CROWD
COVERAGE

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Contents

"Armed with the power of smart contract technology, our goal at Crowd Coverage is to guarantee faster, more trustworthy insurance at lower costs and in larger volume than could ever be dreamed of in the traditional insurance world."

Abstract

Crowd Coverage is revolutionizing the insurance market by introducing decentralized smart-contract crowdfunding to the policy negotiation and claims management processes.

The Crowd Coverage platform is an interface wherein the process of purchasing insurance is as simple and streamline as shopping for an item on Amazon, where insurance providers are enabled to quickly and efficiently underwrite policies on a sophisticated marketplace, and where smart contract technology makes the experience cheaper on both ends. On the Crowd Coverage platform, claims are settled by a decentralized and representative tribunal according to communally agreed-upon protocol, instilling the claims-management process with decentralized-consensus objectivity. Once upon a time the process of buying insurance was lengthy, expensive, and accompanied by reams of convoluted fine print. With Crowd Coverage, the process is quick, fluid, and cheaper for both providers and customers. The platform enables insurance providers to share risks on certain policies with others and rapidly manage numerous clients at once, without having to worry about friction points with third parties such as banks or claims management centers. All policies are immutably inscribed upon the blockchain, as are claims-management decisions, preventing fraud and bolstering systemic trust. Armed with the power of smart contract technology, our goal at Crowd Coverage is to guarantee **faster, more trustworthy insurance** at **lower cost and in larger volume** than could ever be dreamed of in the traditional insurance world.
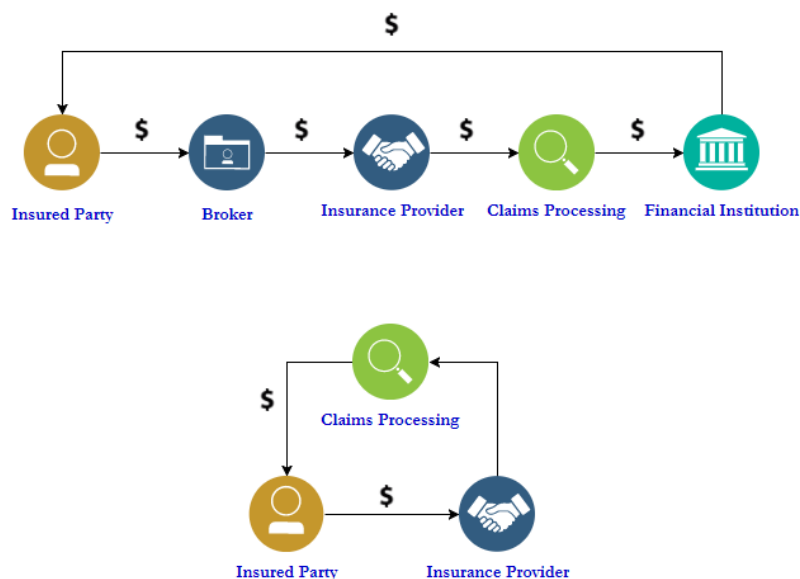

Figure 1 Overview of fee skimming in traditional vs. Crowdfunded Coverage ecosystems

Value Proposition

Frictional costs, superfluous middlemen, conservatism of risk, and scalability impediments all plague the insurance sector today[i]. Respectively, these issues increase overhead expenses for insurance providers, raise premium costs for the insured, lower the likelihood of the average consumer securing insurance coverage, and restrict the insurance market to large-scale deals that exclude large potential markets of both small-scale personal item and temporary insurance policies.

A decentralized and crowdfunded property-coverage market will alleviate if not eliminate *all* these issues, thus a) cutting combined expenses for insurance providers and consumers, b) increasing the likelihood of the average consumer securing insurance policies, and c) opening the market to small-scale consumers as well as to temporary policies—a market which heretofore has remained largely untapped[ii].

Frictionless   Decentralized   Risk Diverse   Scalable   Trustworthy

1) Reduction of Systemic Friction

In the case of an insurance claim, the traditional insurance model necessitates the presence of a Third-Party Administrator (TPA); sometimes multiple TPAs are required. The most common form of a TPA is a claims-manager, who determines whether the settlement prerequisites have been met, often for a hefty fee that is handed down to the insurer and factored into the insured's costs[iii]. TPAs are also utilized in the case of a payment, whereby financial entities, often banks, receive verification from the claims manager that a payment is due to either party. This TPA also charges a fee and the presence of this party increases the liminal time between event and payment.

Through the use of smart contract and blockchain technology the Crowd Coverage Network drastically cuts the cost of claims-management fees, forces transparency onto the former of these TPAs, and eradicates the need for the latter form of TPA altogether. In other words, the Crowd Coverage smart contract explicitly denotes the price of claims-management before either party affirms their participation and, on top of that, immutably requires that both parties—the coverage provider and the covered—share the administrative costs in the event of a claim. Finally, because the smart contract itself acts as the entity that affirms and carries out transfers of COVR tokens for settlements, the financial form of a TPA entity is eliminated. By the process of the smart contract being both public and immutable, the claims management process thus becomes cheaper and more trustworthy. More can be read on this topic in the "token mechanics" section.

2) Elimination of Middlemen

The traditional model of insurance generally also implies the presence of an insurance agent or broker who ostensibly proffers a knowledge of the insurance

market and a specific care for the intended insured's needs. These middlemen charge commissions ranging from 5%-20%, the fees of which are rarely reported to the consumer, but rather opaquely included in the price of the coverage[iv].

The beauty of the Crowd Coverage Network is that it eliminates the need for such brokers or agents and allows for users seeking property protection to be as specific as possible about their needs in their classified ads and displaces the brokerage responsibilities to the coverage providers bidding on the ads. It is our job to implement the protocols that our community asks for. Due to the nature of coin offering sales, we are enabled to devote the majority of our attention to improving the network itself, rather than finding a way for us to profit off it. In this way we are proudly distinguished from brokers. Because we are *beginning* our project with the funds necessary to maintain an efficient development team, all decisions made down the road will keep the user, rather than our paychecks, as the primary beneficiary. We are thus equipped to create an insurance platform unlike any other that exists today—we hope you like it. And if you don't, we'll change it!

