy

Cryptostone will have a token burn strategy to decrease the total supply and to prevent price dumping. This strategy will be introduced in the next versions of the Whitepaper. This strategy will be designed to prevent dumping in the best way with the highest efficiency.

# 7. Technical Details

## 7.1. CRYPTOSTONE Main-net

For now, CRYPTOSTONE ecosystem uses the Binance Smart Chain (BSC) network.

The next generation of the consensus algorithms is Proof of Stake (PoS) since its previous version is Proof of Work (PoW). Because the PoW algorithm does not have low resource usage, PoS took its place.

To store, process, and verify the transactions, we need a sustainable network. CRYPTOSTONE main-net must cover up all functionalities which are needed.

The main net includes a native coin as the main coin and may contain a lot of tokens. The total supply of the native coin is already described in section "Supply".

### 7.1.1.      Consensus Algorithm
Our goal is to use the PoS (Proof of Stake) algorithm for the consensus procedures.

### 7.1.2.      Max divisibility number
The maximum amount of divisibility in main-net is "100,000,000" per one unit, so the smallest value in main-net is equal to "0.00000001".

### 7.1.3.      Smart contracts
We are aimed at providing a better kind of smart contracts. There is no need to do programming because CRYPTOSTONE smart contracts can be used easily by some simple steps.
So to create a smart contract in the CRYPTOSTONE blockchain, you don't have to have programming knowledge.

### 7.1.4.      Validators and block rewards
According to the PoS algorithm, as much as a node owns CRYPTOSTONE (the native token of the network), it has more chance to earn block rewards.

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### 7.1.5.    Native Tokens/Coins

Based on the total supply, there will be "29,000,000,000" CRYPTOSTONE tokens over the blockchain.

A crypto exchange token is a digital asset that is native to a cryptocurrency exchange. A crypto exchange may launch its own token for a variety of reasons, and exchange owners often give tokens to users as incentives. Using our native token, people can trade and pay fewer fees on our exchange.

### 7.1.6.    Anti-fraud labeling system

If an account/address is hacked, the account owner can add a label to its account which causes all addresses from that account to be automatically labeled over blockchain, so exchanges and traders will not process any transaction that is labeled.

### 7.1.7.    Swap system

After launching of Main-net, All Cryptostone token owners will be able to transfer their tokens to the Main-net.

There will be enough time for all users to do it.

All Cryptostone tokens on Binance Smart Chain will be burned (moving to zero address) when the whole swap process will have finished.

The details will be announced at the time of launching the Main-net.

## 7.2.  Cryptocurrency Payment Gateway (CPG)

A gateway to provide an ability for users to pay with cryptocurrencies. Our CPG supports variant cryptocurrencies to give many options to users. Since it's an anonymous CPG, all users have an opportunity to keep their privacy, so they don't have to reveal their identity while using our CPG system. Users may pay with our native coin.
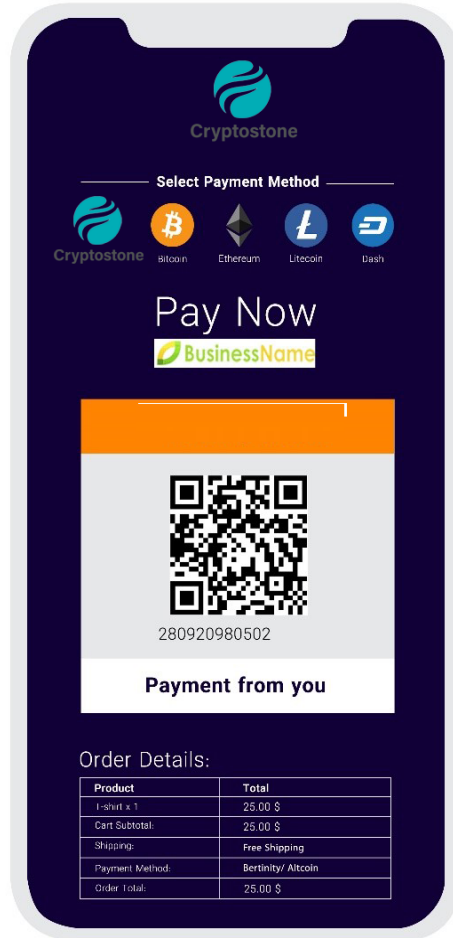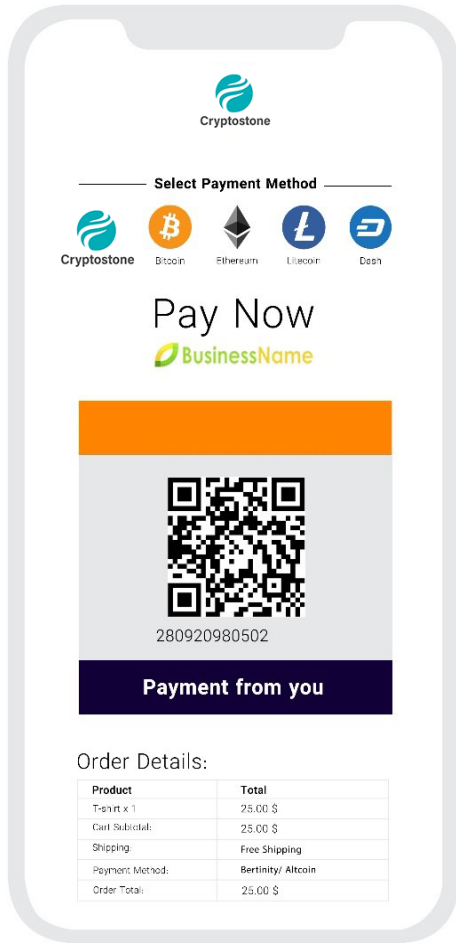
*CPG checkout page*

