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1. Introduction - The Future is Crypted and United

In the foreseeable future, more and more businesses will develop blockchain and cryptographic use cases to handle and secure their daily routine. 'Old money' will stop fighting cryptocurrencies, begin to embrace the technology, and consequently try to make it their own. Early adopters and those that are leading the development of the crypto-space are pioneering a new age of not only technology, but the way companies are set up and wealth is distributed.

1.1 A word on government regulations and the SEC ruling on ICOs as securities

generated by ICO-funded companies benefits old, existing wealth.

Some government agencies are trying to regulate ICOs that offer incentives/dividends to their holders. This kind of unnecessary regulation has two outcomes:

- a) Only 'accredited' investors are allowed to participate in ICOs. To become a certified accredited investor with the SEC you need to be a wealthy person or company already: "In the United States, to be considered an accredited investor, one must have a net worth of at least \$1,000,000, excluding the value of one's primary residence, or have income at least \$200,000 each year for the last two years (or \$300,000 combined income if married) and have the expectation to make the same amount this year." (wikipedia)

 The desired effect is that most ICOs can't accept investors from the US. New wealth
- b) New technology will receive less crowdfunding and has lower chances to compete with competition funded with venture-capital from 'accredited investors'.

And so far they have been successful. Therefore US investors will only be able to buy our secondary coin which will not receive dividends. However, the distinction between primary and secondary coin is only internal. On the free market when sold, the secondary coin will automatically transform to a primary coin.

US investors can sell their secondary coin and immediately re-purchase coins on the free market which are eligible to receive dividends. Unfortunately, this is the only way for us to accept investments from US citizens and other legal entities under legislation of the SEC.

1.2 Decentralized Autonomous Organizations (DAOs)

We believe that DAOs are the future of how companies will be set up not only on the world wide web, but also locally in the 'real world'. Projects we develop are aligned to be released as independent DAOs that run on our platform. Access will be opened for other projects and companies both online and offline that follow the same principles (crowdfunded, crowdowned and crowdcontrolled).

The environment for this platform will be developed for our own blockchain and enable other developers in general to set up crossover applications in their programming language of choice.

1.2.1 Smart Contracts use cases - Autonomous decision-making process

The applicable array for smart contracts is so wide and they will be used in so many places that it is impossible to list them all. When participating in our ICO, you are basically using a smart contract already. To put it very simple, a smart contract is set to execute 'IF THIS' -> 'DO THAT'.

A fully decentralized and autonomous community needs to be able to make decisions, while using a process that doesn't require interaction/approval by any central entity, like a CEO or board. All these decisions will be made through smart contracts that need to obtain a majority vote by those holding the shares. Repetitive decisions will be set to fire a smart-contract in fixed intervals. For non-fixed smart contracts, the process will be:

Proposal -> Discussion -> Solution Finding -> Voting -> Execution

1.3 Venture Capital and IPO

No Venture Capital has been raised and no Venture Capital will be raised in the future. There will never be an IPO or any other kind of public offering besides the pre-ICO and ICO rounds. The only shareholders are and will be those that hold our coin.

2. Vision - Summary

CryptedUnited attempts to change the way companies are perceived in the public eye by giving everyone in the world a chance to be involved with their projects and allows everyone to actually own it. Actions regarding CryptedUnited will include input with decision making, solution solving, and the ability to propose new, developable projects for the crypto-space.

Instead of developing a specific blockchain solution for a problem that might or might not be used by a specifically targeted audience, CryptedUnited aims to develop actual use cases (projects/services) for cryptocurrencies and those that hold them. Not limiting ourselves to just one project, but to a whole ecosystem of projects that build up on each other. In addition to this, we will offer a platform that enables developers to build blockchain/cryptocurrency applications, ultimately expanding the use of crypto in general to a broader audience.

As holder of our Coin, you own a share of the Exchange, you own a share of the Digital Marketplace, you own a share of the Payment Gateway and any other service we develop. What could be a bigger incentive to use our services than benefitting from it every time you use or recommend it to other people?

3. The Problems and Solutions

Being involved with crypto currencies for quite some time as regular users, there are several problems we identified over the last few years.