3) Increase of Willing Provider Risk

The insurance world is also notoriously plagued by unintuitive conservative risk undertakings. It has been noted that most insurance underwriters act under an abstract form of "risk radar" or superstitions dictated by their experiences; in short, they act anecdotally rather than objectively[v]. For example, many underwriters may be less inclined to issue homeowners insurance in the state of California after a bout of wildfires, even if the fire codes have become more stringent in response to fire incidents. Due to this phenomenon, entire segments of insurance markets may remain underserved despite no actual increase of risk—only perceived risk.

We hope to change this.

By introducing crowdsourcing to the act of underwriting, it stands to reason that the Crowd Coverage Network will **increase the overall risk of the property coverage market** and thus the number of persons whose objects are protected by coverage. In continuation of the aforementioned example, a homeowner seeking insurance in California in 2018 would likely find themselves rejected by multiple insurance underwriters before being accepted. After an inordinate amount of time searching, if a policy *was* eventually found, it would likely be overpriced due to the perceived risk of undertaking it! On the Crowd Coverage Network, however,

hundreds of possible underwriters could review the coverage proposer's needs at the same time, thus increasing the likelihood of the party being covered and, as noted before, doing so without a cent of money going to a broker. Finally, by allowing for multiple insuring parties to share the risk on a single policy, coverage providers would thus be equipped with further control over the ratio of high-risk to low-risk policies included in their portfolios. **In short, the user is provided with better coverage opportunities in less time, and coverage providers are equipped with the tools necessary to diversify their risk portfolios at any scale**—more on this below.

4) Scalability of Market

The traditional insurance market also focuses most of their manpower on large-scale insurance deals, often at the expense of small-scale deals. Such a tendency remains an inherent result of the current market forces. But it doesn't have to. In fact, it shouldn't! See, due to the aforementioned frictional costs, it often makes little sense to issue insurance for small scale entities. Insurance providers thus miss out on an entire segment of the market that has yet to receive coverage, and a clear majority of the world's population misses out on coverage for their smaller personal articles. If only there were a way to help them out…

By both alleviating the frictional costs and allowing anybody to make a personal policy advertisement, the Crowd Coverage Network ensures that no entity is too small to enter the market. Personal items such as cameras, musical instruments, etc., can be protected from damage, loss, or theft without brokerage fees and TPA commissions rendering such policies prohibitive. Furthermore, due to the elimination of unnecessary fees, the coverage market will be opened to those who would normally be financially incapable of participating in it. After the launch of our platform, the barrier to enter the property coverage market will be drastically reduced; we predict to see the world respond.

Consumer trust in the financial services sector has reached an all-time low[vi]. Just ask anyone in the sector. For reasons already mentioned, many insured parties have realized that insurance firms do not, in fact, have their customers' best financial interests in mind. They have noticed stipulations in coverage contracts that render the insurance policy inapplicable in many claims situations. They have noticed outrageous fees and unwanted friction between themselves and their insurance companies. Ever

had to call your insurance provider to dispute a claims decision? Ever read too deep into the fine print of your coverage agreement? Then you'll know what we're talking about.

As noted above, the Crowd Coverage Network returns trust back to the market through the use of technologies that render policy contracts both public and immutable[vii]. In addition, through the unique tribunal system proposed herein, claims-management TPAs are removed from the process of claims processing; rather than a single agent deciding upon whether policy claims prerequisites have been met, multiple third parties inquire and vote upon events to determine the need for or extent of deductibles. Our unique system of claims management protocol incentivizes these tribunal members to seek the truth of every claim; long-gone will be the days of claims managers being bullied by their partners, or fraudulently manipulated. All claims management decisions are incentivized, anonymous, and irreversible.

The Platform
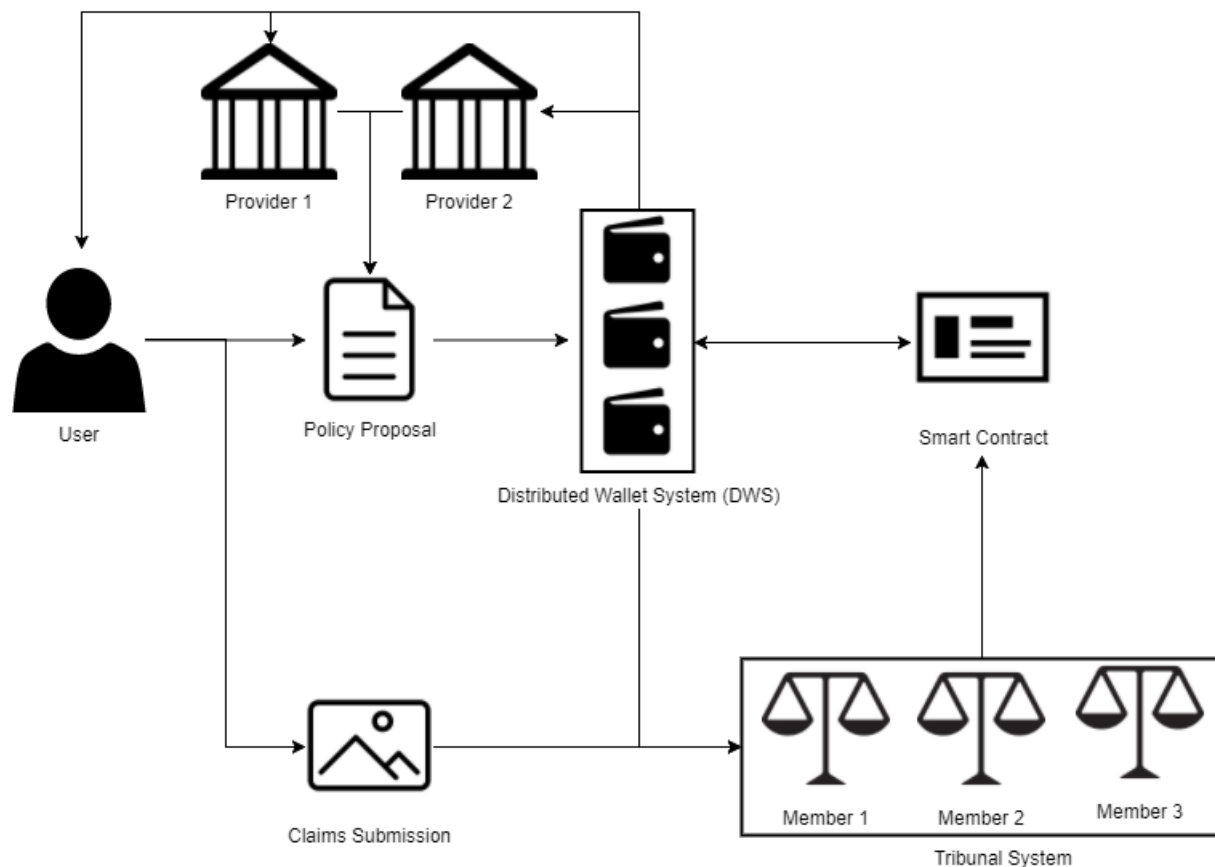
The Crowd Coverage Network provides a platform that enables users to submit requests for property protection policies. Insurance providers can then bid on said requests, either purchasing the entire policy, or sharing risk with other providers. Policy actions are carried out by mutual smart contracts. **Through the use of these autonomous, decentralized contracts, insurance deals occur in lieu of centralized financial and administrative facilitators, thus reducing fees, wait times, and opportunities for deceit.** Payment mechanics are rendered transparent and accountable by means of publicly available ledgers; objectivity is lent to the claims management process through a decentralized system of vote consensus, which dictates the result of claims submitted on the platform.

