

2018

WHITEPAPER

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STRAIGHT TO
GOLD MINES



1. Vision

Our vision is to create a people-powered new economy decentralized financial services ensuring both in stability investments and aggressive investments linked to market fluctuations and fueling the collateral needed for future projects and at the same time create an ecosystem for developers to utilize Karatcoin tokens as a framework for various Dapp developments, thus accelerating adoption of blockchain technology. The Karatcoin project is a consultancy system that is focusing on the development and mining growth of carefully selected gold mining companies.

Our goal is to build a platform to trade gold certificates, exchange Karatcoin tokens and saving or exchange money using gold cards.

A platform where millions of investors go to find the best gold opportunities to trade without worrying about the traceability.

2. Team

Karatcoin has an experienced and enthusiastic team of who are ready to make this vision a reality. We are a unique collection of experts across cryptocurrency, distributed computing systems and mobile technology.

3. Problems

3.1 Difficulty in finding gold on the market

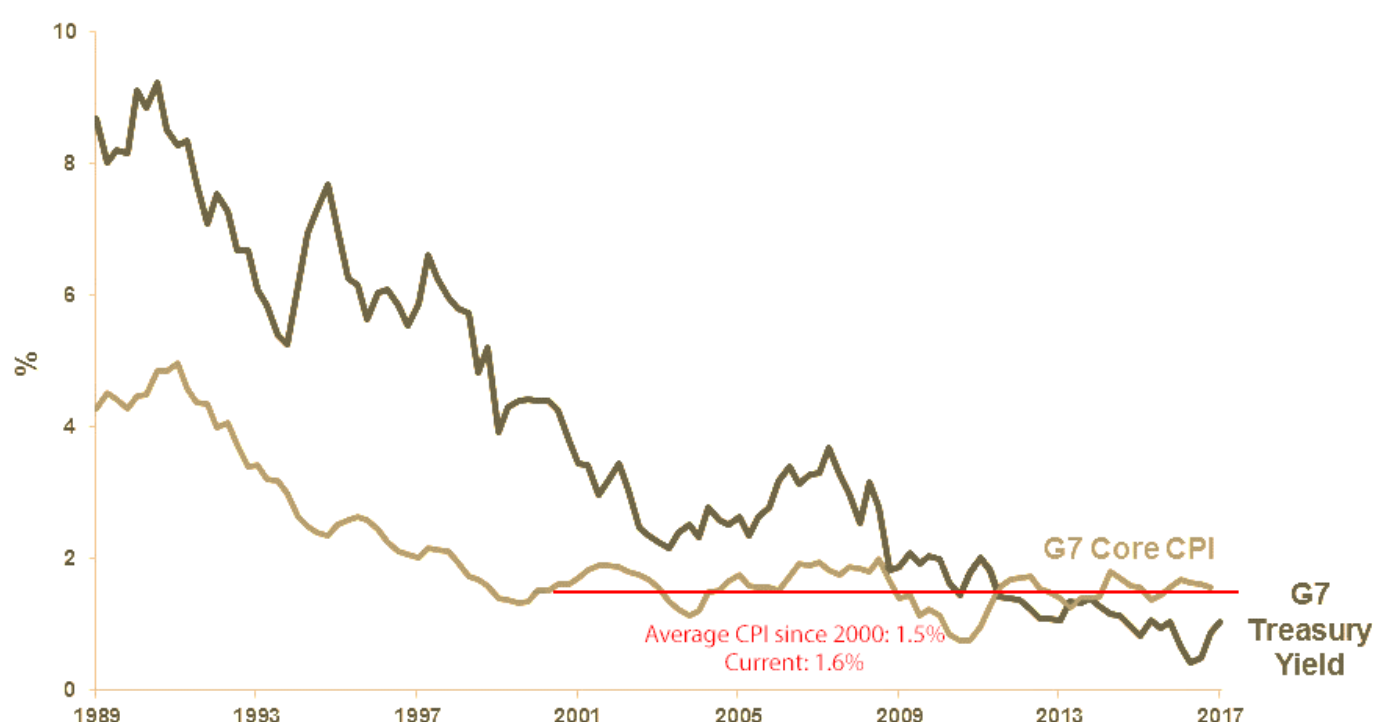
The demand is increasing and due to various factors, the gold mines cannot guarantee the necessary supply, especially for big orders.

