



FINOM

FINOM WHITEPAPER

DNA OF NEW FINANCE

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SUMMARY

Summary

The world of finance is accessible to everyone

We use Blockchain technology to create reliable, convenient financial services integrated into the financial ecosystem with a single entry point and an intelligent assistant based on artificial intelligence (AI).

In the Finom ecosystem:

- Any user, regardless of level of experience or size of savings, can easily and conveniently use digital currencies and assets;
- Paying with cryptocurrency anywhere in stores is as easy as with a payment card;
- All transactions are transparent and the legitimate origin of funds is instantly verifiable;
- Capital moves freely around the world.

While others make promises, we deliver

We have been in the cryptocurrency market since 2012. Finom owns 5 operating businesses serving 520 000 users around the globe and growing quickly:

- Nanopool Mining pool is one of the largest altcoin mining pools in the world;
- TabTrader is one of the most popular terminal for trading cryptocurrencies in the world according to Play Market;
- Cryptonit cryptocurrency exchange trusted 2012;
- Cryptal Mining Centers mines Ethereum and has a combined output of 35.000 MH/s;
- Beetle.io offers an easy and straightforward bitcoin buying experience, right from the smartphone, with credit or debit card.

Legal placement of shares

On November 1, a private placement of Finom security token via a crowdfund will begin in accordance with U.S. law. In the United States, accredited investors will invest pursuant to Regulation D (Reg. D) promulgated pursuant to the Securities Act of 1933, as amended (the "Securities Act"). Unaccredited investors in the U.S. will not be permitted to participate in the offering.

In each case, the tokens will be subject to resale restrictions designed to facilitate compliance with the relevant regulations. Securities issued in reliance of Reg. D will be considered "Restricted Securities" and will be subject to a one-year holding period. Following the one-year holding period, the tokens will only be tradeable in compliance with Section 4(a)(7) of the Securities Act on an exchange or ATS approved by Finom. Currently, Finom intends to permit the tokens to trade following the holding period on the SharesPost Alternative Trading System, or ATS, to ensure compliance with the Section 4(a)(7) requirements.

In order to facilitate compliance, the tokens will only be tradeable on approved token exchanges that forbid participation by U.S. persons. Currently, it is anticipated that the token will trade on Finom's Cryptonit exchange.



MARKET AND COMPANY

Market and Company

The major market problem

Access to financial instruments is generally limited to wealthy sophisticated investors due to their complexity, diversity and high-dollar entry threshold. We believe that this situation has created high demand for simple, accessible integrated financial instruments for users with low financial and computer literacy.

The Underbanked: 2 billion people are excluded from the global economy

Finance industry professionals, have access to a variety of financial instruments to them. Availability of a bank card is taken for granted by citizens of advanced economies. At the same time over 2 billion people in the global workforce do not have access to financial services (according to the World Bank: Washington D.C.). Another figure presented by the World Bank is even more staggering: 73% of the world's population does not have a bank account.

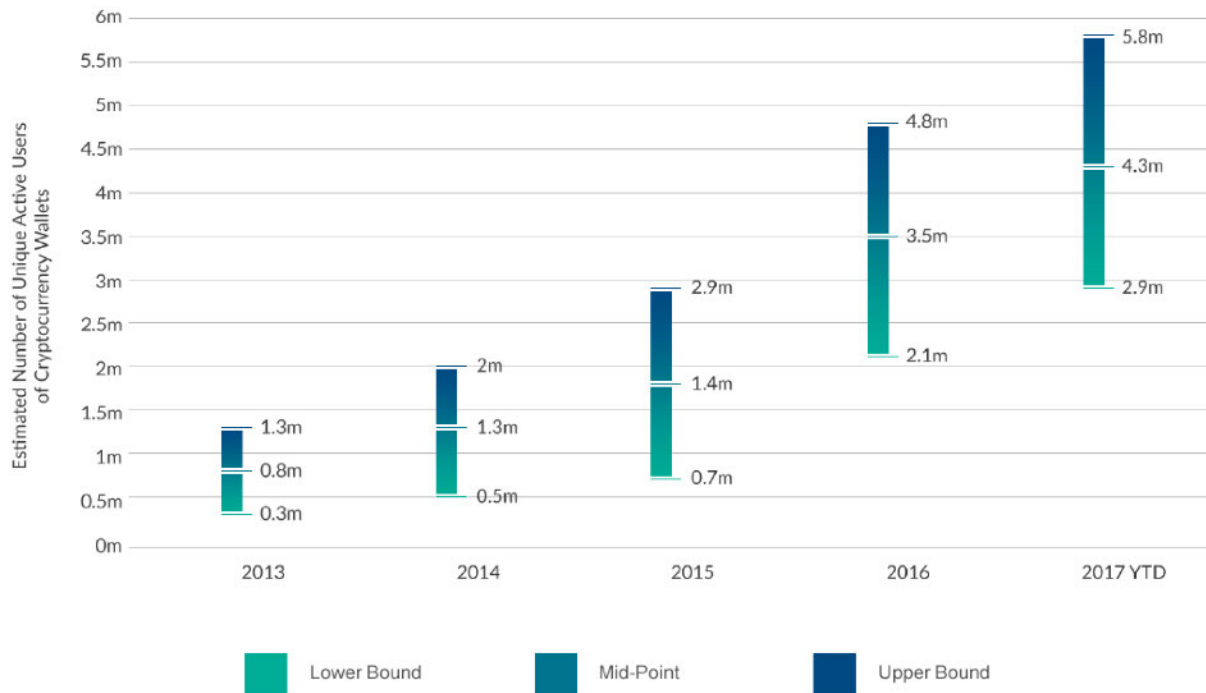
The reason for this problem lies in the fact that many banks do not want to do business with low-income segments of the population. On the other hand, the poor themselves do not seek to participate in formal financial relationships, as they do not understand the benefits they can bring.

The problem concerns not only individuals. There are regions where companies do not participate in formal relationships with financial institutions. A total of more than 200 million micro, small and medium-sized enterprises in developing countries do not have access to the volume of capital they need.

Data confirms our hypothesis that access to financial instruments significantly improves people's living standards. For example, in Nigeria, families with a savings account in a bank or mobile money enjoyed a more balanced diet and planned their food expenditure better.

Minority tool: 0.08% of the population uses cryptocurrencies

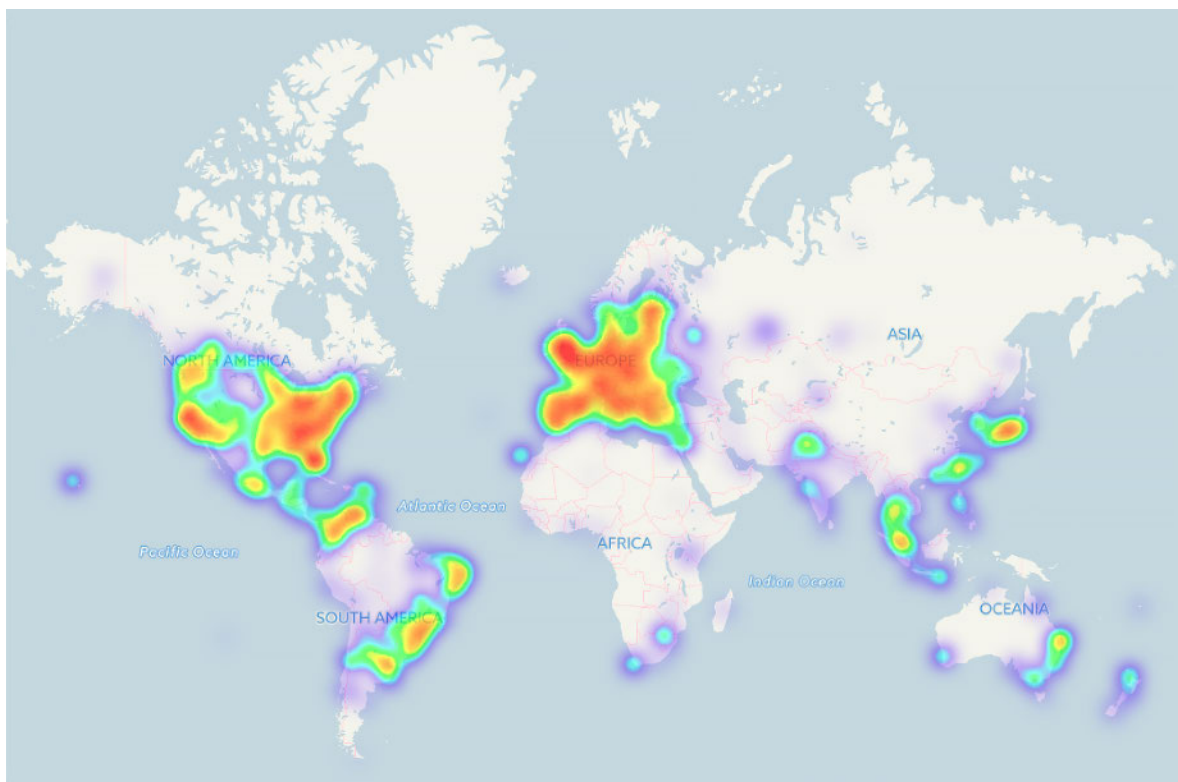
According to experts at the Cambridge Center for Alternative Finance (CCAF), part of the University of Cambridge, estimated the number of unique active users of cryptocurrency wallets to be in the range of 2.9-5.8 million as of January 2017.



According to an independent study by Coinbase and ARK InvestResearch, in January 2017, more than 10 million people were Bitcoin owners. However, the study did not take other cryptocurrencies into account.

As a percentage, active users of cryptocurrencies account for 0.08% of the world's total population. Most of them live in North America and Europe - countries with highly developed economies.

According to coinmap.org on October 3, 2017, only 10,028 companies in the world accept cryptocurrency for payment.



Geographical heatmap illustrates that most operations with crypto are offered to users in Western Europe, the US and Japan. However, most of them are small companies.

This concentration is directly dependent on the degree of regulation of cryptocurrency: Japan and the United States have already introduced partial regulation of cryptocurrencies and legislated their status. In Europe, the market practice of payments in bitcoins is well developed in Switzerland, Liechtenstein and Luxembourg. In Germany, the Ministry of Finance recognized bitcoin as a payment instrument, calling it "private money", from which tax must be collected.

According to a report by Morgan Stanley released in July 2017, out of 500 of the world's largest Internet retailers, only three companies in practice are accepting cryptocurrency.

At the moment, cryptocurrency owners often prefer to use it as a speculative instrument rather than a means of payment.

For a multifold increase in the volume of the market, cryptocurrencies need to make their use ubiquitous in everyday life. Given the low level of financial and computer literacy of the population, this can only be achieved by simplifying the user interface and ensuring that relevant financial proposals and tools are selected for user tasks.

How Finom arose

The European debt crisis, which almost led to the default of the Republic of Cyprus in 2013, showed investors around the world that no offshore jurisdiction is a safe place to store their assets. It becomes obvious that the current financial system is far from ideal as long as states have control over capital. Frightened investors begin to look for new sheltered harbors. Some chose Bitcoin.