1. Too complicated for the common person. Steep learning curve and technical barriers hinder mass adoption. Huge error rate even with experienced users.

The consensus among those involved with crypto currencies is that everyone should hold their own key and be their own bank. Naturally we generally agree with this scenario.

To be your own bank and to carry all the responsibility that comes with it sounds only as good as long as nothing major happens. There is an increasing amount of stories where coins have been sent to the wrong wallet, users lost private keys, cell phones are stolen or lost, hacking, phishing, key-logging, the list goes on and gets longer and longer. More often than not, the error was noticed immediately or in a very short timeframe after the transaction was done.

Potential new users of cryptocurrencies may be repelled by such news. They haven't had to take responsibility when opening their bank account or using a credit card, why would they want to when opening a cryptocurrency wallet and risk losing everything?

We want to take out all of these uncertainties and offer the user a seamless (and feeless) option similar but different to their banking experience. With adjustable security options for those that are more confident, the default setting will provide a more secure way to transact with room for error and correction of these mistakes in a previously set time frame.

2. Exchanges charging high trading and fixed high transaction fees, keep users balance/investment in jeopardy sometimes for months. Improvable support, interface and options.

Trading fees are part of our revenue stream and will be, like any revenue, partially paid back to the shareholders. Transactions fees only apply when transferring out of our ecosystem (on-chain). A fixed amount is unfavorable especially for users with a small portfolio transferring low value transactions. The counter solution is a fixed percentage with a maximum cap for high value transfers.

Our commitment to as much transparency as possible will already reduce support requests simply by keeping everyone informed about current tasks and the status of our services. To keep up with support-requests in the future, users will be activated for certain services like the exchange as we upgrade the infrastructure. A satisfied user base is more important to us than as many activated users that all have a bad or mediocre experience.

3. Banks and credit card companies

The future of banking and paying for goods will happen without the banks, their fiat currencies or credit card companies. With the exchange as the base behind our payment gateway, merchants as well as customers will be able to accept and pay in any currency we support. In case the currency paid with by the customer and accepted by the merchant doesn't match, the exchange will be processed at actual rates with real users on our platform.

All-In-One plugins (all currencies in one application) will be made available to merchants for the most used shop-solutions. Code will be provided and supported for easy implementation into custom solutions.

After penetrating the online market, we will provide apps for offline-use. The solution will not only be cashless but also cardless. We won't release just another card, paying fees to credit card

companies and charging even more to the shop-owner. The shop-owner can run our merchant-app on a smartphone or tablet, generating a QR code which the customer scans to pay with any of the currencies supported by us.

CryptedUnited will offer an off-chain MultiWallet that enables faster, cheaper and more secure payments between accounts for all supported cryptocurrencies.

4. Cornerstones of CryptedUnited - Philosophy

4.1 On Anonymity

Anonymity, in this day and age, is one of the last assets we can still control. We value your anonymity as much as our own and therefore to sign up and use our various services, no personal information is required. While you may set up a more personalized profile to interact with the community, you can keep it separate from your wallet (standard-setting). Whether you want to publicize yourself on your profile or not is completely up to you. We give you the freedom of choice.

If you want to withdraw/transfer bigger amounts of crypto currencies, we may need to collect identifiable information to lift certain limits to adhere to AML/KYC laws (AntiMoneyLaundering / KnowYourCustomer).

Any information we are legally obliged to collect will be stored **offline** via this process to ensure maximum privacy and protection:

- Data received
- Copied to external drive and deleted from server
- Copied to offline PC
- Formatting of external drive

4.2 On Transparency and Open Source

To gain and maintain the trust of the shareholders, we commit ourselves to as much transparency as possible. Besides a browsable blockchain for addresses and transactions of our own coin including off-chain transactions of alternative coins, all external company wallet addresses will be published for everyone to see how the funds are used, and when they are used. A balance sheet will be published monthly or updated constantly where possible.

As long as CryptedUnited is under development, we are not going to publish the source code of any projects, the blockchain, etc, since the code is the property of all shareholders. The shareholders will be able to vote on publishing the source code of individual projects in the future. In case of releasing a DAO (decentralized autonomous organization) all codes will be published to enable autonomous development.