3.2 Bond value

In the centralized market, the bond right now is like a speedometer that is badly calibrated and therefore unreliable. It may be less useful than usual, and is not to be interpreted literally, but it's still telling us something. And that something is that we should be worried about the possibility the world is in a nasty deflationary economic trap that won't get better anytime soon.

3.2.1 Bond market no longer behind 'deflation curve'

G7 Treasuries Yield and OECD G7 Core



3.3 Backers defaulting

One of the major drawbacks in a traditional debt-backed currency system is the possibility of backers defaulting on their contractual obligations.

3.4 Hold unused gold

The majority of investors who buy gold do so in the belief that it is "the one asset which is no-one else's liability". But there is a nasty legal subtlety which causes many of them

hold it in such a way as to achieve the exact opposite, and they expose themselves to a hidden risk which may in many cases be exactly the same risk they were trying to avoid.

**"GOLD SHOULD BE PART OF
EVERY INVESTMENT PORTFOLIO"**

Paul Singer

4. Solutions

4.1 Directly linked to gold mines

Karatcoin's Platform is directly linked to gold mines that have been funded for their development into gold mining extraction. It is evident that more gold will be extracted through the Karatcoin financing and greater will be the value of the circulating Karatcoin. All the mines selected by Karatcoin's technical and legal team, have been carefully analyzed for their ability, background, structural credibility and financial rating, no intermediary involved in the process, with Karatcoin you'll be directly linked to the gold mines.

4.2 Bond yield ranging from 5 to 6%

In the decentralized market of Ethereum, it's possible to purchase **Karatcoin Gold Asset Certificates** with different maturity dates and associated semi-annual coupons with a **bond yield ranging from 5 to 6%** depending on its duration.

4.3 The flexibility of smart contracts

Smart contracts help you exchange money, property, shares, or anything of value in a transparent, conflict-free way, while avoiding the services of a middleman. One of the advantages of using a smart contracts platform is that **the process can be automated**. Consequently, if the threshold of funds is not met then all the money is returned to investors.

4.4 Decentralized safer and cheaper

One of the fundamentals of the entire banking industry is custody. They provide people with a safe place to keep their own money. **Karatcoin is even safer** because it is a **decentralized and automated system**.

Allocated Karatcoin tokens gold is gold deposited under a **safekeeping** or custody arrangement. It is held as numbered bars, on labelled shelves.

Arranging for the physical security of bullion bars requires strong vaults, wise use of technology, carefully constructed systems for security, and the monitoring and control of human factors.

The safekeeping to be absolutely secure must bear the security costs, which are attributed to the legitimate owners of gold bars.

These costs are an important element that determines the nature of the relationship between custody and the owner. The courts accept that payment of a fee to the custodian is powerful evidence that the relationship is a custodial one and not a deposit into an account.

As Vitalik Buterin, the 22-year-old programmer of Ethereum, explained it at a [recent DC Blockchain Summit](#), in a smart contract approach, an asset or currency is transferred into a program “and the program runs this code and at some point it automatically validates a condition and it automatically determines whether the asset should go to one person or back to the other person, or whether it should be immediately refunded to the person who sent it or some combination thereof.” In the meantime, the decentralized ledger also stores and replicates the document which gives it a certain security and immutability.

5. More on Gold Mining

KARATCOIN is searching gold mines to be financed primarily, but not limited to, in these territories:

5.1 GOLD MINING IN LATIN AMERICA

The ancient civilizations throughout Latin America have valued gold for thousands of years, and it was the lust for gold that attracted the Spanish explorers to this part of the world. It has been mined all throughout this region, from small-scale miners up to large commercial mining companies. From northern Mexico all the way to the southern tip of Chile, this is truly one of the richest gold-bearing areas on Earth. Some of the largest gold mines are found here, and there is still potential for future discoveries. Undoubtedly, there are millions of ounces of gold still yet to be found here.

5.1.1 Brasile

Like many of the countries in South America, Brazil produces a significant amount of gold throughout the country. Minerals are a major industry in the country, and gold has attracted much interest from commercial mining companies. Many large commercial mining companies are actively mining for gold in Brazil. A few of the more notable mines

in the country include the large open-pit near Paracutu. While this mine is relatively new, the estimated reserves here are thought to be approaching 18-million troy ounces. From a small-scale prospector's perspective, there are many challenges to searching for gold in Brazil. The overall climate is very challenging in many areas, with thick vegetation and considerable overburden covering much of the good gold ground. Many of the best areas to look for gold are in areas that were mined historically by the Portuguese and slave diggings from many centuries ago.