Only in the second half of 2013 does Bitcoin's growth began in earnest. At the beginning of the year its price was under \$100, but by the end of the year the price has reached \$1000. The rise in prices attracts not only investors but also miners to the market.

Early in the life of the Bitcoin network. Bitcoin could be mined on a home PC. However, profitability of such operations quickly attracts the entry of professional miners with powerful expensive equipment. This causes small miners to merge their capacity into so-called pools to compete with professional miners.

In Russia, professional farms are also being established that are engaged in industrial mining of cryptocurrencies. One of these farms is created by the serial entrepreneur and investor Rustam Kutuev.

Every day there are new cryptocurrencies being created with the goal of repeating Bitcoin's success. The variety of coins gives the miners the opportunity to choose the coin that is profitable to mine at any given moment. The situation begins to resemble a gold rush.

It is during this period that the Russian programming trio Anton Trusov, Vladislav Alushkin and Alexander Barkovsky acquire their first GPUs and begin to mine Ethereum. However, in a few days, the only pool for mining Ethereum closes registration of new users. To continue mining, the three unite and start developing their own pool. The team rolled out their own pool within month, called Nanopool. Within a year they connect new currencies and the pool becomes their main project.

With an effective mining solution, cryptocurrency could be obtained, but how and where could it be sold? And what those who are not miners, but just want to invest? In

response to market requests, exchanges, exchangers and other intermediaries begin to appear, offering to buy or sell cryptocurrencies. A pair of Bitcoin enthusiasts, Konstantin Karatov and Andrei Yanukovich, created a cryptocurrency exchange called Cryptonit, which allows users to buy cryptocurrencies for fiat currency and freely trade them with other participants.

The number of cryptocurrency exchanges is increasing every year, so that it becomes difficult for investors to keep track of constantly changing quotes. Kirill Suslov, a financier by education, created a platform to track and trade cryptocurrencies on different exchanges through one convenient service. Kirill and a team of talented programmers launched TabTrader app, an application for mobile devices that allows users to trade cryptocurrency directly from their phone. The team connects almost all existing exchanges, which delivers a combined trading volume comparable to the volume of the world's fifth-largest crypto exchange.

The cryptocurrency market is still very small., The creators of Nanopool, Cryptonit, TabTrader and Cryptal begin to collaborate and share their thoughts on development and the problems facing the Blockchain technology market. The difficulties they see for ordinary users are identical: high commission, difficulty accessing tools and the general inefficiency of the financial system. And although each of the businesses has its own role, the future vision of the founders is the same: financial freedom for every inhabitant of the planet. A system that guarantees low fees, no intermediaries, fast payments around the world, full control over personal finances and access to the whole world's capital.

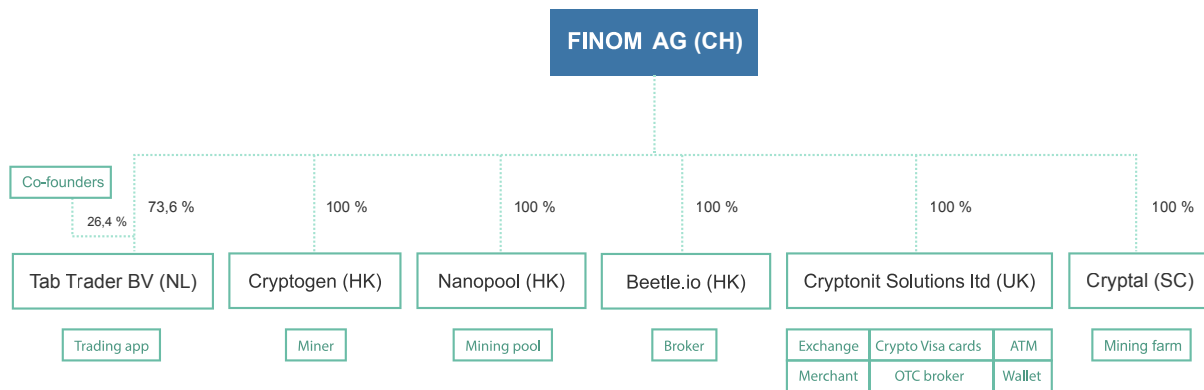
This vision rallies the team, which sets a goal of making finance accessible to everyone on the planet.

Our Vision: new finance system

We plan to realize this goal by creating a standard financial blockchain system - one system in the interests of everyone:

- Any user is free to use digital assets;
- Paying with cryptocurrency anywhere in the world is easier than with a payment card;
- All transactions are transparent and the legitimate origin of funds is instantly verifiable;
- The markets are not subject to external manipulation;
- Capital moves freely around the world.

Legal structure



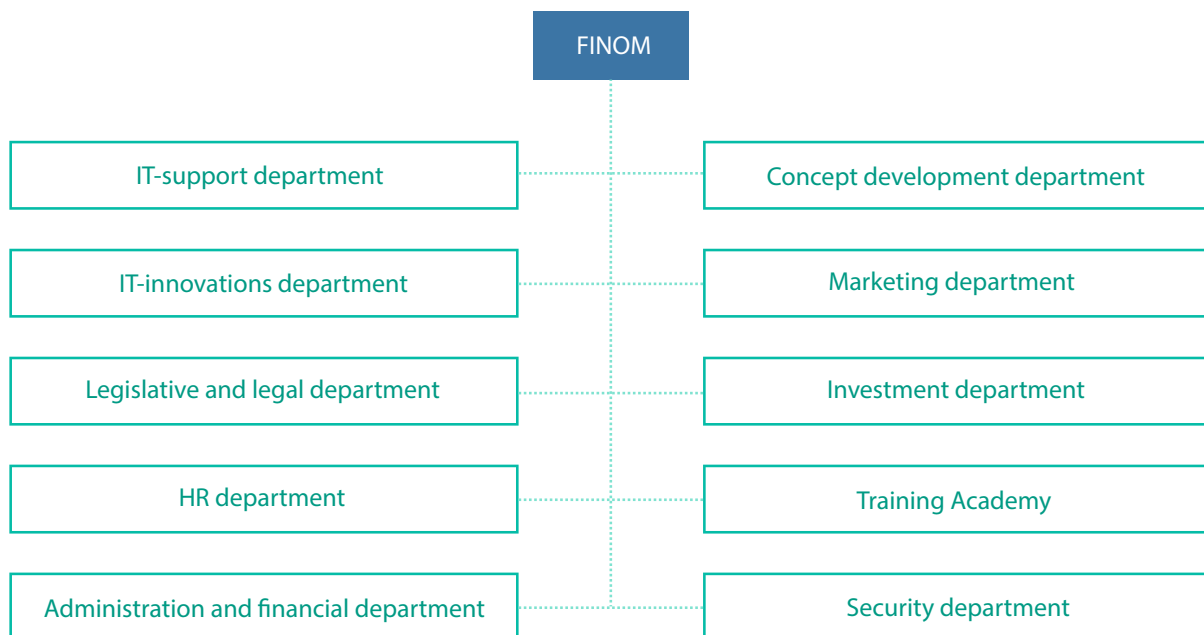
The parent company Finom is registered in Switzerland. It has the following subsidiaries:

- 73.6% TabTrader BV (NL)
- 100% Miner Cryptogen (HK)
- 100% Nanopool pool (HK)
- 100% stock exchange Cryptonit Solutions Ltd. (UK)
- 100% application Beetle.io (HK)
- 100% Mining Farm Cryptal (SC)

For the parent company, the Swiss jurisdiction was chosen, as it recognizes the blockchain as means for corporations to maintain its books and records.

Functional structure

All company activity can be divided into the following departments:



- IT Support Department
 - Supports and develops existing projects
- New IT Development Department
 - The research laboratory conducts market analysis, studies trends and develops new technologies. The design bureau develops product and system architecture.
- Department of conceptual development
 - Develops the brand and sub brands, marketing, communication and other strategies, models new products, forms corporate culture
- Security Department
 - Provides information security and confidentiality
- Legal Department
- Administrative and Finance Department
 - Engaged in financial and material support of the company's activities
- Marketing Department
 - Promotes and advertises products, engaged in PR activities, develops community
- HR Department
 - Engaged in search and selection of personnel, team development
- Investment Department
 - Attracts investments, builds relationships with partners and funds
- Training Academy
 - Conducts training programs for clients and new employees, increases the qualification level of the current tea



FINOM ECOSYSTEM

Finom Ecosystem

Intellectual Blockchain Ecosystem

We are already using blockchain technology to create reliable, convenient financial services. We see the further development of the company in the integration of new and existing services into a Blockchain ecosystem with a single entry point and an intelligent assistant (AI). The purpose of this ecosystem is to open the world of finance to the general public.

Benefits within the Finom ecosystem for:

- **Users**

Every user of the system, regardless of level of experience, will be able to easily use financial instruments. A single account provides easy access to asset management tools. Transactions take place with minimal commission. Users can invest or receive money direct, bypassing intermediaries.

- **Miners**

A single account allows miners to link a wallet and card to their office. Miners will be able to pay for their purchases with cryptocurrency. Intellectual selection algorithms will find the most profitable currencies for mining at any given time.

- **Entrepreneurs**

Entrepreneurs gain access to new financial instruments and the ability to legally work with cryptocurrencies: accepting and receiving payments, paying taxes and wages.

- **The state**

The state receives an instrument of legalization and regulation of the cryptocurrency market. We create a transparent structure with an identification system that meets international requirements: AML/ KYC.

- **Developers**

Open API enables developers to create new services and aggregators based on Finom services.

- **Investors**

With Finom, every person on Earth, regardless of level of income, can become an investor. The use of Blockchain technology will allow investment in those assets that were previously available only to institutional investors.

Construction Stages of the Finom Ecosystem

The construction of an intelligent ecosystem will occur in several stages:

1. Integrated infrastructure on the basis of existing services

Identification system for users with a single account: we provide access to all Finom ecosystem services.

Current users get easy access to buying, selling and mining of cryptocurrencies. Users save due to the lack of commission within the ecosystem.

2. Financing products, bespoke payment system

Possibility to pay both with cryptocurrencies and fiat payment card or mobile app.

Users of traditional financing products can:

- Use a new kind of financial instrument (p2p loans, p2p factoring, insurance);
- Invest in any assets tokenized on the platform, receiving tools previously only available to institutional and other major investors.

People who do not have access to financial instruments get access to financing products via their smartphone.

Experienced users of cryptocurrency receive integrated financing products, thanks to which they can easily operate with traditional and digital assets via one interface.

3. Integration of third-party services into the ecosystem

The widest choice of services, as well as the most profitable offers, gleaned from the entire world market in one system. This step will attract even more experienced users, simplify market entry for new ones and keep them within the system.

4. AI Assistant - simplification of financial decision-making

Users, depending on their behavior in the ecosystem, will receive personalized offers on investment and cost optimization (AI assistant) in accordance with their activity.