4.3 Development Focus and Coin purpose

To clear out all possible ambiguities: Our primary focus is the development of actual use-cases for cryptocurrencies. The development of our own on-chain blockchain is sought to be done by mid-end 2018. The priority is to create a thriving and active community with profitable services supporting as high as possible dividends. The main purpose of our Coin is not a storage of value or meant as a form of payment but to represent a share of the company and entitlement to receive dividends from the profit generated. However, it can also be used as just that (storage of value, form of payment).

4.4 The Three Pillars of Stability - Distribution of Profits

Profit (after tax) - unless changed by a vote from the shareholders or instigated by a public announcement - will be distributed as follows:

25% Guarantee Trust25% Shareholders Dividends50% Company equity to maintain and develop new projects

The share for holders and the Guarantee Trust can be raised by lowering the share of company equity without further notice. This depends on the actual market, profits and funding for planned projects.

Possible reasons to lower the percentage for holders and/or GT below 25% are acquisition or development of new projects. The company has to submit a proposal which needs to be approved by the shareholders with a majority in favor of the proposal. The company can not lower the share for dividends and/or the Guarantee Trust below 25% without proposal.

We are aware of other ICOs that promise 95%+ in dividends, but as seasoned entrepreneurs we will rather pay special dividends than promise something that is not sustainable, and ultimately leaves no room for further development of CryptedUnited itself.

4.4.1 Dividends

Dividends will be distributed to all shareholders according to the number of coins they hold in their wallet at the time of distribution (snapshot) also known as PoS (Proof of Stake). Early investors will be able to vote on the form of distribution prior to the first dividend payment.

Burning supply

Company needs to buy shares from the market to burn these (take out of circulation indefinitely). This will lower total supply and raise demand for the remaining shares. Risk is that total supply might be too low in the future.

- Distributing more shares

Company needs to buy shares from the market and distribute these among those holding shares. This will lead to a price-increase while the company is buying shares and possibly a price-decrease if shareholders decide to sell the new shares. Involves several transactions and fees that would decrease worth of the dividends.

- Pay dividends in other currencies

Just like on the stockmarket, the dividends will be paid in another currency, preferable in the most popular (BTC, LTC, ETH). Doesn't alter supply, doesn't manipulate the market, shareholders that want to buy more shares can do this with the currency received.

We want to emphasize that dividends can be higher than the projected minimum of 25% of overall profits but not lower than this.

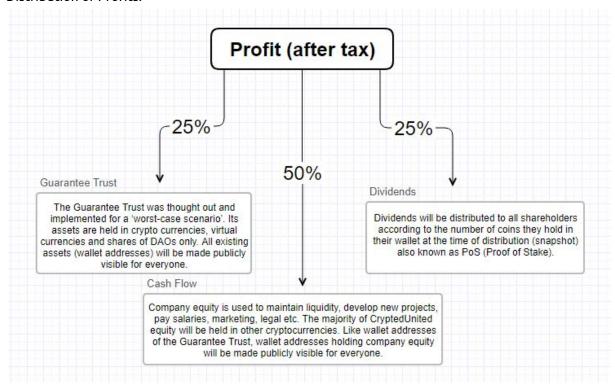
4.4.2 Guarantee Trust (GT)

The Guarantee Trust was thought out and implemented for a 'worst-case scenario'. Its assets are held in crypto currencies, virtual currencies and shares of DAOs only. All existing assets (wallet addresses) will be made publicly available for everyone. For more detailed information on the rules and concept concerning the GT, please <u>click here</u>.

4.4.3 Company Equity

Company equity is used to maintain liquidity, develop new projects, pay salaries, marketing, tax, legal etc. The majority of CryptedUnited equity will be held in other cryptocurrencies. Like wallet addresses of the Guarantee Trust, wallet addresses holding company equity will be made publicly available for everyone. Cash and other possible assets will be publicized regularly.