High gold prices have renewed interest in gold mining in Brazil, and the local artisanal miners are operating thousands of mines throughout the country working small deposits of gold. The larger companies focus on the land with large gold reserves, and there is frequent conflict between the two groups when there is disagreement over a particular gold reserve.

5.1.2 Chile

Currently, Chile ranks as Latin America's 4th largest producer, producing approx. 50 tons of gold in 2014.

5.1.3 Ecuador

Gold mining in Ecuador dates back to the early 16th century, with much of the provinces founded and developed due to the Spanish quest for the yellow metal. Gold and silver finds were based around rivers reportedly found in Nambija and along the Rio Santa Barbara. Much of the gold discoveries are concentrated in the southern areas of the country. Gold production was focused in the El Oro province, which is the southernmost of Ecuador's coastal provinces. The main towns within the province that the Incas and Spanish derived gold from were Zaruma and Portovelo.

The Zaruma-Portovelo district is made up of a 15km long vein system located north of the Piñas fault. Mining efforts didn't pan out due to the declining prices of gold and legal disputes at the time. Today, informal mining groups can still be seen working the Zaruma-Portovelo area, using rudimentary tools and techniques to tap into its unexplored reserves. When Ecuador began loosening their tight political controls on mining in 2005, the possibility of great mineral wealth was confirmed. Aurelian Resources Corporation discovered the Fruta del Norte deposit in the Zamora-Chinchipe province in the southeast. This proved to be one of the largest gold-silver deposits in the world, with resources of approx. 6.8 million ounces of gold and 9.1 million ounces of silver.

In 2013, an adjusted mining law was passed to ease mining investment terms, in the hopes that the untapped mineral resources of the country would finally be unearthed. To this day, the Andean nation remains largely unexplored, but this recent discovery may change that. Should Ecuador make the appropriate moves to develop their mining sector, we won't be surprised to see it among the top-ranking mineral producers of the world.

5.1.4 Perú

Peru has a thriving mining industry that is rooted as far back as pre-colonial times.

Today, this South American country grabs the top 6th spot in terms of gold production in the entire world. Peru produced 150 metric tons of gold in 2014 alone, making it the largest gold producer in all of South America.

5.1.5 Venezuela

Much of the Venezuelan gold reserves reside near the river banks and the Amazon region near Brazil and Guyana. A great deal of gold found in Venezuela comes from the Guyana Shield that extends into Surinam, Guyana, French Guiana, and Brazil. Collectively, it is called the Amazonian Shield, a geological feature that is almost 3.6 billion years old.

Venezuela actually has Latin America's largest gold reserves, yet it remains highly underexploited compared to many countries in the region. While much of this has to do with working in a challenging jungle environment, the regulatory framework that has been in place in the country has hampered much of the mining industries here.

Gold was found in Venezuela along the placer deposits of Paragi and Caroni Rivers, and across the Venezuelan border with Brazil. Most of Venezuela's gold reserves are located in the southeastern part of the country, where there have been considerable mining efforts in recent years.

5.2 GOLD MINING IN AFRICA

When it comes to gold mining, West Africa has become a hotspot.

The region is home to many exploration companies, as well as a slew of major companies focusing on extracting the metal. Mali, Ghana, and Burkina Faso are three of the most active gold-mining countries in West Africa. These nations are all major gold producers, and for investors interested in West Africa gold deposits they are important areas to watch.

5.2.1 Burkina Faso

Agriculture and mining are the largest and most impactful industries in Burkina Faso. For that reason, the government is focused on making infrastructure improvements major roads are being paved, while others are being formally created in order to make further development possible.

5.2.2 Ghana

Ghana is one of the top gold-producing countries in Africa. The country supports several large gold-producing companies as well as a large number of artisanal miners. Artisanal mining is highly sensitive to the gold price, and the government of Ghana is making an effort to eliminate this industry. In 2016, the country produced 95 MT of gold.

5.2.3 Mali

Gold production in Mali came to 49.8 MT in 2016, making the country Africa's third-largest gold producer after South Africa and Ghana. Like Ghana, it is home to many artisanal miners — at the end of last year, the country's Chamber of Mines estimated that more than a million artisanal miners were working at about 350 sites, producing between 10 and 15 MT of gold a year.