User activities can be of three types:

- The user knows exactly what he needs and independently chooses the tools inside the system;
- The user knows the type of solution needed to resolve the problem and looks for the most advantageous option: a deposit, loan, Bitcoin rate, mining pool etc.
- The user knows only the result they want to achieve for example increase savings from \$100 to \$200. The system offers an array of options with projected terms and risks in percentages, the ability to automatically assemble a portfolio, setting the parameters "timeframe" and "risks".

The system regularly evaluates the urgency of the decisions made by the user under current market conditions and signals if there are more advantageous offers available at any given moment.

AI helps in all aspects of the business by minimizing costs and predicting the future. For example it can eliminate fraud by analyzing common recurring patterns of fraudulent behavior.

This step will drastically reduce market entry hurdles for users with low levels of financial and computer literacy, increase the flow of money into the system, the number and volume of transactions, and also keep users within the system.

Financing

Total investment in development and promotion can be divided into the following areas:

The system of user identification - \$24 million

Once data is provided, the user can access all Finom services.

Functions:

- user data collection
- check KYC, AML
- storage of received data

Integration system (API) and protocol of interaction - \$4 million

Using an open API, third-party services can be integrated into the Finom intelligent environment. Also, using the API, developers can create their own applications and services that run on data received from Finom.

Aggregation system - \$10 million

Creation of an automated regular data collection and aggregation system from third-party services.

Device data storage and processing system - \$12 million

Risk assessment system - \$2 million

Conducts risk assessment of financial instruments on the basis of rankings, analysis of collateral and other transaction conditions .

Neural network, data mining system - \$34 million

The task of the system is to collect and analyze user behavior data in order to offer financial ideas relevant to the user's request, as well as to improve user experience.

Legal support - \$8 million

Marketing and PR - \$25 million

Administrative management - \$12 million

User support system - \$4 million

Training center - \$6 million

Conceptual development (R&D) - \$4 million

Total investment amount for the creation of an intelligent integrated system: \$145 million, estimated time required for completion is 5 years.



FINOM SERVICES

Finom Services

Nanopool Mining Pool (HK)

Summary

A mining pool is a web service that distributes the task of calculating a block between all connected participants. Users provide the pool with their computing power. In turn, the pool performs solo mining and distributes the cryptocurrency received between users in accordance with the rules established by the pool owner.

Available currencies:

Ethereum, Ethereum Classic, ZCash, Monero, PascalCoin, SiaCoin

User count: 71.500 people

Foundation date: 2015

Website: <https://nanopool.org>

Share of the pool in global production:

- 12% Ethereum
- 99% PascalCoin
- 16% SiaCoin
- 17% Ethereum Classic
- 11% ZCash
- 15% Monero

Competition analysis

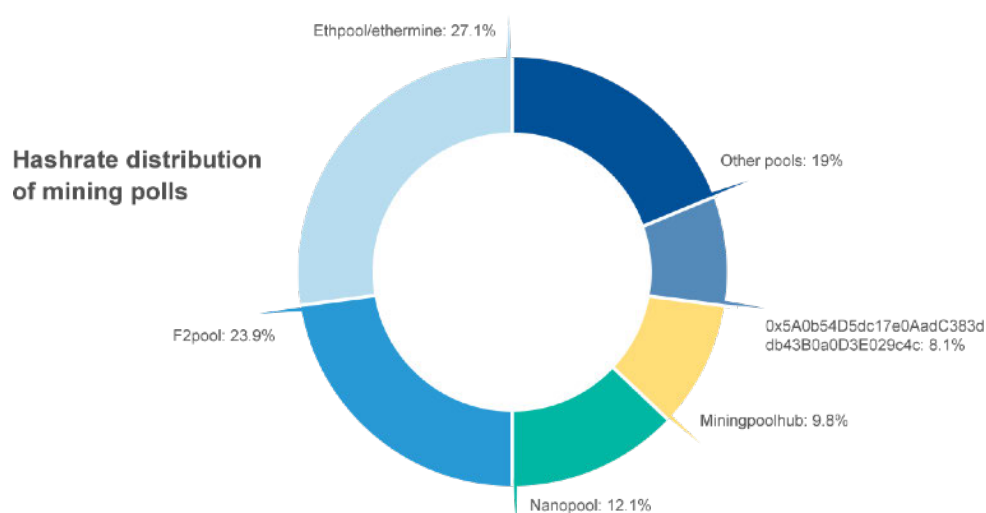
Each coin has up to 20 mining pools. Nanopool Mining pool is one of the largest altcoin mining pool in the world.

<https://etherchain.org/statistics/miners>

<http://gastracker.io/stats/miners>

<https://explorer.zcha.in/statistics/miners>

<http://moneropools.com/>



Overview

Miner	Uncle Rate	Blocks Mined	%	Est. Hash Rate	Tx/Block	% Tx Mined
ethermine	8.9%	1614	25.8	30.2 TH/s	52.8	17.2
f2pool	8.2%	1495	23.9	27.8 TH/s	118.9	35.8
nanopool	8.9%	756	12.1	14.2 TH/s	81.3	12.4
miningpoolhub	9.4%	614	9.8	11.6 TH/s	119.5	14.8
Total		6265	100%			100

Competitive advantages:

- All core developers are also co-founders
- Extensive experience in cryptography and GPU calculations as part of scientific work
- Very low overhead costs
- Strong community management
- Responsive multilingual support: Russian, English, Spanish and Chinese
- Commission 1% for basic coins and 2% for SiaCoin
- Anonymous pool
- 99.99% uptime
- Begin mining in 5 simple steps
- Detailed tutorials
- Pre-configured hosted miners
- Well-developed API

Financial model

One of the most profitable cryptocurrencies for the pool at the moment is Ethereum. 6.000 Ethereum blocks are produced per day. The reward for each block is a minimum of 3 ETH (plus commission for transactions and the inclusion of ankles in the block). Thus, 19.000 ETH is produced per day. The total income of all pools per day with the assumption that the average commission is 1% is 190 ETH.

At the moment, Nanopool extracts about 12% of blocks.

Nanopool also supports the mining of Ethereum Classic, ZCash, Monero, SiaCoin, PascalCoin.

Below is a table of income for each of the cryptocurrencies on average per month (the conversion to USD was made based on the rate as of September 25, 2017).

Coin	Pool share	Monthly income, coin	Monthly income, USD
Ethereum	12%	750 ETH	224 000
Ethereum Classic	17%	1560 ETC	16 000
ZCash	11%	140 ZEC	36 000
SiaCoin	16%	1.700 000 SIA	4500
Monero	15%	185 XMR	17 000
PascalCoin	99.5%	8400 PASC	2500
		Total	300 000

Nanopool roadmap

Winter 2017-2018

Updating the SiaCoin pool: \$20.000 + \$0/ month
 Adding a Decred pool: \$50.000 + \$4000/ month

Adding a LBRY pool: \$50,000 + \$4000/ month

Translation of the site into several languages: \$10.000 + \$1.000/ month
 Improved technical support (ticket system with support in several languages): \$12.000 + \$15.000/ month
 Ability to request withdrawal of funds from the pool: \$15.000
 Participation in conferences as sponsors: \$100.000
 Legal support for the year: \$100.000

Spring 2018

Access to Chinese audiences: \$150.000 + \$3000/ month
 Adding pools for other popular cryptocurrencies: \$200.000 + \$15.000/ month
 Creation of a mining center for the introduction of new altcoins: \$5.000.000
 Mobile application creation: \$100.000
 The ability to log in through a single FINOM account
 Integration with a single multi-currency FINOM wallet

Summer 2018

Adding the option of automatic conversion of cryptocurrency into bitcoins or dollars with the ability to withdraw to any Bitcoin wallet or payment card accordingly: \$200.000 + \$7000/ month
 Participation in conferences as sponsors: \$100.000

Autumn 2018

Active marketing campaigns: \$300.000
Unified system for adding new pools \$200.000

Winter 2018-2019

Creating POS pools: \$50.000 + \$15.000/ month
Obtaining ICP license: \$10.000
Purchase of mining center equipment for the introduction of new altcoins: \$10.000.000
Participation in conferences as sponsors: \$100.000
Legal support for the year: \$300.000
Marketing campaign in China: \$300.000

Adding BTC, LTC pools: \$50.000 + \$10.000/ month
Adding a DASH pool/ node: \$50.000 + \$5000/ month

Total investment required — \$17.467.00

TabTrader BV (NL)

Summary

- TabTrader is one of the most popular terminal for trading cryptocurrencies in the world according to Play Market stats
- Total operational turnover is comparable to that of the world's 5th largest exchange
- The application is available for Android and iOS, has more than 400,000 downloads and the number of active users exceeds 300,000

[iOS app](#)

[Google Play app](#)

<https://tab-trader.com>

Features

TabTrader gives clients the following opportunities:

- Trade directly from charts. Place an order by holding the desired price level. Drag the order to the new price.
- Manual order input for precise order parameters. Select the current price in fiat or cryptocurrency.
- Technical indicators, chart annotation, horizontal vertical or freehand lines.
- Permission required only to buy, sell and view balance. No one has a right to withdraw.

Business model

TabTrader is the only trading terminal that gives the opportunity to trade on 23 cryptocurrency exchanges: Coinbase (GDAX), Bitstamp, ANXPRO, HitBTC, WEX, BTCChina, Huobi, Kraken, ItBit, Bitbay, Bter, Bitfinex, Bitmarket, Gatecoin, Bleutrade, QUOINE, Bittrex, BL3P (Bitonic), Poloniex, EXMO, Gemini, Vaultoro, Mercado Bitcoin.

TabTrader is free to the end user and our business model assumes sharing exchanges' commission from trades done via the TabTrader terminal. Revenue comes from sharing up to half of commission. Average exchange commission is 0.25%.

There are about 115 cryptocurrency exchanges in the world. Trading volume is highly concentrated on the largest exchanges with 3 of them controlling more than 50% of trading volume. Total 24 hour trading volume of all exchanges is over \$3 billion. This equals \$1.08 trillion per year.

Thus, the total available market is \$1.37 billion per year ($\$1.095 \text{ trillion} * 0.25\% * 0.5$).

The total trading volume that goes via Tabtrader is \$0.935 billion year. It is only 0.9% of total available market.

The majority of the largest crypto exchanges don't share commission with TabTrader. The current monthly income for TabTrader is \$100,000.

We see that TabTrader can increase its share and income 10 times within 3 years. We don't take into consideration that total market capitalization has grown 9 times YTD and will continue to grow in the future.

In order to reach the target we will introduce the following roadmap.