Distribution of Profits:



4.5 Organizational Structure

CryptedUnited will operate a divisional structure where each division is assigned to a particular project. Positions in divisions may overlap or divisions may have to work together closely to achieve the best streamlined experience for the user. For example: UI/UX of different services still need to have the same look and feel, specific developers for recurring tasks (API integration) help in the division that needs it etc.

5. Planned Projects - A new Crypto-Ecosystem

Our primary goal is to develop use-cases for cryptocurrencies so wider audiences find it easier to adapt. We want to simplify ways to get into and use cryptocurrencies, without new-users needing to know how smart-contracts or the blockchain works. We start this with the pre-ICO already which is probably the most uncomplicated approach without manual intervention to participate in an ICO, automatically receiving the coins after confirmation no matter where you send from and no need to claim or execute a smart-contract.

We have concepts for 15+ projects and subprojects lined up that will build up on each other starting with the Cryptocurrency Exchange. With each new project, a new division will be set up to develop this particular project if the expected size and workload requires this.

5.1 Cryptocurrency Exchange

We will try to support as many cryptocurrencies as feasibly possible. The trading interface will be customizable to your own liking via drag and drop. Users can submit their own CSS, which after approval, will also be made available to others. Pro-trading features like nested trades with several conditions (ChainTrades), will be implemented at a later date.

5.1.1 News Aggregator

To have all information available in one place, we are going to develop a news aggregator for each coin as well as crypto and blockchain in general. These news feeds will be listed on a currencies overview page and can be displayed on the same page as the trading interface. Additional to the news aggregator, users can contribute to a calendar where official recent and upcoming news will be listed and linked.

5.1.2 Social Features

New social features that add to the exchange and extend usage of the news feed. Users can submit news or write own articles, rate feed-items (up/downvote, FUD, Hype), comment and more. Recommendations and warnings can be added to each coin.

5.1.3 Following and Copying Traders

Traders that link their wallet, profile and exchange can enable public trading. All buy and sell orders will be posted to their profile and other users will be able to follow and get notified of any new order this trader set. The trader can also opt in to enable other users to automatically copy their trades with a predefined amount.

5.1.4 Trollbox with extended features

Chatbox on every trading pair to exchange information with other shareholders in real time during the speculating process. Extended features and how to make use of them will be explained upon release of the Trollbox.

5.1.5 Multilingual Support

Our Exchange and other services will be set up to support multiple languages. Registered users will be enabled to translate and earn rewards for translating demanded languages.

5.2 Multi Currency Wallet

Like on any other exchange, you can hold all supported currencies in one place. All transactions in our system will be done off-chain. This means that fraudulent or accidental transactions can be reversed in a pre-set time frame, adding an extra layer of security protecting your assets. On default, payments sent out of our ecosystem (on-chain) will be delayed by 12 hours to enable the user to cancel any outgoing transaction before execution. The delay is optional and can be set to your personal preference or completely removed.

5.2.1 Feeless and Instant Off-Chain Transactions

We will enable peer to peer feeless instant transactions for all currencies supported on our exchange. Transactions will be carried out off-chain while the actual value of the transaction is secured in cold storage. This will prove especially valuable for connected projects (Marketplace, Payment Gateway etc) and external applications that are running in our ecosystem.

5.2.2 Forced Hold/Vault

We will enable you to take control by leaving emotions out of the equation. You can force yourself to hold your coins until reaching a certain date or exchange rate. The coins will be locked up until reaching the goal you set yourself no matter how the market fluctuates.

More use cases for forced hold will be explained upon feature release.

5.3 Voting

Voting will be developed alongside new exchange features since it is a core part of CryptedUnited. It will be possible for everyone holding coins/shares of CryptedUnited to vote on important and not so important matters regarding the path to take. This can lead from graphical changes to the user interface, which coins to add to the exchange up to what projects or features to develop next.

5.4 Desktop and Mobile Applications

A desktop application, as well as mobile apps, will be developed for all existing and future services. Applications can be activated and deactivated (downloaded/removed) by every user individually to ensure a unique and personalized experience. External developers will be able to program sub-applications that can be free, sold or rented by the user. Applications that are based on in-app purchases (such as games) can make use of supported currencies as the medium of exchange via API.