For example, an online-shop owner may use CPG on the website to provide an alternative payment method for the customers.

### 7.2.1. REST API

Users may use our REST API within technical documents to implement it into websites.

### 7.2.2. Control Panel

There is a control panel for each user to checkout balance, records, etc.

### 7.2.3. Coin support

There are 7 coins supported by our CPG for now.

Bitcoin, Litecoin, Bitcoin Cash, Ethereum, Tether, Binance Coin, and XRP.

### 7.2.4. Cryptostone Cryptocurrency Payment Gateway for Merchants

Cryptostone ecosystem has a special offer for merchants. Here is a comparison between our service and prepaid cards and credit cards.

| Payment method | Crypto Payment Gateway | Prepaid Card | Credit Card |
|---|---|---|---|
| Anonymity of use | ●●● (green) | ●●● (green) | ●○○ (red) |
| Range of application (where accepted) | ●○○ (red) | ●●● (green) | ●●● (green) |
| Availability | ●●● (green) | ●●○ (yellow) | ●○○ (red) |
| Credit Payments | ●●○ (yellow) * | ●○○ (red) | ●●● (green) |
| Possibility of reloading | ●●● (green) | ●○○ (red) | ●●● (green) |
| Transaction Costs | ●●● (green) | ●○○ (red) | ●○○ (red) |
| No Chargeback Fraud | ●●● (green) | ●○○ (red) | ●○○ (red) |
| Safe and Secure | ●●● (green) | ●●○ (yellow) | ●○○ (red) |
| Restrictions, limitations and sanctions | ●●● (green) | ●○○ (red) | ●○○ (red) |

- Via DeFi

**Cryptostone**

- Anonymity of use
  Since Cryptostone is an anonymous financial ecosystem, any payments which are done by our services are anonymous.

- Range of application
  It takes a while to get accepted by more providers.

- Availability
  Cryptostone ecosystem is built on a decentralized network, a blockchain, so it's highly available and online forever.

- Credit payments
  Customers may get credit by using DeFi contracts in the Cryptostone ecosystem.

- Possibility of reloading
  Users may reload/deposit the accounts as much as they want without any limit.

- Transaction costs
  Since all transactions will be done on the blockchain, all transactions fee is much lower than prepaid cards or credit cards system.

- No chargeback fraud
  All transaction is recorded on the blockchain accurately, so it's not possible for scammers to fraud.

- Safe and secure
  All prepaid and credit card info may be recorded on thirty-party entities. as a consequence, they may access your critical info. But by our services, it's impossible since you are the only one who has access to your account with the keys.

- Restrictions, limitations, and sanctions

**Cryptostone**

Cryptostone financial ecosystem is a borderless and anonymous platform, so there is no restriction to limit its availability for users.

- Number of coins/tokens to be supported

Over 100 coins, tokens, and stable coins will be available in the future.

- DeFi Staking

By using DeFi contracts, all merchants are capable to provide loans for customers who want to use cryptocurrencies as bail. All can surely be done anonymously since Cryptostone is a No-KYC (anonymous) financial ecosystem.