Roadmap

2018

- Launch of trading via web interface
- Pamm accounts(Person Allocation Management Module)
- Providing access to the API for algorithmic trading
- Investor dashboard for portfolio management
- Complex orders: take-profit, stop-loss
- Login through a single FINOM account
- Verification of users through the FINOM service (KYC + AML)
- Integration with a single multi-currency FINOM wallet
- Possibility of making funds in USD (integration with Beetle.io)
- Launch of margin trading

2019

Access to FOREX tools

Launch of trading via exchange instruments

Total investments: \$5 million

Cryptonit Solutions Ltd Exchange (UK)

Summary

The Cryptonit Exchange services Bitcoin and Ethereum transactions for more than 38,000 registered users. The exchange has existed since 2012 and is registered in Great Britain.

www.cryptonit.net

Introduction

The cryptocurrency exchange market is a worldwide market allowing buying and selling of more than 1000 cryptocurrencies and more than 200 cryptoassets as of 2017. It is represented by a number of exchange services worldwide with a total average turnover of \$8.7 billion per day in nov 2017. In May 2017 daily trading turnover reached \$4.3 billion, nearing stock exchange volumes. Current market cap is calculated as a multiple of average price by the number of issued tokens has reached \$192 billion.



According to CoinMarketCap

Industry earnings estimates

There are several common ways to generate revenue: deducting a fee from a deposit amount, deducting a fee from withdrawal amount and applying a fee to a trading operation that takes place on an exchange.

Let's calculate a weighted average trading commission that occurs today on the biggest exchanges:

Exchange name	Average trading commission, %	Average 24h volume, USD
Bithumb	0.015	300m
Bittrex	0.5	190m
Bitfinex	0.15	170m
Poloniex	0.35	150m
Yunbi	0.15	140m
OKCoin	0.3	110m
BTC-e (WEX)	0.4	300m
Bitstamp	0.35	30m

*The estimate was made in June 2017

Thus, we get a weighted average of about **0.23%**.

Estimated daily revenue generated by the exchange industry is \$6 million per day. It is difficult to estimate the total number of people that are using Bitcoin today, but let's assume 2.9-5.8m users. We see that the market is far from saturation because the number of people involved in "cryptoeconomics" can be increased much more, generating considerably more revenue for exchanges.

Operations

Business model

Cryptonit is a digital market. That means that a registered user may deposit FIAT money or cryptocurrency (Bitcoin, Ethereum) and perform trading with other registered users. Cryptonit has a system allowing users to set ask/ bid orders to match supply and demand of FIAT and Bitcoin mass. That means Cryptonit acts like a trading platform; we take and hold user funds (FIAT or cryptocurrency) giving the opportunity to trade with each other and withdraw funds upon the user's request.

Cryptocurrency deposits and withdrawals are executed automatically. All FIAT deposits and withdrawals are checked by the staff and executed manually after appropriate checks and confirmations. Cryptonit charges a fee for funding and withdrawal operations as well as trading operations.

Company legal framework

As stated above, Bitcoin is a new phenomenon and there is no common legal international definition of it. There is no standard regulatory approach. Our company is incorporated in England and Wales and we put maximum effort into being transparent under UK jurisdiction. The closest business sphere is traditional currency trading (Forex). These businesses are regulated in the UK by the Financial Conduct Authority (FCA) and HM Revenue & Customs (HMRC).

By partnering with leading UK based legal firm Sheridans LLP, Cryptonit has established a dialogue with FCA and HMRC. Following our official request the FCA has provided an official response to Cryptonit stating that our business is currently exempt from regulation. In order to obtain correct tax classification Cryptonit has been registered with HMRC as a Money Service Business (MSB). MSB classification is “bureau de change”. This is an obligatory accreditation for financial exchange related businesses.

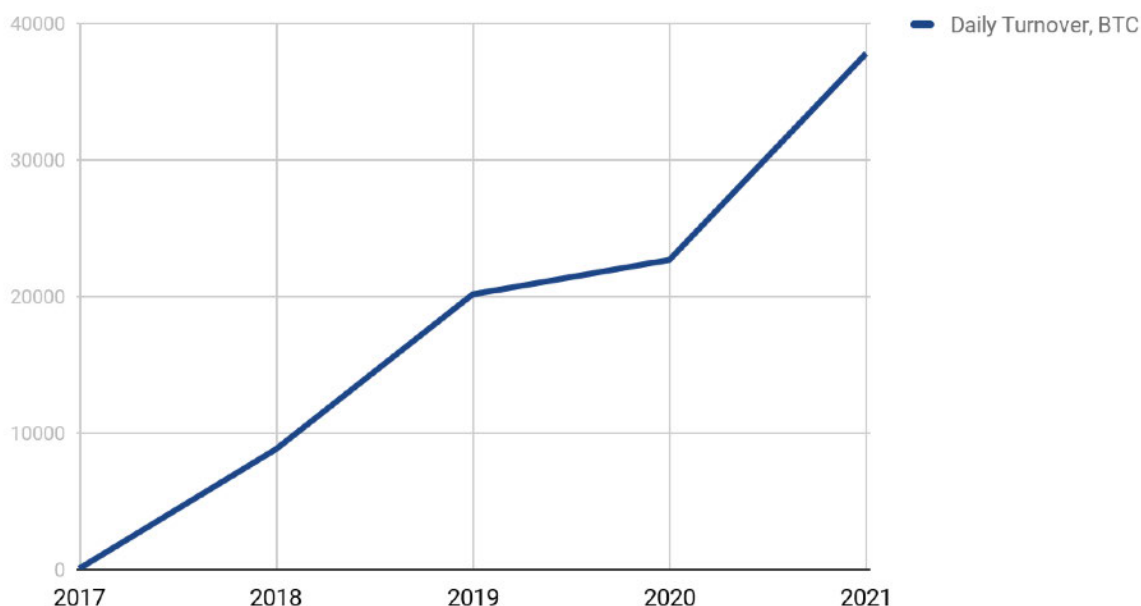
To describe our principal business operations we entered the UK registry (SIC) “64999 - Financial intermediation not elsewhere classified”. This is the area of operation which best resembles cryptocurrency exchange.

Sales and profit forecast

Cryptonit’s aim is to occupy a share of 2% of total cryptocurrency trading volume in 2 years and become a TOP 15 cryptocurrency exchange. Many specialists predict exponential market growth. Let’s take into account one of the the most pessimistic market growth scenarios - linear growth year on year.

Year	Daily trading volume, BTC	Cryptonit market share, %	Cryptonit daily turnover, BTC
2017	760k	0.01	76
2018	882k	1	8820
2019	1.008k	2	20.160
2020	1.134k	2	22.680
2021	1.260k	3	37.800

Cryptonit Trading Turnover Grow



Based on this analysis we foresee Cryptonit's monthly revenue being **\$6.6 million** by the end of 2019.

Competitors

Let's look at the closest competitors and analyze their strengths and weaknesses.

- 1) **Bitstamp** - an EU licensed cryptocurrency exchange that makes a public audit of assets. However, as Bitcoin dominance rate keeps decreasing Bitstamp falls behind by not adding new cryptocurrencies that are in strong demand from customers.
- 2) **Bitfinex** - an old Hong Kong exchange.
Bitfinex has had serious security problems in the past that made it lose users' crypto assets. That decreased user trust in the exchange. At the same time Bitfinex is continuously experiencing difficulties with the US dollar and deteriorating banking relationships that make deposits and withdrawals difficult.
- 3) **Kraken** - the largest Bitcoin exchange by EUR volume. Operating since 2011 it has problems with US dollar operations and high operational costs, making its support queue one of the longest in the industry. Verification issues are being resolved within 1-3 weeks.
- 4) **Poloniex** - a US exchange with significant market share. However, Poloniex has an unclear legal status in the US and nontransparent terms of service that brings the service no shortage of critics. Additionally its weak technical infrastructure makes the site go down comparatively often, as per users' feedback continuously posted in the site's online chat,

Taking into consideration most common weaknesses of its competitors, Cryptonit is seeking to build a unique service combining the following key advantages:

- Transparent legal structure and integrated audit
- Fast and efficient user verification procedure
- Popular and widespread account funding methods: credit cards, instant bank payments, cash, debit cards
- Close integration with other holding products
- Constant security monitoring and strict security policies
- Powerful revamped trading engine handling 1 million transactions per second
- Integration with Finom account

Cryptonit Roadmap

Q4 2017

Add Ethereum, Ethereum Classic, BitCoin Cash support
Complete exchange interface upgrade

January 2018

Test and deploy hardware wallet support: Trezor, Ledger, KeepKey. Hardware wallets are going to be used for easy and secure cryptocurrency deposits and withdrawals to a user's Cryptonit account. Add SOFORT deposit method. Integrate additional credit card gateway to allow higher processing limits and cover all customer GEOs. Test and deploy Websocket API to provide better trading experience. Introduce FIX interface.

February 2018

Introduce to the public a special kind of Cryptonit debit card for miners, Mining2Cash, that will allow instant "mining to a FIAT card". Mining2Cash is going to be the final phase of the Cryptonit debit card product that has been tested as a private solution in cooperation with Enumis Bank UK. The card will be distributed among users of Nanopool and other partnered pools and will be linked to a user's mining profile and Cryptonit account. This card is designed to allow miners to instantly access mined funds and withdraw them at any ATM worldwide supporting MasterCard.

March 2018 - April 2018

Develop and deploy a blockchain solution that will provide transparent and anonymous funds circulation overview to the public (deposits, trades, withdrawals).
Initiate execution of a regular audit of FIAT and crypto liabilities by third-party trusted auditors.
The ability to log in through a single FINOM account.
Integration with a single multi-currency FINOM wallet.

May 2018

Develop and deploy a private blockchain to log fraudulent entities.
Make this blacklist shareable and usable by major exchanges.

June 2018 - July 2018

Improve user compliance procedure to allow real-time verification. Provide verification on the fly (where possible) by audiovisual user interaction via browser.
Provide the best user experience in verification compared with competitors. Focus on neural

networks and machine learning to determine the most popular fraud patterns, speed up the verification process and increase compliance procedure efficiency.

September 2018 - March 2019

Become an EU regulated cryptocurrency exchange.

Create and promote OTC trading.

Introduce leverage trading and integrate MT5.

April 2018 - September 2019

Provide the option for emerging markets to top up exchange accounts with cash. By partnering with electronic payment kiosks across the globe Cryptonit is going to provide an easy way to top up accounts with cash.

Obtain a US federal license and state licenses across the whole country.