5.5 Digital Signature/Identity

PLEASE NOTE: Digital Signature/Identity will be an <u>optional</u> feature. Users have to actively opt in to use this feature and need to give permission to each company separately before they get access to the anonymized data.

Shareholders that verified their accounts on their own behalf or due to KYC/AML requirements, can opt in to share their data anonymously with third party applications such as other ICOs or financial institutions that require KYC/AML compliance.

A central verification entity will lessen the workload for companies as well as the customers and fasten up the process for both sides. The customer doesn't have to submit their identifying information to a new/unknown company and the company doesn't have to gather, compile, verify and store the information for every new customer on their own. Instead of updating their data on different websites, the verification and updating process will be handled by us.

5.6 Reward System

5.6.1 Tipping

Building up on social features, users will be able to reward other users in any currency they hold (tipping) including the Trollbox. A tipbot for reddit and twitter will be developed that enables you to send and receive tips using any cryptocurrency you own in your CryptedUnited wallet.

Example for reddit:

```
[-] CryptoTipBot 234 points 1 minute ago

You tipped redditusername with 0.00001 BTC ($0.00480125).

Claim Reward | More Info | Tipping with 123 Cryptocurrencies

permalink source embed save save-RES parent report give gold reply tip user
```

The 'Claim Reward' and 'More Info' links will automatically work as a referral-link. If a user signs up using the link and starts to use services that offer ref-rewards, the referral will be assigned to the tipping user.

5.6.2 Sharing Content/News

Users will be able to set a budget for voting on articles submitted to the news aggregator or on comments. The voting and listing of information/content will be similar to reddit. All users that submitted content or commented will receive the accumulated amount they received from other users anonymously.

5.6.3 Creating Content/Writing Articles

Content creators will receive a share of the ad-revenue their content (articles/blogging) generated. To simplify this procedure since most sponsors will be paying us in USD and to attract content-creators from outside the cryptocurrency space, earnings will be calculated and upon request paid out in USD but can also used to buy cryptocurrencies on the exchange.

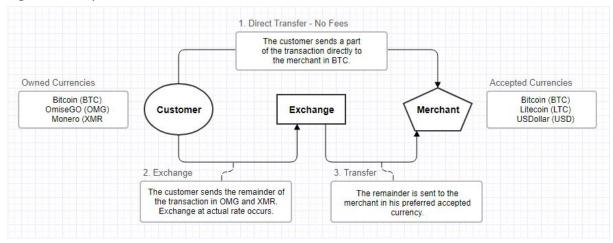
5.7 Developer API

An extensive API will be made available for easy access and integration of CryptedUnited into external projects/Apps. For the non-tech-savvy users, a Framework will be provided to easily set up external websites/use-cases for CryptedUnited.

5.8 Digital Marketplace

A place to buy and sell anything digital for any of the currencies supported on our Exchange. This includes artwork, scripts, as well as services. In case the seller doesn't directly accept the currency of the buyer, the marketplace utilizes the best possible exchange rate on CryptedUnited. The digital marketplace will be the testing ground for the temporarily biggest project to come: the Payment Gateway.

Digital Marketplace:



5.9 Payment Gateway

With the experience and information collected in the digital marketplace, we will be able to provide the payment gateway for external use in online-shops and websites. Customers can pay with any currency they own on CryptedUnited. Merchants will be able to set which currencies they accept. Exchange only occurs when merchants don't accept the currency being paid in.

The transferring of funds is instant/off-chain, since CryptedUnited operates as the medium of transfer. Transfers are handled on our exchange at the lowest rates possible without relying on third party services.

6. ICO - Initial Coin Offering

6.1 Market Safe Investment (MSI)

The coins you buy during pre-ICO and ICO are safeguarded. In case the value of the currency you purchased with rises before officially opening the coin for trading, we will re-calculate the share of everyone depending on the development cost until this point.

6.2 No Pre-mined/Reserved Coins

The first coin will be generated with the first transaction. There are no pre-mined or reserved coins in any form for founders, developers or advisors.