Token Mechanics

COVR tokens act as incentive-based fuels for the Crowd Coverage insurance ecosystem.

400,000,000 COVR tokens will be minted on the occasion of launch of the Crowd Coverage Network Alpha. COVR token may be purchased during a pre-sale and a public sale, the logistics of which are explained in a section subsequent to this. It must be noted that COVR token are not intended to be treated nor regarded as securities under common practice law regarding relevant compliance restrictions.

Within the Crowd Coverage ecosystem, COVR Tokens act as service validators, claims incentives, and anti-fraud devices.

1) Primarily, COVR tokens operate much in the same manner as tokens in an arcade, or as service validators. That is to say, tokens must be used to "run" the Crowd Coverage Network program; as such, tokens must be used to propose a policy; this nominal fee serves multiple purposes. First, it operates as a first-defense vetting device—it prevents an excess of fake or half-hearted proposals. Second, it compensates for the gas used in the sending and receiving of tokens. Finally, a minimal amount is used to incentivize the upkeep of the platform itself.

2) COVR tokens are used to incentivize the efforts of tribunal members. This ensures that claims are handled both fairly and efficiently.

We do NOT require that deductibles and premiums be paid in COVR tokens; you are free to pay with whatever erc-20 compatible token you prefer.

System Overview
A user may stake X amount of COVR in order to upload their proposal to the classifieds. These COVR tokens 1) are used to pay for the gas necessary to run the program, and 2) incentivize the tribunal members to review the proposal in the case of a claim. In order to be considered valid, sufficient information must be provided about the item being insured (e.g. serial number, estimated value, etc.), sufficient information about the hazard the item is being protected from is provided, etc. If

these fields are met, the policy is posted to the marketplace. The proposed premium amount is then offered.

Coverage providers then bid on the policy proposal. In order to do so, they input the share of the policy they would like to cover and then stake an amount of COVR tokens (or, later, any Erc-20 tokens) equivalent to a) the amount required to cover that share (this share being proportional to the total coverage stipulated in the proposal), b) the amount required to cover claims management stakes (this share being of an equivalent proportion to that of section 'a'), and c) the amount required to cover gas costs.

For example: Let's assume that on a given day claims fees equaled about $1 and total gas costs equaled about $1 as well, for a total of $2 of overall fees. Let's assume a theoretical User1 proposed a policy that required $100 worth of premium funding and $1 worth of claims/gas fees. They would offer $101 dollars. If Insurance Provider 2 wanted to bid on half of this policy, they would stake $50 plus $0.50 (for half of the matched claims/gas fee). Insurance Provider 3 could then bid an equal amount to fulfill the policy funding goal or could bid a proportion of the remaining $50.50.

If a policy reaches its funding goal, the agreed-upon shares are immutably inscribed into the blockchain and the COVR tokens staked by both insured and insurer parties are placed in escrow. Both parties then affirm that in the case of a claim, these funds will be irreversibly distributed according to the better judgment of a tribunal. If the funding goal is not reached within a predetermined timeline, then the COVR tokens staked by both insured and insurers are returned to their respective parties, minus gas fees, but free of charge.

Claims Protocol

In the event of a claim being made by an insured party, that user will submit an online claim application that includes a comprehensive review of the event that occurred, including but not limited to photographs, detailed explanations, police reports, receipts, and the contact information of witnesses or local authorities. Coverage provider(s) will be notified of the claim submission.

Tribunal users will then stake COVR tokens to vote on the validity of the claim. If a tribunal user contacts one of the listed parties in the application, that user's vote will double in its sway, and that user will receive a commensurate increase in the incentive provided to them. The number of tribunal members assigned to a given claim will vary depending on many factors including but not limited to the estimated cost of covered item, the reputation of the tribunal member, and the account age of the user submitting the claim. Algorithmic data trawls will be used to detect and flag any fraudulent use of the tribunal module; in this manner, bot manipulation, DDOS attacks, and tribunal bias will be prevented from influencing claim outcomes.

Tribunal users are given 72 hours of deliberation per claim. Votes may be changed during this time and all votes remain anonymous. At the end of the 72 hours, the decision is made according to majority vote and the appropriate amount of escrow money, as stipulated by the smart contract, will be allocated to the party dictated by the majority vote (see below).