Financing

- 1) Add Ethereum, Ethereum Classic, BitCoin Cash support: \$5000
- 2) Add SOFORT deposit method: \$3000
- 3) Integrate additional credit card gateway: \$3650
- 4) Test and deploy Websocket API: \$2500
- 5) Introduce FIX interface: \$4500
- 6) Test and deploy hardware wallet support: Trezor, Ledger, KeepKey \$31.500
- 7) Introduce special kind of Cryptonit debit card for miners that will allow instant "mining to a FIAT card": \$51.000
- 8) Develop and deploy a blockchain solution that will provide transparent and anonymous funds circulation overview to the public (deposits, trades, withdrawals): \$35.000
- 9) Initiate execution of a regular audit of FIAT and crypto liabilities: \$5000
- 10) Develop and deploy a private blockchain to log fraudulent entities: \$78.000
- 11) Make this blacklist shareable and usable by major exchanges: \$3100
- 12) Improve user compliance procedure to allow real-time verification. Provide the best user experience in verification compared with competitors: \$44,000
- 13) Become an EU regulated cryptocurrency exchange: \$1.5 mln
- 14) Create and promote OTC trading: \$100.000
- 15) Provide an option for emerging markets to top up exchange accounts with cash (network of local branches and automated machines). Obtain a money transmitter license for all US states and territories. Become a fully-licensed digital asset custodian and fiduciary: \$13.5 mln
- 16) Introduce leverage trading: \$138.000
- 17) Market making - provide additional liquidity for the exchange
 - \$15 mln for BTCUSD, BTCEUR trading
 - \$4.5 mln for ETHUSD, ETHEUR trading
 - \$2 mln LTC
 - \$5 mln rest

Total: **\$42,004,250**

Additional operating costs

November 2017-October 2019

Accounting/ finance \$240.000

Support team \$1.100.000

Compliance \$600.000

Security \$360.000

Office rent \$120.000

Servers/ infrastructure \$250.000

Advertising/ promotion \$1.514.500

Total: \$4.184.500

Total investments: \$46.188.750

Cryptal Mining Center (SC)

Summary

Current power: 35.000 Mh/s

Using modern Nvidia and AMD GPUs, the farm produces the cryptocurrency Ethereum.

Construction of mining centers

We see great potential in increasing the capacity of industrial mining centers.

For the construction of one industrial mining site the following items are required:

Infrastructure:

- The building is 2000 sq.m. (80m by 25m). The height of the building is 7 meters.
- The plot is 3000 sq.m.
- Power of electricity supplied to the building: 2 megawatts for mining and 100 kilowatts for auxiliary purposes

Calculation of cost

- Plot of land - \$500,000. The land is acquired in ownership to protect the project from possible risks associated with refusal to extend the lease.
- Building construction, engineering, electrical connection - 1.500.000 USD

Equipment

Mining ETH, ETC, XMR, ZEC

To mine these currencies, we will use prefabricated units based on the NVIDIA GTX1060 6GB and the NVIDIA GTX1070 8GB chips

The block consists of 12 cards. Consumption per unit is 1.5 and 1.9 kW respectively.

In one center we will install 1000 such machines.

Mining BTC, BCC, DGB-SHA, DASH, DGB, LTC, XVG

The following equipment will be used for these currencies: Antminer D3, Antminer L3 +, Antminer S9-14TH/s.

Total: 2.100 machines.

Data on revenue, based on exchange rates and computational complexity as of 02.10.2017:

Configuration	Currency	Dayli revenue	Cost of 1 device	Energy consumption, kW	Cost of electricity, kW/h	Number of devices
1060 6G x12	ETH	\$11.18	\$3 612.52	1.5	\$0.0700	250
	ETC	\$10.87		1.5	\$0.0700	0
	XMR	\$10.00		1.5	\$0.0700	0
	ZEC	\$12.51		1.5	\$0.0700	250
1070 8G x12	ETH	\$14.70	\$5 579.32	1.9	\$0.0700	250
	ETC	\$12.00		1.9	\$0.0700	0
	XMR	\$14.01		1.9	\$0.0700	0
	ZEC	\$19.89		1.9	\$0.0700	250
Bitmain S9	BTC	\$14.15	\$1 789.26	1.4	\$0.0700	300
	BCC	\$20.78		1.4	\$0.0700	300
	DGB-SHA	\$19.89		1.4	\$0.0700	300
Bitmain D3	DASH	\$33.57	\$1 978.15	1.4	\$0.0700	300
Bitmain L3+	DGB	\$28.50	\$2 4676.87	1.4	\$0.0700	300
	LTC	\$15.03		1.4	\$0.0700	300
	XVG	\$15.47		1.4	\$0.0700	300
Total						3100

Total cost of equipment: 9.020.780 USD.

The total cost of running a single mining center:

Construction of the building, purchase of land and power supply - \$2.000.000

Purchase of equipment - \$9.020.780

Total: \$11.020.780

ROI of the project

Revenues

Revenue per month is 1.763.610 USD.

Costs

To calculate the cost variable, take the cost of electricity to be \$0.07 , which is the average for most countries. The total capacity of the mining center will be 4,640 kW. The cost of electricity is 233.856 USD. The cost of maintenance will be 6 000 USD.

Gross profit per month (revenue minus costs) = \$1.523.754.00

A base payback period for the project will be just over 7 months.

We plan to build 8 such centers in countries with cheap gas and electricity: Canada, the US and Sweden.

Thus, the total investment in mining centers will be 88 million USD.

Mining center Roadmap

- Search and purchase of land, design - 1 month
- Building construction - 4 months
- Ordering equipment for delivery - 3 months
- Receiving permits for commissioning - 1 month

The total duration of the project will be 6 months.

We plan to launch 4 mining centers in 2018. We plan to launch 4 mining centers in 2019.

Cryptogen Miner (HK)

Summary

- Cryptogen is a paid miner with a convenient graphics interface which allows you to extract currencies in fully automatic mode, determining the most profitable coin at any given time. It monitors all rigs and makes it possible to run several algorithms simultaneously, increasing user profitability.
- The program is under development. Release of the beta version is scheduled for January 2018.

At the moment there are several applications for mining. Most of them have open source code and are poorly maintained. Open source software generally delivers less performance than paid solutions.

Cryptogen's goal is to become the world's most popular miner with the most currencies supported and simplest interface.

Competitive advantages:

- Automatic determination of the most profitable coin for mining
- The simplest interface
- Extensive team experience in cryptography and GPU calculations in scientific work
- Strong community management
- Support in 5 languages: English, Spanish, Portuguese, Chinese, Russian
- Commission from 1% to 2%
- Low barrier to entry for new users
- Well-developed API

Sales and profit forecast

Below is the calculation of income at the exchange rate from September 26, 2017. The calculations are based on 1% commission and 10% market share.

	Monthly mining volume by Cryptogen	Commissions	Commissions, USD
Ethereum	61 500	615	177 120
Ethereum Classic	86 400	864	10 022
ZCash	17 280	172.8	39 917
SiaCoin	78 000 000	780 000	3 744
Monero	14 700	147	13 745
PascalCoin	86 400	864	328
Total		782 663	244 876

Total monthly income will be 244.876 USD.

Cryptogen Roadmap

Winter 2018:

Alpha release: \$60.000 + \$20.000
Client monitoring system: \$10.000
Dagger-Hashimoto + PASC mining CUDA and Opencil: \$20.000
XMR mining CUDA: \$10.000
Dagger-Hashimoto + SIA mining CUDA and Opencil: \$15.000
Dagger-Hashimoto + DCR mining CUDA and Opencil: \$15.000
Dagger-Hashimoto + LBRY mining CUDA and Opencil: \$15.000
TLS miner connection: \$5000

Spring 2018:

Marketing campaign: \$25.000
Technical support system: \$10.000 + \$10.000/ month
Multi-language support: \$10.000 + \$5000/ month
XMR mining Opencil: \$10.000
ZEC mining CUDA and Opencil: \$15.000

Summer 2018:

GUI upgrade \$10.000
Mining history charts \$50.000
Performance optimization \$50.000
Contract with mining equipment manufacturer \$100.000 + \$10.000/ month

Autumn 2018:

Other altcoin algorithms \$50.000
Performance optimization \$50.000
Next generation miner protocol \$50.000

Winter 2018:

Marketing \$100.000
Legal \$200.000

Spring 2019:

Global account system (SaaS) \$50.000 + \$15.000/month

Summer 2019:

Mobile application \$25.000
Technical support system upgrade \$10.000 + \$10.000/month

Total capital investment: 985 000 USD.

Monthly costs are not included.

Beetle.io (HK)

Summary

- Beetle makes it possible to buy Bitcoin and Ethereum using a payment card
- The app is available on Android, iOS and web platform
- At the moment, the number of active users exceeds 5.000
- [iOS application](#)
- [Google Play application](#)

One of the first questions that every person asks themselves when they get to know about Bitcoin is "how do I buy it?" The growing use of smartphones is one example of the looming high-tech revolution of the 21st century. Most people get acquainted with Bitcoin via smartphone. The demand for buying Bitcoin direct from a smartphone is soaring. Nowadays people want to do everything on the go. Beetle offers an easy and straightforward Bitcoin purchase experience direct from a smartphone with a credit or debit card. After bitcoin is purchased the user can use it whenever they need it via a simple and transparent interface.

Sales and profit forecast

The total cryptocurrency market capitalization exceeds 190 bln USD, with 8.7 bln USD total daily trading volumes (source: Coinmarketcap.com cumulative data).

Total market capitalization is expected to grow to 1 trillion USD by end of 2019, with 50 billion daily trading volumes.

Beetle is already serving more than 5000 users without any promotion. With the launch of advertising we expect to be growing by 10,000 users per month throughout 2017-2019. Based on these growth estimates we expect to achieve 200,000 active monthly users.

We can draw 3 sales/ profit scenarios: pessimistic, medium and optimistic. The key indicator which we set is the % of active users which convert into paying customers.

Pessimistic	2.50%
Medium	5.00%
Optimistic	10.00%

The average amount the user spends on buying bitcoin via the app is 89 USD.

We can further draw the monthly sales projection, the number of paying customers multiplied by the average amount spent

Pessimistic	445000 USD
Medium	890000 USD
Optimistic	1780000 USD

Beetle aims to sell bitcoin at market rate without earning on spreads, but rather enclose an additional fee on top of the fee which is charged by the card payment processing companies. The current average fee charged for payment processing for bitcoin businesses is 3%. We plan to add 7% on top of the fee, meaning 93% comprises the value of goods sold. Let's draw monthly gross profit projections:

Pessimistic	31150 USD
Medium	62300 USD
Optimistic	124600 USD

The above projections are based on the sample which has been acquired after the initial launch of the application and analyzing app performance after 1 month of operation.

Competition

Currently, there is a number of apps which offer similar functionality.

Coinbase

Strengths

- Option to link a bank account and conveniently purchase bitcoins via direct ACH transfer for US clients
- Licensed and insured to operate in the USA
- Alternative currencies besides Bitcoin
- Sell and withdraw to a linked PayPal account (for USA)

Weaknesses

- Customer support
- Technical problems/ lags during period of heavy market activity
- Low limits make it hard to purchase larger quantities of bitcoin

Mycelium

Strengths

- One of the leading secure Bitcoin mobile wallets, where bitcoins can be stored after purchase
- Built-in p2p GEO-based exchange market

Weaknesses

- Low limits
- Customer support
- Very high prices

Luno

Strengths

- Light-speed interface
- Storage

Weaknesses

- GEO limitation - buy option available to limited number of countries

CEX.IO

Strengths

- Buy a small test amount without verification
- Larger limits after verification
- Transparent credit card connection procedure

Weaknesses

- Technical challenges: crashes, inability to log in leads to relatively high uninstall rate
- Very slow support responses
- Slow withdrawals

Our unique competitive advantages

- Available on major mobile platforms via one account - Android, iOS, Web
- 24/7/365 client support - verification completion and client onboarding within 30 mins upon registration
- No limits for transaction volume - buy as much as you need
- Any payment cards supported: VISA, MasterCard, Amex, JCB, Unionpay and others
- Available globally

Operations

How is the service produced and delivered?