## 7.3. Centralized Cryptocurrency Exchange (CEX)

We will support spot, futures, margin, and demo trading. Our CEX will be a NO-KYC platform and everyone can trade in cryptocurrencies.

### 7.3.1. CPG API

There will be a section for activating the CPG service. Users may request to issue a CPG API automatically.

Users use CPG API to configure their cryptocurrency payment gateway as a payment tool.

All payments through CPG will be transferred automatically to the internal main wallet of the customer in CX.

### 7.3.2. Internal wallets

There will be three kinds of internal wallets on the CX platform.

- Main wallet to keep assets safe.
- Trading wallet which is used in the spot trading section.
  - Margin wallet for margin trading.

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- Users are free to transfer their assets between Main wallet, Trading wallet, and Margin wallet.

### 7.3.3. Trading zone

There are four main trading functionalities in trading.

- Spot trading
- Margin trading
- Future trading
- Demo trading

### 7.3.4. No-KYC

We are offering No-KYC services .As a result, your privacy is safe with us.

### 7.3.5. Premium API

If users are willing to use our CEX platform as a backend on their projects, we are providing premium and feature-rich API to cover up whatever they might need.

- Premium API service might cost users.

### 7.3.6. Multilingual support

We support some languages such as:

- English
- Germany
- Spanish

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- Additional languages might be added in the future.

### 7.3.7. Apps

To cover up all devices, we are supporting three versions of the CX platform.
- Web-based (desktop & phones)
- Android app
- IOS app

### 7.3.8. Support

There are four main areas to help users.
- Documentation support
- Online helpdesk
- Ticketing
- FAQ

### 7.3.9. Announcements and News

There is a special section to announce new coin listing within any news which is proper to be set in this area.

### 7.4. Decentralized Cryptocurrency Exchange (DEX)

As we mentioned in section "Problems", sometimes an exchange might get more powerful than usual and tries to control the whole or part of the market. So, to solve it, we are bringing a new platform as DEX to make sure none of the exchanges have enough power to force the users to follow their will.

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Since we are using the Binance Smart Chain (BSC) main-net, our DEX platform will be on Binance Smart Chain too.

Everyone is free to launch an exchange as a decentralized exchange into the main-net. All DEX nodes are communicating with each other through the main net.

- 24/7 availability
- All operations over the blockchain
- No sign-up needed

## 7.5. Wallet

CRYPTOSTONE-wallet is a native wallet to communicate to blockchain and manage accounts and transactions.

CRYPTOSTONE wallet can coverup most popular operating systems such as:

- Linux/Unix
- Windows
- Macintosh
- Android
- IOS

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## 8. Roadmap

2023:

- Cryptostone Wallet

2024:

- Cryptostone DEX

2025:

- Cryptostone CPG or Cryptostone NFT Marketplace.
- Other products - Subject to further project fundraising based on the whitepaper.
- 

* The project roadmap may change for any reason without any notice.

## 9. Risks

Obviously, there are some risks, but we are doing our best to manage them well. Cryptocurrency trading can be extremely risky. Cryptocurrency trading may not generally be appropriate, particularly with funds drawn from retirement savings, student loans, mortgages, emergency funds, or funds set aside for other purposes. Cryptocurrency trading can lead to large and immediate financial losses. The volatility and unpredictability of the price of cryptocurrency relative to fiat currency may result in significant loss over a short period of time. Transactions in cryptocurrency may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable.

Purchasing cryptocurrencies comes with a number of risks, including volatile market price swings or flash crashes, fraud, market manipulation, and cybersecurity risks. In addition, cryptocurrency markets and exchanges are not regulated with the same control or customer protection available in equity, option, futures, or foreign exchange investing. There is no assurance that a

person who accepts a cryptocurrency as payment at the present time will continue doing so in the future.

Before participating in a blockchain project, everyone must be aware of all the risks involved in this project or others. They must accept that participating in the Cryptostone project may be at a high risk of losing money and participating in Cryptostone is no exception to the above mentioned risks.

The project roadmap may change for any reason without any notice.

## 9.1. Software security

There are two kinds of security issues.

- Application-based security issues
- Blockchain-based security issues

### 9.1.1. Application-based security issues

All applications are coded by a professional team including software engineers and pen testers. Everything will be fully tested and analyzed before the official release. There is a highly skilled team to debug and patch the applications if something goes wrong.