In another measure intended to eradicate tribunal bias in the claims management process, tribunal members are incentivized to vote in favor of perceived mutual consensus. The COVR fee paid by the user undergoing claim the claim is then distributed evenly amongst tribunal members in the majority voting party. If, for example, five out of seven members vote in favor of a coverage claim, those five will split the claims fees. In this way, purposeful-denial (moral-negligence) votes will be dis-incentivized.

In this manner the claims management process is granted a safeguard against fraud as well as human bias, and claims decisions occur without the need for a central facilitative entity.

Development

Team

Please note: all specifics mentioned here are anticipatory and subject to change.

John Pearson
Cofounder

Cofounder at InstinctiveDrives,
VP Sales at Humantelligence, VP
Product & Tech at Aberdeen
Group

Justin Bongi
Cofounder

Founder of Cinefeed, Editor at
Wilder Voice Press, Developer
at News Analytics Platform

Technical Manager
TBD

Phillip Lorenzo
Lead Developer

Software Engineer at Learners
Guild and Accel.AI, Oakland
Blockchain Developers
Member

Dondrey Taylor
Business Development
Advisor

Cofounder at Decentralized
News Network, Cofounder at
Minichat Inc, Full Stack Dev
at Purzue

Ryan David Williams
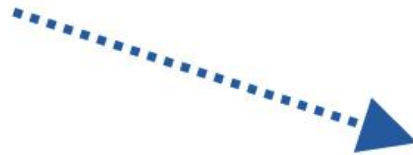**Legal Advisor**

Founder of Experience Legal,
VP Startup Genius, Capital
Markets Associate Morrison &
Foerster LLP

Roadmap

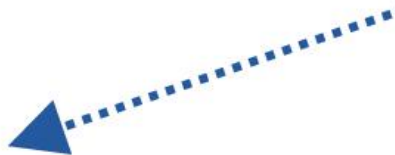## Q3 2017: Flagship

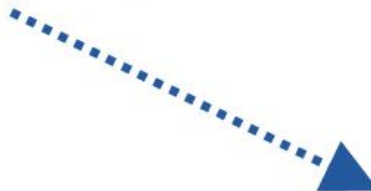Inception of idea
Drafting of whitepaper
Meeting of cofounders

Q4 2017: Concept Revision

Whitepaper peer-reviewed
Smart contract consultation
Website goes live

Q1 2018: Debut

Development team finalized
Social media sites live
Pre-sale begins
Marketing begins
Alpha development architecture finalized
Alpha development begins!

Q2 2018: The Test!

Crowd Coverage alpha stress-test
Alpha goes live!
Public sale begins
Team expansion
User Growth Pool distributed
Partnerships finalized & revealed
Non-package deals added to client-side pages
Aggregate user feedback

Q3 2018: Some Updates....

Assessment of user demand
Second wave of User Growth Pool distributed
Negotiation of secondary partnerships
Revision of provider-side UI
P2P features implemented client-side

Q4 2018: Version Two!

V2.0 up and running!
User-chosen features added
Design overhaul
Market-style provider-side updates
Claims protocol revision, voting system update

Q1 2019: Autonomy!!!

Extent of possible app autonomy achieved
Finalization of claims protocol
Claims system dedicated on blockchain
Server-side to blockchain shift

Market Analysis

	Crowd Coverage	Traditional Insurance	Etherisc	AIGang	Lemonade	Insurepal
Embedded Transparency	✓	✗	✓	✓	✗	✗
Decentralized	✓	✗	✗	✓	✗	✓
Extended Beyond IOT	✓	✓	✗	✗	✓	✓
Fraud Resistant	✓	✓	✓	✗	✗	✗
P2P Enabled	✓	✗	✗	✗	✗	✓
Valid Token Use Case	✓	✗	✗	✓	✗	✗
Scalable	✓	✗	✓	✓	✓	✗

Traditional Insurance Companies

Most merits and faults of the traditional insurance market are addressed in the value proposition above. The ways in which a decentralized network cuts fees and expands the market remain valid, but there always exists the possibility of blockchain technology being adopted by these organizations or of mimesis of the COVR. Regarding the first of these points, most preexisting companies have resisted pressures to adopt blockchain technology due to the transparency such an adoption would force upon such companies[viii]. As discussed above, most insurance policies remain purposefully opaque as a means of obscuring the fees that are inevitably handed down to the parties seeking insurance. As such, it is unlikely that blockchain technology will be adopted by big names in the insurance market until the threat of disruption forces them to do so—this will not occur until the COVR is already up-and-running and has achieved a first-to-market advantage. Regarding the second point, though mimesis is a possibility what with the rapid growth in number of ICOs over the last few months, again, the first-to-market advantage remains for the COVR, and the user-growth pool allocation in the token distribution serves as a means of securing a share of the market before any other company is able to do so.

Etherisc

A recent ICO by the name of Etherisc exists, bearing the tagline "decentralized insurance." While at first this was perceived as a threat, the truth is that their tagline is a misnomer. Etherisc is not, in fact, decentralized, but rather *autonomous*. In other words, Etherisc is attempting to autonomize the insurance claims process[ix]. Their leading product takes the form of flight delay insurance, whereby users may pool their risk regarding the timing of their airline flights; if one flight is delayed, that user is compensated for the new ticket they must purchase. While user-risk pools are certainly a burgeoning market in the insurance sector, the Crowd Coverage Network distinguishes itself from Etherisc in the following ways: 1) COVR is actually decentralized by the means of its claims protocol, whereas Etherisc is technically centralized around a static algorithmic methodology, 2) COVR allows for dynamic claims-management that necessitates the presence of human tribunal members for real-time events that are not data-driven, and 3) COVR is attempting to secure a share of the market (personal articles) that Etherisc, by definition, for reasons stated above, is incapable of securing. As such, though an important and impressive project, they are not regarded as viable competition.