Beetle interacts with the Cryptonit exchange backend core via API. Cryptonit and Beetle run on the same database. The user creates an account on Beetle, chooses the amount to spend, verifies their identity and proceeds to the payment gateway. After payment is captured, the corresponding amount is used to purchase the bitcoins for the user on cryptonit.net. The purchased bitcoins instantly appear in the user's wallet on the app. The user is free to leave the bitcoins on the app wallet or send them to any desired address. Cryptonit.net provides liquidity for the app, manages backend operations and client verification/ support. You can think of Beetle as mobile Bitcoin broker.

Location

The service is available globally.

Beetle.io Roadmap

January 2018

- Broker web version
- Connect additional card payment processors to increase payment success rate and GEO coverage
- Develop and deploy the technical platform for scaling/ clustering and userbase growth

- Launch purchasing service for alternative cryptocurrencies: Ethereum, ZCash, Litecoin

February 2018

- Develop an additional analytical/ control framework to automate the anti-fraud operations in fiat flow, integrate blockchain transaction monitoring modules

March 2018

- Integrate additional currencies: EUR, RUB
- Integrate additional convenient instant payment methods: SOFORT Banking, Yandex.Money

April 2018

- Develop and integrate real-time verification option
- Integrate automated image recognition and processing software to expedite client onboarding
- The ability to log in through a single FINOM account
- Integration with a single multi-currency FINOM wallet

May 2018 – July 2018

- Develop and integrate secure Bitcoin storage option

August 2018

- Develop and integrate Bitcoin selling option

September 2018

- Develop an SDK – any mobile product/ app can integrate our Bitcoin purchasing platform

October 2018 – December 2018

- Develop and integrate an option for GEO-based p2p exchange

2019

- Develop and launch an in-house credit card processing gateway and become a PCI DSS compliant IPSP in order to serve our mobile product

Marketing

Target segment

Beetle.io is targeted at two main user groups:

- People getting acquaintance with cryptocurrency for the first time and who wish to quickly and conveniently buy bitcoin

- People who need to quickly buy bitcoin for their daily operations. Example: arbitrators who buy and resell bitcoin on their local c2c markets.

Pricing the services

The price of bitcoin the user has on the app is fetched from the current price on Cryptonit. The service fee of 7% is charged at the moment the user makes payment and for convenience is already reflected in the amount of bitcoin the user receives after purchase. After the bitcoin is purchased the only additional fee is the Bitcoin network fee which is paid upon withdrawal. This varies depending on the current load on the Bitcoin network.

Financial

Budget required to achieve the objectives

- Connect additional card payment processors to increase payment success rate and GEO coverage - 15.000 USD
- Develop and deploy a technical platform for scaling/ clustering and userbase growth 20.000 USD
- Integrate additional currencies: EUR, RUB - 5000 USD
- Develop an additional analytical/ control framework to semi-automate the anti-fraud operations in FIAT flow, integrate Blockchain transaction monitoring modules - 20.000 USD
- Integrate additional convenient instant payment methods: SOFORT Banking, Yandex.Money 5000 USD
- Launch a purchasing service for alternative cryptocurrencies: Ethereum, ZCash, Litecoin - 25.000 USD
- Develop and integrate real-time verification option 10.000 USD
- Integrate automated image recognition and processing software to expedite client onboarding 18.000 USD
- Develop and integrate secure Bitcoin storage option 30.000 USD
- Develop and integrate Bitcoin selling option 10.000 USD
- Develop an SDK – any mobile product/ app can integrate our bitcoin purchasing platform 15.000 USD
- Develop and integrate an option for GEO-based p2p exchange 50.000 USD
- Develop and launch an in-house credit card processing gateway and become a PCI DSS compliant IPSP in order to serve our mobile product 2 mln USD
- Marketing 100.000 USD

Total to meet objectives: 2.323.000 USD

Financing and insurance services

Further development of Finom is possible only in parallel with the launch of its own financing services, which will significantly expand the capabilities of our customers around the world. We will provide access to financial instruments in the field of Blockchain technology blocking, as well as to classic financing services for businesses and individuals.

Payment system for legal entities and private persons, B2B financial services

The payment system will allow online retail and other organizations on the network to collect payments for their customers in the most popular crypto and fiat currencies in one day. Provision of processing of plastic cards.

Universal multi-currency wallet

A reliable wallet in which you can store any cryptocurrencies, create and manage a cryptocurrency portfolio, transfer and receive funds.

Card payments

The issuing of debit cards will enable customers around the world to pay for purchases from their multi-currency wallet, withdrawing money in the currency which is most profitable. At the same time, the exchange of cryptocurrency for fiat takes place at the spot exchange rate. This is possible due to the fact that the conversion operation is conducted on our own exchange, Cryptonit.

Digitilization and tokenization of assets

Many investment tools are sold for lots or indivisible blocks (shares, bonds, real estate). It means that the cost of one unit might reach thousands, sometimes even hundreds of thousands dollars. In other words, lot determines the necessary size of the capital, which makes many tools inaccessible for majority of people. We want to change this situation: the size of the capital should determine the size of the lot. For this purpose we will create a system of digitilization and tokenization of assets. In this way people with small savings will be able to get access to the very same tools that the big investors have.

P2P loans

P2P loans are a convenient tool for providing and receiving loans by private individuals, in which the intermediary in the form of a bank is not required and users provide loans to each other direct.

The main advantage for borrowers is low interest rates (due to the absence of an intermediary in the form of a bank), and for the investor in the ability to flexibly set rates depending on market conditions and the borrower's rating, as well as independently form a loan portfolio.

Finom provides an ecosystem in which transactions are recorded, borrowers rated and loan offer data is stored.

Factoring

Business needs quick ways to replenish working capital, so factoring is widely used in cases where it is more convenient for a supplier to sell its receivables at a discount to the bank than to wait for the buyer to pay the bill. Blockchain technology will help to solve this issue more elegantly by eliminating the intermediary in the form of a bank.

Finom will offer the market an online platform whereby legal entities will be able to "sell" their invoices through P2P financing technology directly to investors. Private investors, in turn, will be able to receive income from a business that was previously only available to credit

institutions.

The advantages of using Blockchain and P2P financing technology lie in lower transaction costs compared to classical factoring, in the possibility of risk sharing between a large number of investors and the minimum participation amount for an investor.

In practice, the process works as follows:

- The supplier ships the goods or provides the service, receives from the buyer (debtor) an invoice (invoice, certificate of work performed). The contract provides for deferred payment.
- The seller registers this invoice in an online system. Participants of the transaction are checked, the invoice is tokenized and becomes available to investors.
- Investors see a tokenized invoice on the FINOM platform and make stock quotes (bids) containing information about which part of the invoice they are willing to buy and at what price.
- The supplier analyzes the offers from investors, chooses the best, and as a result receives cash. The right to receive cash goes to the investor. The distribution of investor shares is fixed in a smart contract, which is recorded on a distributed ledger. When the invoice matures, the buyer (the debtor) transfers the money to the smart contract, and the smart contract automatically distributes the funds between the investors.

Financial services Roadmap

Q2 2018

Multi-currency FINOM wallet
The ability to log in through a single FINOM account
Payment cards
Payment system for legal entities and individuals
Currency exchanges (FOREX broker)

Q3,4 2018

A full-fledged financing services, which is a member of the Visa and MasterCard Associations
SWIFT membership
SEPA payments

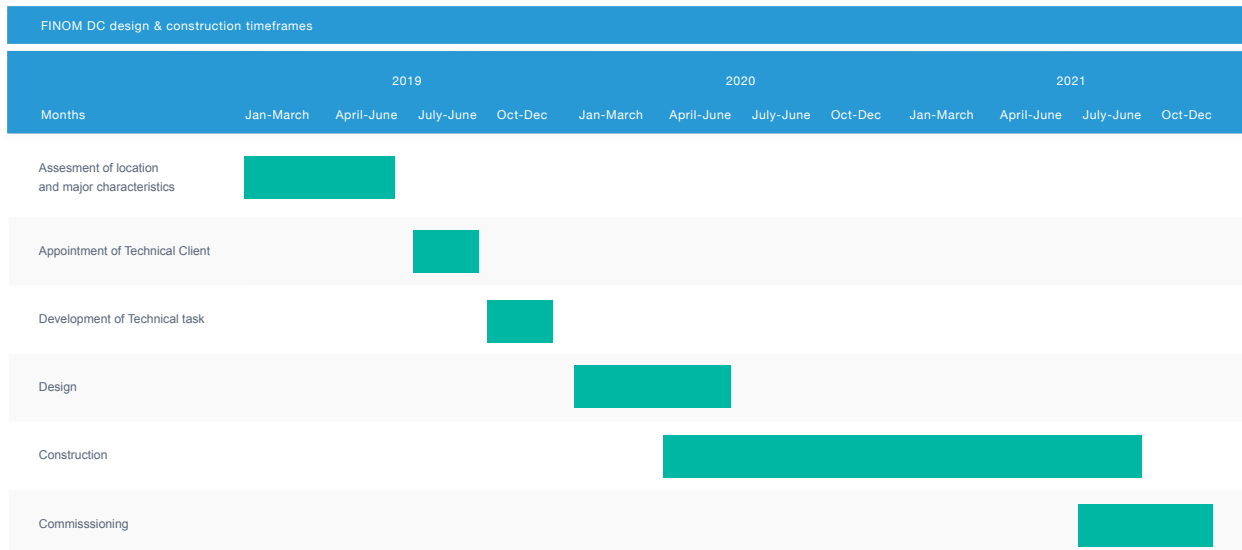
2019 - 2020

Integration of additional services: p2p loans, insurance, factoring
Individual financial recommendations
Processing of payment cards
Acquiring payments via cards
Crowdfunding platform for offline businesses
Payroll administration denominated in cryptocurrency
Obtaining banking licenses and opening branches in North America, Asia, Western Europe, Eastern Europe, South America

Total investments: 60 mln USD

Finom Data Center

Finom is planning to build for its own IT needs a data center to run processing of all company products. It would be Tier 3 type in accordance with Uptime Institute certification and TIA-942. Exact location to be defined at a later stage. Timeframe for design and construction is as follows:



Building type: Steel Frame Building

IT load per rack: 11.5 Kw

Total amount of IT racks: 600 racks (150 Racks per floor / 4 floors)

Total IT load: 6.900 MW

Total white space: 2000m²

Number of modules: 1 (per 1 DC)

PUE: < 1.2

Engineering concept

1. MV-LV Concept:

The Data Center is going to be fed through 2 independent 20kV primary power lines up to the Transformer Substation; distribution from the Transformer Substation to the Data Modules will be independent.