- Wallet application
  o Using secure encryption algorithms
  o Standard and secure communication protocols
  o Secure and optimized coding during implementation

- Centralize cryptocurrency exchange (CX)
  o secure communication protocols
  o encrypted keys over databases
  o latest and standard algorithms
  o 2FA and security login parameters
  o securing and hardening of the servers
  o 24/7 online monitoring

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  o anti-cheat/bot system

  o multi-layer management

  o secure mechanisms to handle the hot-wallets and the cold-wallets

### 9.1.2. Blockchain-based security issues

We are aimed at building a secure, fast, and high scalable blockchain as main-net. We are aware of security issues like %51 attack, Sybil attack, Eclipse attack, double spending, etc. a lot of parameters are considered to make sure our blockchain is safe and fast.

- Network attacks
  - o One of the most important parts of our system is its consensus algorithm which is based on Proof of Stake (PoS), meaning that to do attacks like "%51", the attacker should control over %50 of the network which means that the attacker must own a lot of CRYPTOSTONE token as a stake. This is impossible since CRYPTOSTONE tokens will be distributed among people and the foundation.

- To run a validator node in the CRYPTOSTONE main-net, there will be a minimum number of CRYPTOSTONE tokens as requirements.

- Details will be announced later. you may check out the roadmap.

### 9.2. Regulation

Due to the fact that this project is not in the jurisdiction of any country, it is not obliged to implement the local laws of any country, but Cryptostone may choose a particular country as its jurisdiction in the future, in that case, this issue must be clearly stated under the title "Cryptostone jurisdiction country." No regulatory authority has examined or approved any of the information set out in this White Paper. No such action has or will be taken under the laws, regulatory requirements or rules of any jurisdiction.

The publication, distribution or dissemination of this White Paper does not imply that applicable laws or regulatory requirements have been complied with.

### 9.3. Long term development

Since the CRYPTOSTONE ecosystem is well funded and it's using a proper strategy within a professional team, there will be no problem to worry about. CRYPTOSTONE ecosystem is here to stay.

✓ You may check out the roadmap section.

## 10. Channels

- https://www.crypto-stone.io/
- https://twitter.com/cryptostone_io
- https://t.me/cryptostoneofficial
- https://t.me/cryptostonegroup

## 11. Definition

✓ **Liquidity:** Liquidity is the measure of how quickly and easily a cryptocurrency can be converted into cash, without impacting the market price. Liquidity is important because it brings about better pricing, faster transaction times, and increased accuracy for technical analysis.
✓ **CPG:** A crypto payment gateway is a platform for online transactions that helps companies accept payments in cryptocurrencies.
✓ **Security token:** A security token, represents an ownership stake in an asset, typically a company, and entitles its holder to a share of profits in the asset. Security tokens are much less common. CPS isn't a Security token.

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✓ **Peer to peer:** A peer-to-peer (P2P) service is a decentralized platform whereby two individuals interact directly with each other, without intermediation by a third party.

## 12. Legal Disclaimer and Disclosures

Crypto / digital asset trading is highly risky and highly volatile, and you should never invest more than you can afford to lose. Risks associated with Token Cryptostone may lose up to the full value of the funds. The Binance Smart Chain Blockchain network, like all existing ones, is a high-risk investment. Token Cryptostone (CPS) participants assume the risk associated with project development and deployment.

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This document is intended for people who have experience purchasing blockchain tokens. If you have not regularly participated in prior token sales, nor fully understand risks associated with it, we strongly advise against participating in the Cryptostone sale. Each participant fully accepts any risks associated in the process of the token sales, distribution and accepts that no guarantees will be made for the tradability of the token, nor protection against the exposure of volatility which may occur, resulting in a large difference in the value between the purchase date and the date Cryptostone are tradable. By participating in the Cryptostone and by acquiring Cryptostone you acknowledge that the primary function of the

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Cryptostone token is enabling the Cryptostone Ecosystem, and not being a value storage asset.

Also, you accept that blockchain tokens inherently come with great risks, such as loss of value, theft, hacking or other complete loss of tokens, loss of usability and security and other weaknesses in Cryptostone or third-party software. Please be aware that it is your own responsibility to adequately hold, store and trade the Cryptostone tokens, for instance by choosing a compatible wallet. If you do not fully understand these risks and obligations, we encourage you to get informed or obtain relevant counselor to abstain from any involvement.