AIGang

An organization known as AIGang uses a similar model as Etherisc's, whereby claims processing occurs on what is known as the internet of things (IOT). In this model, apps are downloaded onto technology (E.G. phones, consoles, drones, etc.) that the user would like to insure. This app monitors the vital signs of the insured devices. If the app detects a failure in any of these vital signs, a signal is sent to the policy issuer that requests a payout equivalent to the amount agreed upon in the policy contract. Similarly to Etherisc, AIGang is more centralized than advertised. Further, it is restricted not only to data-based technological articles of insurance, but also runs a higher risk of moral-hazard induced insurance fraud. Whereas Etherisc verifies the data-triggers for policy payouts through a separate entity (in the flight delay example, this could be an airline's website), AIGang wields no separate entities for data-verification and is therefore prone to data manipulation. In short, a user could theoretically destroy their own device, thus triggering the vital signs threshold and granting them their policy payout, and the insurance providers would never have known. With COVR this issue is resolved through the group resolution-based tribunal

system. It is our assumption that insurance providers will be more inclined to utilize a platform with such safeguards against insurance fraud, rather than one that largely relies on implicit trust of users.

Lemonade

Lemonade is a fledgling company set to disrupt the traditional investment sector. They derive the majority of their value from two primary sources: scalability and trust propositions. Regarding scalability, they are on the same playing field as COVR; Lemonade's marketing scheme gears it towards "urban dwellers," stating that their users can insure items as small as headphones to protect them from theft[x]. In this regard, they are a direct competitor of the Crowd Coverage Network. Regarding their trust, proposition, however, they are not. In their marketing video they propose that their company will decrease the number of claims made by insured parties by balancing policy claims against charity. In other words, whatever premium money is not claimed by insured parties will be donated to a charity of their choice. By this process they hope to decrease the embellishment of claims and the excess of disingenuous or moral hazard-type claims through a form of guilt leverage. Though noble in theory, we at COVR believe that the staking and tribunal protocols are more likely to succeed in lessening the number of invalid claims, as no such guilt-leverage model has ever succeeded in the market. Furthermore, though Lemonade advertises a "transparency" of fees that they skim of all policies, those fees remain astronomical, around 20% or so. By decentralizing the insurance process, we at COVR aim for a much lower rate than this. After all, Lemonade seeks to make a profit off the policies they offer and thus, transparent and ostensibly philanthropic though they may be, still do not always have their customers best financial interests in mind; at COVR, however, because our team will never see a cent of brokerage commissions or premium fees, we have a vested interest in keeping fees at the lowest rate that will keep the tribunal system running efficiently. As a result, it is likely that COVR will be equipped to offer much cheaper fees and a more reliable form of 'trustless trust' than Lemonade.

InsurePal

Insurepal seeks to provide a form of "distributed social proof insurance" through the utilization of a platform that necessitates social media endorsements from the networks of its users. In short, users are granted discounts if they can convince

others in their network to pay a segment of their deductible. Of course, the timeless question that faces all blockchain-based platforms, certainly applies here: does it really need a token? Likely not. Indeed, their only claim to "utility" is vague and contrived, claiming that usage of the blockchain will "expand peer-to-peer risk managed operations," securing "higher transparency without aggressively invading privacy." Our team wonders if anyone has told them such a fabled technology exists. It's called encryption of user data. It's been around since the dawn of the internet. As such, InsurePal leaves itself vulnerable to two possibilities. One, their technology is adopted by preexisting insurance companies. This seems a likely possibility in our team's eyes. InsurePal's seems to think so, too—they filed a patent on their social proof "technology." A cursory glance reveals, however, that the patent was rather hastily cobbled together from a template, and does not seem to be in earnest. Ergo, it is likely InsurePal won't last longer than a year, and certainly won't be disrupting anything anytime soon. Two, InsurePal likely won't stand the rigorous vetting process of the coming regulatory waves. Their claim to blockchain technology is tenuous at best, and likely will not withstand the tests of time. The moment a competitor emerges that does *not* necessitate its users' purchasing of a faux-utility token, InsurePal will lose most of its customer base.

At Crowd Coverage, we are not concerned about the appropriation of our technology by preexisting companies. Indeed, blockchain technology is no surprise to the insurance sector; most companies appear already to know about it and utilize distributed ledgers themselves. It is not in such companies' best interests, however, to use smart contracts in the manner of Crowd Coverage. The sector will resist the adoption of such technology for as long as possible—as noted above, rendering fees and claims decisions fully transparent and automated cuts out several opportunities for fee skimming, etc. Further, Crowd Coverage's COVR utility clause is far more straightforward than InsurePal's. We don't need our customers to conduct mental gymnastics to understand why we need a token. It can be summed up in a single sentence: to raise initial capital, incentivize our platform, and maintain some control over the total supply and cost to use our platform. Our model allows us to raise enough initial capital that we are *not* working for exorbitant profit from our platform; our token allows us to implement a micro ecosystem of incentivized insurance handling; and our own token allows us to decide the number of said circulating tokens

from the beginning, an opportunity that would not be present if we were to, say, use Ethereum, or some other platform token.

Finances

Please note: specific numerical values listed here are subject to change.