- 20kV substation (1 with two sections for A and B incoming/ outgoing power line) on first floor technical room
- 20/0.4kV Transformer Substation for Mechanical Systems and common use (2N) on first floor technical room
- 20/0.4kV Transformer Substation on each floor A and B feeds for IT (2N)
- 0.4 kV Incoming Switchgear Rooms: MDB A and MDB B on each floor
- Distribution of power (A and B) feeds to the IT racks by bus bar with tap-off boxes, all other distribution with cables

2. Emergency Power Concept

- Diesel Rotary UPS (DRUPS):
 - 2.5 MVA Continuous Power (4 for IT (N) and 4 for Mech loads (N+1))

3. Cooling System Concept:

Direct heat rejection from IT rack through the rack-mounted water heat exchangers. Chiller plant is going to be allocated to the outside of the building, chilled water pump station (primary and secondary circuits) are going to be allocated in the technical room (1st floor). Primary chilled water loop is going to be filled with 50% glycol for frost protection, and Secondary chilled water loop is going to be water filled and circulated directly through rack-mounted heat exchangers. Secondary and Primary chilled water loops are going to be separated through plate heat exchangers located inside the plant room.

- Water Cooled Chillers and Dry Coolers
 - 1MW Cooling capacity each
 - 8 nrs of Chillers and Dry Coolers with N+1 redundancy
 - 4 Chillers/ Dry Cooler sets per each 2 floors
- Circulation Pumps for primary and secondary circuit
- Rack-mounted water heat exchangers

4. General Ventilation and Cooling

Cooling of the Switch Rooms and auxiliary/ technical rooms is going to be provided a by VRV system. Common ventilation of the general areas and required air exchange rates to be maintained by compact air handling units or inline systems to be allocated on all floors.

5. Automation and Control Concept

- Monitoring of Critical Systems
- Control of Cooling and Ventilation equipment (Start/ Stop, set point changes)
- Protocol Modbus TCP
- I/O signals – 15.000 (critical 5000, not critical 10.000)
- Storage of signals – 2 years

6. Security

- Access Control System
- Video intercom system
- CCTV (internal and external)

7. Fire Protection Concept

- Gas Suppression system (option B)
- Centralized station planned to be on the 1st floor
- Fire Alarm System

Financing

DRUPS redundancy option

Eq Item	Description	Unit	No	Euro per unit	Total
DRUPS IT (N)	2500 kVA Hitec	piece	4	\$2.065.000	\$8.260.000
DRUPS mech (N+1)	2500 kVA Hitec	piece	4	\$2.065.000	\$8.260.000
Tx IT (2N)	2500 kVA	piece	8	\$76.700	\$613.600
Tx Mech (2N)	2500 kVA	piece	6	\$76.700	\$460.200
20 kV cubicles	2 sections, 10 cubicles	set	1	\$448.400	\$448.400
MPB	4000 A	set	8	\$259.600	\$2.076.800
MDB IT	4000 A	set	8	\$247.800	\$1.982.400
MDB M	4000 A	set	6	\$247.800	\$1.486.800
LV panels	100-630 A	set	14	\$94.400	\$1.321.600
ATS panel for mech	800 A	piece	6	\$141.600	\$849.600
Cable trays	-	set	4	\$59.000	\$236.000
Cabling	-	set	4	\$129.800	\$519.200
Busbars	240m 250A per set	set	4	\$141.600	\$566.400
Tap off boxes	1000 A	set	1200	\$350	\$420.000
Lighting	-	set	4	\$350	\$94.400
BMS system	-	set	1	\$826.000	\$826.000
Security Systems	-	set	1	\$649.000	\$649.000
Fire alarm & PA	-	set	6	\$47.200	\$283.200
Structured cabling network	-	set	6	\$472.000	\$2.832.000
Lightning protection and grounding	-	set	1	\$59.000	\$59.000

Chiller and Dry Cooler	8 MW total (1 redundancy)	set	8	\$259.600	\$2.076.800
Primary Pump station	3 pumps, expansion vessels and 2 HEX in each set opp for 2 floors	set	2	\$106.200	\$212.400
Secondary Pumps station	2 pumps set and expansion vessels opp for each floor including floor headers	set	4	\$59.000	\$236.000
Primary Circuit Piping and Valves	400 mm Diameter Collector with 90 m length per each floor	set	2	\$94.400	\$188.800
Secondary Circuit Piping and Valves	Supply return; piping, flexible hoses, quick coolings and shut off valves - 900 racks	set	4	\$59.000	\$236.000
Headers Flow and Return on each floor	400 mm Diameter Collector with 90 m length per each floor	set	4	\$17.700	\$70.800
Piping for each rack from header to racks	Supply return; piping, flexible hoses, quick coolings and shut off valves - 900 racks	set	600	\$1.550	\$930.000
IT Rack Door HEX	To be provided with IT Rack	PS	600	\$5.900	\$3.540.000
General Ventilation	-	total	1	\$27.140	\$27.140
Fire Protection System	-	total	1	\$2.360.000	\$2.360.000
Civil works and fit out	-	total	1	\$5.000.000	\$5.000.000
TOTAL US DOLLARS excl VAT					\$47.122.540

The background features a vibrant blue color palette with a sense of motion and depth. A large, curved, tunnel-like structure dominates the upper half, with light trails and a grid pattern on its interior. Below this, a cityscape is visible, including several tall buildings and a road with light trails, suggesting a modern, urban environment. The overall aesthetic is clean, futuristic, and dynamic.

OVERALL FINOM ROADMAP

Overall Finom Roadmap

Before placement of shares

2012

Cryptonit Exchange founded
TabTrader founded

2013

TabTrader switches to trading in cryptocurrency

Cryptonit starts working with altcoins (Feathercoin) and together with the Namecoin team provides the infrastructure for the Dot-Bit project. Also becomes a pioneer in Paypal Bitcoin buying/selling services

2014

The TabTrader and Cryptonit teams get acquainted at an exhibition and join together to develop a broker application

TabTrader creates the first crypto ATM in Russia, and also as a technological challenge implements video streaming from mobile devices six months before the release of Periscope

2015

The basis of Nanopool, the pool for Ethereum

TabTrader completes an accelerator programme in Amsterdam and receives a grant from the EU for €100.000

Cryptonit introduces the purchase of cryptocurrency using Visa and MasterCard

2016

Nanopool adds 4 new coins

Nanopool and TabTrader begin development of Cryptogen Miner

Cryptal Mining Farm launched

Cryptonit introduces LMAX Disruptor technology to increase transaction processing speed 1000 times and bring the exchange to enterprise level

2017

Foundation of the umbrella company Finom

Placement of tokenized shares

1 Nov 2017 - 30 Dec 2017

After the placement of shares

Cryptogen Miner: Alpha release

Beetle.io: launch web version

Cryptonit: Ethereum support

2018

The ability to log in through a single FINOM account

Multi-currency FINOM wallet

Nanopool: BTC, LTC, DASH pools, Decred, LBRY, advanced support, Chinese market, new pools, Data Center, unified system for adding new pools, POS pools, ICP license

Cryptonit: SOFORT deposits, add card gateway, debit cards, private blockchain

Mining Farm: launching 4 farms

TabTrader: trade through web interface, pamm accounts, API access, investor dashboard, complex orders, entry via a single FINOM account, user verification (KYC + AML), a single FINOM wallet, deposits in USD, margin trading

Cryptogen Miner: ZEC, XMR mining, GUI upgrade, mining history charts, new miner protocol

Beetle.io: new payment methods (SOFORT Banking, Yandex.Money), real-time verification, secure Bitcoin storage, Bitcoin selling, GEO-based p2p exchange

Financial services: financing services with Visa and MasterCard membership, multi-currency wallet, payment system, currency exchange, SWIFT, SEPA, payroll projects, obtaining banking licenses and opening branches in North America, Asia, Western Europe, Eastern Europe, South America

2019

Cryptonit: EU regulated cryptocurrency exchange, OTC trading, leverage trading, MT5 support, cash deposits, Federal US cryptocurrency exchange license

Mining farms: launching 4 farms

TabTrader: FOREX trading, stock and commodity trading

Cryptogen Miner: mobile application

Beetle.io: in-house credit card processing gateway

Data centers: design and construction

Financial services: p2p loans, insurance, factoring, processing, acquiring payments via cards crowdfunding platform

Data centers: pre-design surveys, appointment of technical client, development of technical task

2020

Data centers: design, construction, commissioning, complex tests

AI assistant

Financial services: obtaining banking licenses



SALE OF TOKENIZED SHARES

Sale of tokenized shares

Placement of tokenized shares in accordance with US law

Tokens are placed in accordance with Regulation D (Rule 506(c) of Regulation D) of the U.S. Securities Act of 1933.

Work on Regulation D means that Finom tokens can only be acquired by accredited investors from the United States.

Legal support in the offering in the US is provided by leading law firm Perkins Coie (<https://www.perkinscoie.com>) and in Switzerland by Meyerlustenberger Lachenal Ltd (www.mll-legal.com).

More details about the rules for posting tokens can be found in the PPM (private placement memorandum), which can be downloaded from finom.io.

Tokenized shares

What is a token?

Issued tokens are securities that certify the following rights of investors:

- Right to receive a portion of company profit in the form of dividends
- Right to participate in community management
- Right to a portion of company assets

Share placement structure

Issued tokens: 113.300.000

Symbol: FIN

Tokens for sale: 50.985.000

Price of 1 token: \$2

Utility-token

In addition to FIN security token issuance, Finom is issuing NOM utility-tokens. 1 FIN token entitles 1 NOM token. While purchasing the FIN security tokens each investor receives the corresponding equal amount of utility-tokens as a bonus. The amount of NOM tokens is capped by initial issuance and equals 113 300 000.

NOM tokens will start listing on largest cryptocurrency exchange after the Token sale is finished. As of November 2017 negotiations are taking place with Bittrex.com, Exmo.me, CEX.io, Yobit.net, Bitfinex.com, Wex.nz, MercadoBitcoin.com.br, Livecoin.net, Liqui.io, Cryptopia.co.nz, Binance.com, and also Cryptonit.net.

NOM token serves as an internal currency within the Finom ecosystem, and also provides a set of privileges for tokenholders:

1. Commission discounts in all the services for NOM token holders.
2. Special privileges while using Finom payment cards.
3. Special privileges and possibility to pay in new Finom services.
4. Discounts for educational programs of Open University Finom for NOM token holders.

The Finom Open University is expected to offer online and offline courses provided by the best lecturers and cryptocurrency/blockchain experts, as well as traditional finance experts. The educational programs are aimed at various levels of knowledge.

5. Paying for advertising impressions.

NOM tokens will allow buying of advertising spots within the ecosystem and partner services, and also the sites with growing audience. After the NOM tokens have been used for payment, they will be repeatedly listed on exchanges.

Tokens lock-ups

55% of FIN and NOM tokens are reserved within the company and are subject to lock-ups until 2020. The lock-up mechanism will be incorporated into the ERC-20 smartcontract.