6.2.1 Coincreation - Proof of Value Transfer (PoVT)

Coins come into existence with the concept Proof of Value-Transfer. To ensure full transparency on the creation of coins, every purchasing transaction (originating from the Coin-Wallet) on the openly browseable blockchain will refer to the transaction on the blockchain of the currency the coin was purchased with. Unfortunately, due to this procedure, we are not able to accept payments in forms other than cryptocurrencies that support an open browseable blockchain.

This security measure has been implemented to ensure that no coins can be generated out of thin air by the founders, a developer, or any other entity now or in the future.

6.3 Blockchain API

An extensive API will be made available for external developers to be able to access the blockchains information (wallets, transactions etc) to easily analyze and validate the origin of each coin. Naturally, the blockchain (wallet addresses and transactions) will be openly browsable for everyone.

6.4 Affiliate Program

While we understand the importance of a bounty for a lot of people, the principle Proof of Value Transfer and the fact that there are no pre-mined or reserved coins, renders rewarding social bounties, whose successes are questionable to begin with, impossible for the pre-ICO.

As an alternative, we will run an affiliate program that rewards those who refer the most users participating in the ICO and pre-ICO. The reward for referring new investors is viewed as reimbursement for marketing expenses.

After registration, you can find your referral link and code (for usage in offline promotions) in your dashboard. Spamming/unsolicited advertising is strongly prohibited, and can result in loss of earned coins and exclusion from the affiliate program.

Unlike bounties that in most cases need a lot of manual labor, we have already developed a script which will automatically (and anonymously) distribute coins earned by referring new investors. This happens as soon as the transaction is confirmed by the blockchain of the currency used to purchase coins with. The same (automatic distribution) applies to those buying coins. There is no waiting time or manual verification needed on our end.

6.4.1 Affiliate Rewards

The affiliate-reward for confirmed investments in ICO and pre-ICO is 5% on top of the purchased coins. In case your ref buys 1,000,000 coins, your reward will be 50,000 coins. Affiliate rewards are not subject to MSI or bonuses (see 6.1).

6.5 Participation/Restrictions on citizens from the USA

Unfortunately, for citizens from the United States of America, our ICO in its realized form would be considered a security. As explained under 1.1 participation in our ICO and pre-ICO as a US citizen is restricted under the condition that you identify as US citizen during sign up, renounce the option to receive dividends and accept the issued coins as a storage of value only.

6.6 Pre-ICO

The first coins of CryptedUnited can be acquired in our pre-ICO, which will be used to further develop our platform and the MVP (minimum viable product) of the exchange to prove what the funds have been used for prior to the actual ICO.

The pre-ICO allows you to contribute early, before the actual opening date of our ICO, and at the lowest price of \$0.01125 per Coin with a bonus of up to 50%. Furthermore, as participant in the pre-ICO you'll be able to double down on your investment in the first round of the upcoming ICO and use the Exchange fee-less for three months.

| pre-ICO | Time frame | Bonus Coins | Fee-less Xchange |
|-----------|------------|-------------|------------------|
| 1st Round | 1 week | 50% | 3 months |
| 2nd Round | 1 week | 37.5% | 3 months |
| 3rd Round | 1 week | 25% | 3 months |

While the pre-ICO is fixed for three weeks (Rounds) without a limit on the supply, the ICO is planned to be limited by supply per Round on a 'first come first serve' basis.

6.7 Initial Coin Offering (ICO)

Pricing and supply of the official ICO will depend on the funds raised during pre-ICO. Details regarding the ICO will be published in advance, and the White Paper shall be updated accordingly. Pre-ICO contributors will be able to double down on their investment during the ICOs first round.

Since the ICO Rounds will have a limited supply, pre-ICO contributors will be offered a 3-day window to participate in the ICOs first Round prior to the public.

6.8 Early Investor Bonus Fee-Less Exchange

Early investors can use the exchange free of charge for a specific timeframe depending on the round they bought their shares (see 6.6). The same timeframe will be used as restriction to transfer/sell shares to avoid dumps on first listing of our Coin.

This is version 0.6.1 of the White Paper.

First draft: 2017-08-25 Last change: 2017-11-13

Please check our website for the most recent version:

www.cryptedunited.com/whitepaper

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