Discount Per COVR Sold
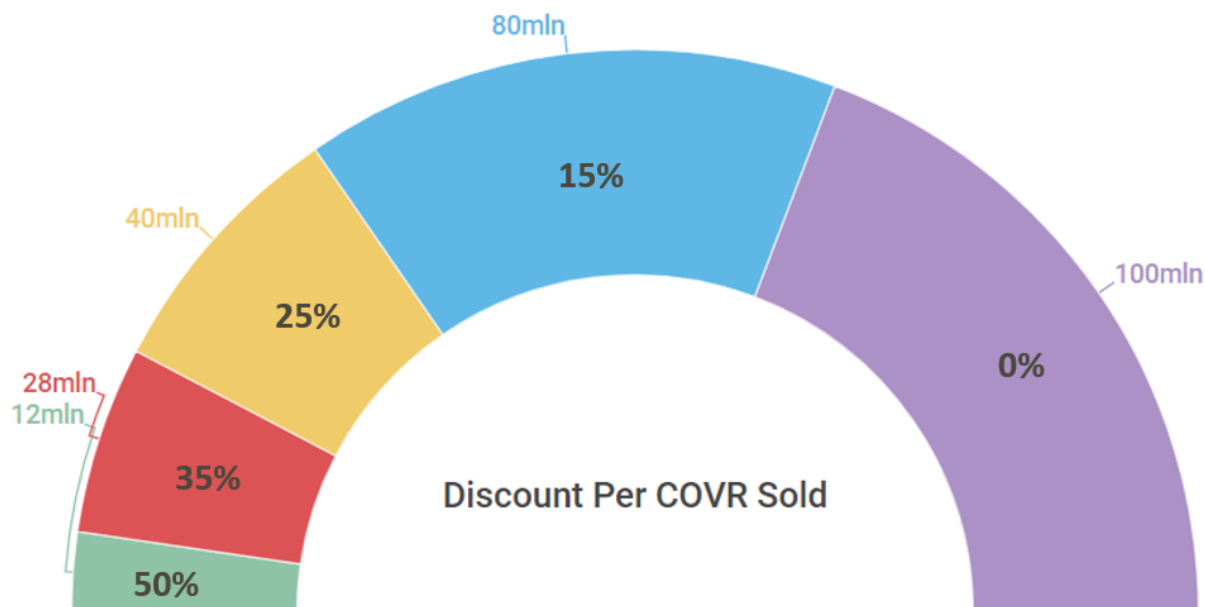
Our token sale will be conducted in the Dutch auction style. Put simply, the earlier you buy in, the cheaper the tokens will be. Prices will increase each time specific token segment milestones are reached. These milestones may be observed in the chart above. For example, the first 12 million COVR tokens sold will be discounted at a rate of 50%. The 28 million tokens following those will be discounted by 35%, and so on, until all 260,000,000 publicly available tokens are sold.

COVR Private Pre-Sale — (First 80 Million Tokens Sold)

Twenty percent of all COVR tokens will be sold privately at discounted rates ranging from 50% off to 25% off. All token sales are final and non-refundable. Exact figures regarding token allocations are provided below.

Note: ETH will be the only viable currency for use in both the private and public COVR sales. Prices, in accordance with the discounts, will be rounded to the following amounts.

Token Prices

| Phase	Price (ETH)	Discount	COVR per 1 ETH
1	0.0000125	50%	80,000
2	0.00001625	35%	60,000
3	0.00001875	25%	50,000
4	0.00002125	15%	45,000
5 (Public)	0.000025	0%	40,000

Phase 1 — 50% Pre-Sale Discount

3% of 400 million tokens = 12,000,000 tokens

12,000,000 x 0.0000125 = 150 ETH

Wherein 1 ETH = 80,000 COVR

Minimum Purchasing Amount: 4 ETH

Our initial funding goal of 150 ETH will primarily be used for startup costs including but not limited to research and development, web design overhauls, operational costs, and marketing for the proceeding sales. More specifics on fund distribution can be reviewed below.

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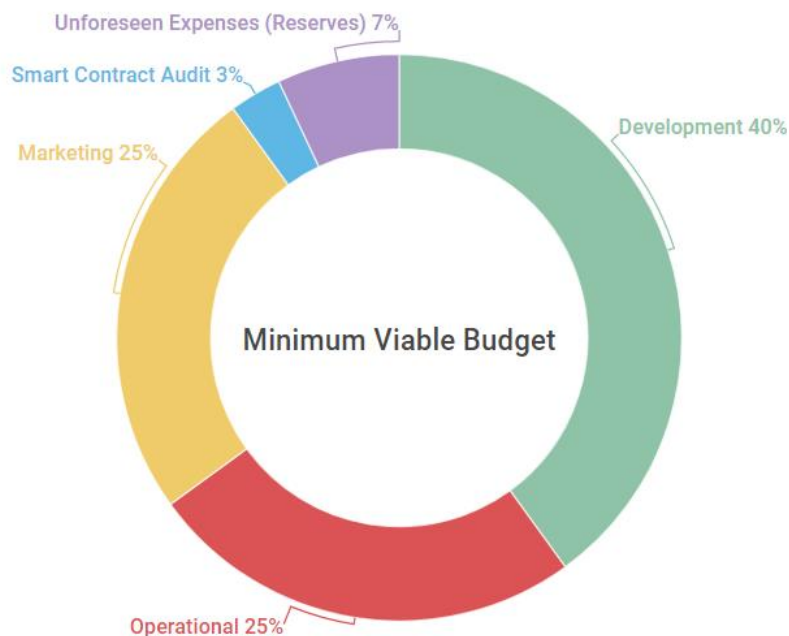
Phase 2 — 35% Pre-Sale Discount

7% of 400 million tokens = 28,000,000 COVR

28,000,000 x 0.00001625 = 455 ETH

Wherein 1 ETH = 60,000 COVR

Minimum Purchasing Amount: 3 ETH

Phase 3 — 25% Discount

10% of 400 million tokens = 40,000,000 COVR

40,000,000 x 0.00001875 = 750 ETH

Wherein 1 ETH = 50,000 COVR

No Minimum.

</div>

Funds from phases two and three will primarily be devoted to marketing costs, including the listing of our public sale on popular token listing sites; they will also be used to continue the development costs necessary to complete the deployment of our Crowd Coverage alpha platform, to compensate for operational costs such as legal counsel and business registrations, for tax purposes, and to pay for the security audit of our smart contract.

Pre-Sale Logistics:

Funds will be raised until the each of the aforementioned milestones is reached; there will be no time limit to our pre-sale; gauging by current interest, it is highly unlikely that the pre-sale will not be completed.

All pre-sale customers must undergo an automatic whitelisting process before purchasing by:

    1) providing a valid Ethereum wallet address

    2) stating the amount of COVR tokens they intend to purchase

    3) reading and returning a signed copy of provided compliance forms and contracts

    4) reading the entirety of this whitepaper and affirming they understand all terms, conditions, and stipulations provided herein, and

5) providing all KYC compliant personal information.