- 15.01.2020 releasing 15% FIN and 15% NOM;
- 15.07.2020 releasing 20% FIN and 20% NOM;
- 15.01.2021 releasing 20% FIN and 20% NOM.

The remaining 45% of FIN tokens are offered in the tokensale and within one year are tradable on Cryptonit.

The remaining 45% of NOM tokens are offered in the tokensale and are freely tradeable.

Stages

The sale of shares will take place in two stages:

Presale

Dates: November 1- November 14

Who can participate: accredited investors

Minimum amount: 100.000 USD

Sale

Dates: November 15 - December 31

Who can participate: accredited investors

Minimum amount: 2 USD

To purchase tokens register your account on panel.finom.io

Hard Cap

The maximum amount that we plan to attract during both stages is 101.97 million USD.

Offers

+ 10% of shares to all participants during purchase from 1 to 19 November

Additional bonuses based on investment amount:

from 100.000 USD to 1 million USD: + 5%

from 1 million USD to 3 million USD: + 10%

from 3 million USD: + 15%

Accepted currencies: USD, EUR, BTC, ETH

Platform

FIN tokens are an ERC-20 smart contract based on Ethereum. Ethereum was chosen as the most reliable and flexible platform that meets our requirements.

Distribution of tokens

45% of shares will be put up for sale during Token Sale

55% will remain with the company



Advantages for investors

Dividends

The result of the token sale will be a significant increase in current business, bringing instant profit increases. We forecast that current performance will continue to bring in profits. Part of the profit received by Finom for the reporting period will be distributed as dividends to all token holders. We plan to distribute up to 20% of net earnings in dividends.

Price increases

As the development of current services and the opening of new ones continues, it can be assumed that the price of the FIN token will grow as the value of shares of technology companies tends to increase under similar conditions.

Escrow

Our most important priority is the safety of funds that were entrusted to us by investors. To ensure the highest level of security, the funds raised when selling tokens via Regulation D will be deposited to the escrow account of our US partner and transferred to the Finom account after the transfer of tokenized shares to investors.

Liquidity

From March 2018, Following the lock-up period, Finom tokens are expected to be traded on Cryptonit. Only investors who are not U.S. persons will be permitted to trade.

Residents of the United States are expected to be able to trade tokens on the licensed ATS (Alternative Trading System) site run by SharesPost after expiration of the lock-up period.

The background features a network diagram with several glowing blue nodes connected by thin, light blue lines. The nodes are arranged in a somewhat circular pattern, with some lines crossing each other. The overall color scheme is a gradient of teal and blue.

THE TEAM

The team

Corporate culture

The most valuable asset of Finom is our team. We adhere to the principle: first the development of Man, then Team and as a consequence of the Company.

The key technology of the Company is corporate culture, which helps us quickly and efficiently solve any incoming problems and think for the customer ahead, creating the Products of the Future.

We are on the way to becoming a turquoise company. Corporate culture, its basic principles, approaches, postulates and rules are fixed in the corporate Code, which is adhered to by all the members of the Team.



Kirill Suslov

Chief Executive Officer

TabTrader founder. Holds MSc Investment Management cum laude from Cass Business School in London and BSc Economics from University of Warwick. In 2009 – 2013, CEO of OLS Ltd. that developed stock trading strategies based on chaos, fuzzy logic and genetic algorithms theories. Devised his own trading strategy based on volatility in inter-commodity correlation.



Denis Suslov

Chief Financial Officer

Co-founder of TabTrader. At FINOM, is responsible for introducing innovations and partnership, supervises development of joint projects. Holds a first class bachelor's degree in Economics from University of Warwick, MSc Econometrics and Financial Economics from London School of Economics and Political Science. Background in banking. Passionate about trading and investing. Fascinated by crypto economics. Besides work enjoys sailing, freeride skiing, mountain-biking.



Kirill Yashchuk

Chief Technology Officer of TabTrader

Responsible for backend development and support of high load large scale systems. Has more than 10-year experience of programming. Holds a Master of Computer Science degree from ITMO University in Saint Petersburg, Russia. With the team of TabTrader, went through Alumni of Rockstart Accelerator in Amsterdam.



Yaroslav Madarakh

Chief Architect

TabTrader and Beetle developer. Holds Master of Computer Science from ITMO University. Created cryptocurrency payment terminal Bitcoin ATM and video streaming service.



Alexandr Barkovskii

Chief Technology Officer

Nanopool founder. Finom ideologist and CTO. Also responsible for development of software products, long-range planning, representation of new technologies and corporate culture. Holds Bachelor and Master of System Analysis and Management degrees from Peter the Great St. Petersburg Polytechnic University, Faculty of Technical Cybernetics. At the 4th year of studying started career at GeoPhysTechno as developer for oil prospecting working on software able to solve complex tasks in GPU. Experienced at development on Java, C/C++Python, Perl, Objective C, Go, Fortran, CUDA. Started mining in 2012. In 2015 alongside Anton Trusov and Vlad Alushkin founded Nanopool.



Vladislav Alushkin

Chief Security Officer

Founder of Nanopool. In FINOM is in charge of system security, information security and software. Computer safety specialist, graduated from the Department of Computer Technologies of Saint Petersburg Electrotechnical University "LETI" in Russia. Developed algorithms for operating big databases in oil prospecting area in GeoPhysTechno company.



Anton Trusov

Chief Technology Innovation Officer

Founder of Nanopool, develops the pools and maintains its mining facilities, acts as product manager. In FINOM curates miner and stock exchange market. Is in charge of everything connected with IT. Is very familiar with cryptocurrency market and explores innovations in this area. Graduated from Saint-Petersburg Polytechnic University, Faculty of Technical Cybernetics and hold a Master of system analysis and management degree. Straight after the university worked at GeoPhysTechno company where he developed software oil prospecting using electromagnetic waves.



Yegor Karatov

Chief Compliance Officer

In 2013, joined Cryptonit bitcoin exchange as compliance manager. Responsible for risk valuation, client due diligence and AML procedures. Graduated from Belarusian State University Lyceum and Hague University of Applied Science. Co-founded Beetle.io's in 2016.



Konstantin Karatov

Business Development

Founder of Cryptonit bitcoin exchange. At FINOM, develops area of cryptocurrency exchange. Graduated from Belarusian State University, Faculty of Physics. Performed there as an assistant in Neural Networks Laboratory. In 2017, led an Educational Bitcoin Course in Istituto Antonio Bernocchi, Italy. Before creating his own project, worked as a freelance programmer.



Andrei Yanukovich

Chief Accounting Officer

Joined Cryptonit bitcoin exchange since 2013. Responsible for finance sector and accounting. Graduated from Faculty of International Affairs at Belarusian State University. In 2007-2013 went in for international wholesale trading. "Dinamo Minsk" ex football player.



Rustam Kutuev

Business developer

Private investor and serial businessmen. Founder of PrideGames game studio and Cryptal mining farm. Before that owned two car service centers, car rental service and exported fuel pellets to Europe. In FINOM is in charge of administration area and management. Studied physics in Saint-Petersburg State University.



Dmitry Gollandtsev

Chief Strategy Officer

Graduated from St. Petersburg State University of Economy and Finance, specialty Finance and Credit. Worked as a stock trader. More than 5 years experience in finance (lease companies). In 2012-2014 worked as a Chief Investment Officer at a construction company. Since 2014 Founder of PPR5 - develops construction documents. Certified coach, investor.



Vadim Spiridonov

Chief Operating Officer

MSc in Power Supply for manufacturing facilities at Military engineering technical university (Saint-Petersburg, Russia). PhD in Technical sciences, he has developed the research related to Decreasing of power consumption at the special military objects by using frequency controller systems with water cooling. Obtains wide experience at the projects with various levels of complexity as a Client, Technical Client, General Contractor in multinational companies such as Mott MacDonald, AECOM, MERCURY ENGINEERING, has worked the way from engineer up to Division manager/ Senior Project manager. Eight years in design and construction of high level Data centers Tier 3 and Tier 4 classification.

Advisors



Robbert Boss

CPO & Co-Founder of BUX

Mr. Robbert Bos serves as CPO at BUX and Senior Consultant of EXICON Ltd. Ex Head of Mobile Spil Games. Established E*Trade in the Netherlands. His experience includes strategic advisory to start-ups and blue chips in internet and mobile space and sales operations and project management at Fortune 500 companies. He received MBA from University of Hong Kong and London Business School and MA & BA in Economics from University of Amsterdam. He is Fluent in English, Dutch and German.



Michael Terpin

Founder and CEO of Transform Group, Advisor of ICOBox

Founder and CEO of Transform Group, a marketing holding company that practices a new type of PR firm, layering in thought leadership and a focus on new paradigms and markets including 3D, big data, Bitcoin, digital media, mobile and robotics. Co-founded BitAngels, the world's first angel network for digital currency startups, in May, 2013, and now serves as its chairman. The distributed angel network currently has more than 600 members, and it has made more than 25 investments in bitcoin and cryptocurrency companies with two exits and several follow-on rounds. Holds an MFA in Creative Writing from SUNY at Buffalo and degrees in Newspaper Journalism and English Literature from Syracuse University.



Ryan Leonard

Chief Information Officer of Forex Capital Markets

Mr. Ryan Leonard serves as the CIO of FXCM, a leading provider of online foreign exchange (FX) trading, CFD trading, spread betting and related services. He has been a consultant/ advisor across companies in the high-frequency trading, financial services, and media spaces. Holds a BS in Information Technology with specializations in Networking and Systems Administration as well as a minor in Criminal Justice from Rochester Institute of Technology.



Alan Donenfeld

CEO and founder of CityVest.com

CityVest.com is a real estate crowdfunding company since 2014. Alan also founded Bristol Investment Group, a SEC/FINRA broker-dealer, Paragon Capital hedge fund and a pre-IPO investment fund. Alan has over 35-year experience in business advising, financing, and investing. He is a founding member of the Forbes Real Estate Council. In 1980's, Alan worked for Bear Stearns, E.F. Hutton, and Lehman Bros., primarily in private equity and mergers and acquisitions.

He holds MBA from the Fuqua School of Business at Duke University and a BA from Tufts University. He consults Finom team in the US investment market.



CONTACTS

Contacts

<https://finom.io>

Telegram

English community https://t.me/finom_community

Russian community https://t.me/finom_rus

Spanish community https://t.me/finom_es

Chinese community https://t.me/finom_ch

Finom News https://t.me/finom_news

Facebook <https://www.facebook.com/finom.company/>

Twitter https://twitter.com/finom_company

Youtube <https://www.youtube.com/channel/UCEKGeWFdNGiuZ6Qh7xtiGNg>

VK https://vk.com/finom_community

Instagram <https://www.instagram.com/finom.io/>

Email: invest@finom.io

The background is a rich, multi-toned blue and teal gradient. It features a dense field of small, bright white and light blue stars, some with prominent four-pointed diffraction patterns. A large, bright, glowing nebula or light source is positioned on the right side, radiating outwards with a soft, ethereal glow. The overall effect is that of a deep space or celestial scene.

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