All purchasers of the COVR token acknowledge that Crowd Coverage itself is NOT an insurance provider and that COVR tokens serve the utility of access to the Crowd Coverage platform; they are not considered solicitations of insurance, nor offerings of securities.

COVR Public Token Sale

Upon completion of the private pre-sale, COVR tokens will become available for public purchase. In continuation of the Dutch auction-style sale, the first 80,000,000 COVR tokens sold will be discounted by 15%. The final 100,000,000 COVR tokens will be sold for full price, available below.

Phase 4 — 15% Discount
20% of 400 million = 80,000,000 COVR
80,000,000 x 0.00002125 = 1,700 ETH

1 ETH = 45,000 COVR
No minimum.

Phase 5 — No Discount
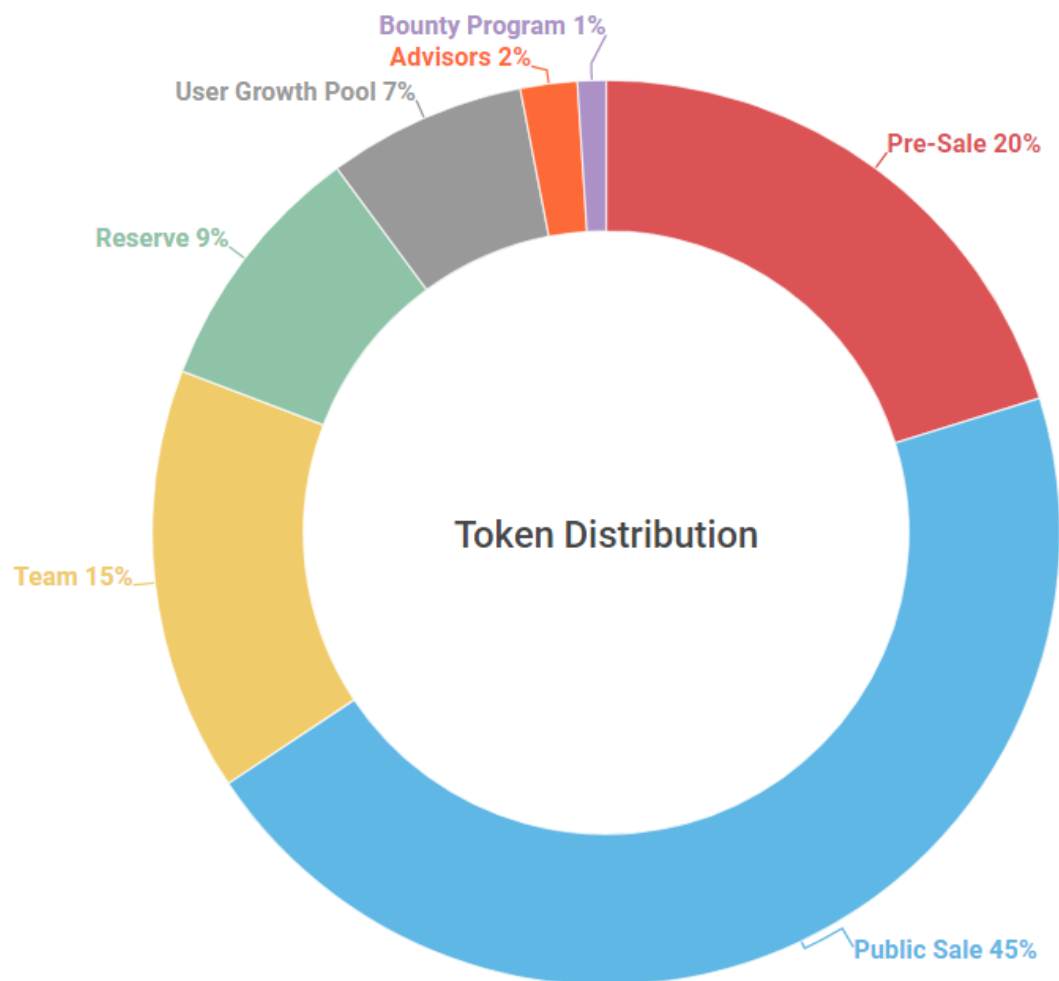25% of 400 million = 100,000,000
100,000,000 x 0.000025 = 2,500 ETH

1 ETH = 40,000 COVR
No minimum.

COVR Token Distribution

Twenty percent of COVR tokens will be sold in the pre-sale at rates listed above by early-adopters whitelisted for the pre-sale. These tokens will be offered at a discount rate until 20% of all tokens are sold, at which point the public sale will commence and premium discounts will no longer apply. The funding from our pre-sale will be utilized to fund the development of the alpha platform and the early operational expenses associated with technology startups, including but not limited to legal counsel, web design, marketing, etc. All pre-sale customers must affirm their agreement with the Crowd Coverage company regarding their willingness to comply with all relevant laws in their jurisdiction, as well as affirm that they understand all risks acknowledged in the 'Risks' section of this document. **All purchasers of the COVR token acknowledge that Crowd Coverage itself is NOT an insurance provider and that COVR tokens serve the utility of access to the Crowd**

Coverage platform; they are not considered solicitations of insurance. All insurance activity conducted on the Crowd Coverage platform will be done in cooperation with the licensed insurer on local markets. The company, Crowd Coverage, seeks only to develop a platform for conducting such business, and does not solicit or negotiate any private deals regarding insurance policies, or any deals which could be considered such.

A maximum of forty-five percent of COVR tokens will be sold after the launch of the alpha COVR platform, during the public ICO. Tokens will be sold in exchange for Ethereum at rates listed below. Any tokens not sold during the public sale will be added to a reserve pool for later distribution to be determined by the founding team.

Fifteen percent of COVR tokens will be distributed to the development team.

Two percent of COVR tokens will be relegated for distribution to the team of advisors in exchange for their assistance in the development and maturity of the CCN platform.

One percent of all COVR tokens will be used to incentivize the searching for bugs in Crowd Coverage platform code. These bounties will be announced following the deployment of the alpha platform.

Nine percent of COVR tokens will be used to incentivize future development hires, marketing programs, community engagement systems, etc. These will be distributed at the cofounders' discretion.

Finally, about seven percent of all tokens will be utilized to incentivize user-growth, which is defined as the distribution of tokens to insurance providers as a means of lessening fees and matching bids on insurance policies. User-growth pool tokens may also be used to incentivize advertisers and content creators to provide coverage of the Crowd Coverage platform. These tokens may also be used to facilitate refunds, disputes, or other unforeseen complications in the policy facilitation process.

Transparency Policy

We at the Crowdfunded Coverage Network hold ourselves to a higher moral business standard. We aim to improve the personal property coverage sector in a transparent and reliable manner and as a result it is proudly acknowledged that our tokens will grant users immediate utility upon their purchase during the public sale. All relevant updates regarding the development of the Crowd Coverage platform will be provided to its community in timely manner via social media, including delays. The community will also be invited to assist with the code review process of our platform, as facilitated by a bounty program, for impending announcement. By this we hope to further our goal of re-instilling transparency and trust into the insurance market.

We invite you, the reader to contact us with any other suggestions or concerns regarding our platform or company.

By these promises and protective measures we hope to reassure our community and the cryptocurrency community at large that there are higher standards of conduct which may realistically be met; we hope to serve as an example of such conduct and rely on the community to hold us accountable to these promises.

Risks

This document is for informational purposes only and does not constitute an offer or solicitation to sell securities in any jurisdiction. Any such offer or solicitation will be made only by means that are in compliance with applicable securities and other laws. No information or opinions presented herein are intended to form the basis for any purchase decision, and this document does not constitute investment advice or counsel. This document is not part of, and may not be relied on in connection with, any contract or commitment whatsoever. Any purchase or sale involving Crowd Coverage Network will be set forth and governed exclusively by other documents. The Crowd Coverage Network expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) reliance on any information contained in this document; (ii) any error, omission or inaccuracy in any such information; and (iii) any action resulting there from.

This document contains forward-looking statements that are based on the Crowd Coverage Network's current understanding, expectations, and assumptions, which the team at the Crowd Coverage Network believes to be reasonable. These statements involve inherent risks and uncertainties, including those relating to our early stage of development, ability to attract users and grow our business, regulatory matters, and matters bearing on cryptocurrencies generally. These risks and uncertainties may cause actual results to differ materially from those expressed or implied by such forward-looking statements. You should not place undue reliance on such statements, and no representation is or can be made as to their attainability or accuracy. This document is written as of its date and the Crowd Coverage Network undertakes no obligation to update any statements herein, except as required by law. The whitepaper may be updated or altered, with the latest version of the document prevailing over previous versions and we are not obliged to give you any notice of the factor content of any changes. The latest version of the whitepaper in English is available on the website. While we make every effort to ensure that all data submitted in the White Paper is accurate and up to date at the point in time that the relevant version has been disseminated, the proposed document is no alternative to consulting an independent 3rd party opinion. The whitepaper and the related documents may be translated into languages other than English. Should a conflict or an inconsistency arise between the English language version and a foreign language version, the English language version of the Document shall govern and prevail. The whitepaper does not constitute an agreement that binds the Crowd Coverage Network, its directors, officers, employees and associates does not warrant or assume any legal liability arising out of or related to the accuracy, reliability, or completeness of any material contained in the whitepaper. To the fullest extent permitted by any applicable law in any jurisdiction, the Crowd Coverage Network shall not be liable for any indirect, special, incidental, consequential or other losses, arising out of or in connection with the white pages including but not limited to: loss of revenue, income or profits, and loss of data. Persons who intend to purchase COVR tokens should seek the advice of independent experts before committing to any action, set out in the White Paper. THIS DOCUMENT DOES NOT GIVE PERSONAL LEGAL

OR FINANCIAL ADVICE. YOU ARE STRONGLY ENCOURAGED TO SEEK YOUR OWN PROFESSIONAL LEGAL AND FINANCIAL ADVICE.

You agree that you purchase, receive and hold the COVR tokens at your own risk and that the COVR tokens are provided on an 'as is' basis without warranties of any kind, either express or implied. It is your responsibility to determine if you are legally allowed to purchase the COVR tokens in your jurisdiction and whether you can then resell the COVR tokens to another purchaser in any given jurisdiction. You bear the sole responsibility for determining or assessing the tax implications of your participation in the crowdsale, purchasing, or receiving and holding the COVRs in all respects and in any relevant jurisdiction. You also bear the sole responsibility for determining or assessing the legal implications of using COVR tokens on the Crowd Coverage Network and for participating in the unique form of insurance offered on it. No regulatory authority has examined or approved of any of the information provided in these white pages. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The regulatory status of tokens and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including the Crowd Coverage Network and COVR tokens. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including the Crowd Coverage Network and COVR tokens. Regulatory actions could negatively impact the Crowd Coverage Network and COVR in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of COVR tokens constitutes unlawful activity or that COVR tokens are a regulated instrument that requires registration, or the licensing of some or all of the parties involved in the purchase, sale and delivery thereof. The Crowd Coverage network may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

Given that the Crowd Coverage platform is based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on COVR tokens. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to COVR tokens and the Crowd Coverage platform, including the utility of COVR tokens, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol. As with other decentralized cryptographic tokens based on the Ethereum protocol, COVR is susceptible to attacks by miners in the course of validating COVR transactions on the Ethereum blockchain, including, but not limited, to double-spend attacks, majority mining power attacks, and selfish-mining attacks. Any successful attacks present a risk to the Crowd Coverage platform, including, but not limited to, accurate execution and recording of transactions involving COVR tokens. Hackers or other malicious groups or organizations may attempt to interfere with the Crowd Coverage platform and COVR tokens in a

variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Crowd Coverage platform is based on open-source software, there is a risk that a third party or a member of the Crowd Coverage team may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Crowd Coverage platform or website, which could negatively affect Crowd Coverage, or COVR.

Citations

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