6. Karatcoin Gold Asset

Karatcoin allows open and public authentication of all asset documents stored in a decentralized database through our **Proof of Asset (PoA)**, a protocol designed within the Ethereum Blockchain by integrating the **IPFS** (Inter Planetary Files System) to trace the entire authentication path through its chain of custody.

A HIGH YIELD PRODUCT RESERVED FOR RETAIL AND QUALIFIED INVESTORS

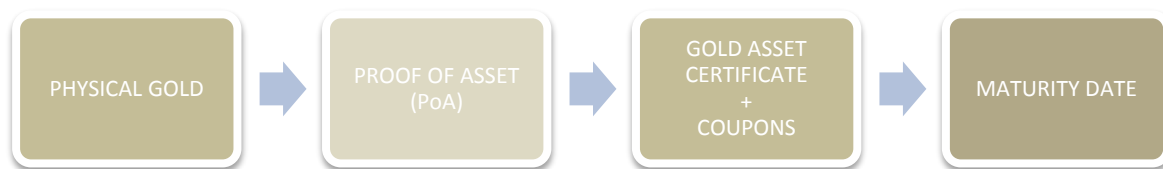
The first issuance of 25 Million USD of the total face value are reserved both for the retail or qualified investors.

The nominal value of the certificates is issued in US dollars at the exchange rate of the current value of Karatcoin. The number of certificates will be arranged by the owner of the contract until reach of the issuance set at 25 Million US dollars.

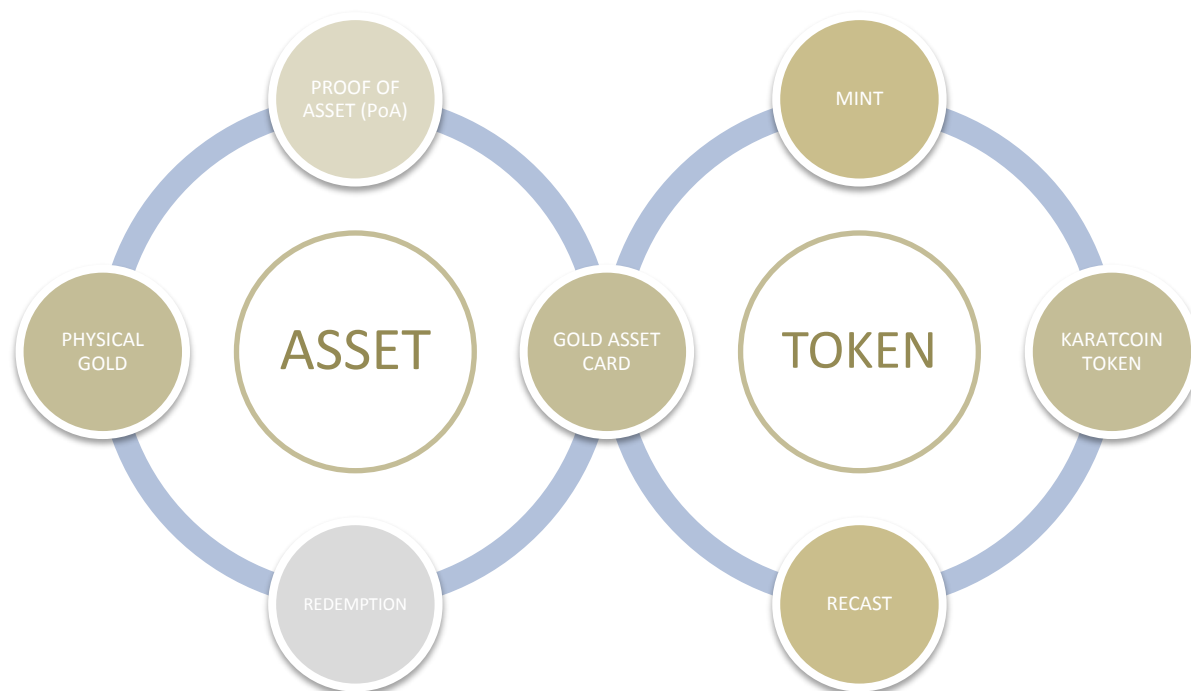
Karatcoin Gold Certificates are obligations issued by authorized financial institutions, with the so-called underlying which is a basket of gold and other commodities. The mode of redemption is exactly determined right from the beginning of the transaction.

7. Product Life Cycle

7.1 Gold Asset Certificates



7.2 Gold Asset Cards



8. Proof of Asset (PoA)

Proof of Assets (PoA) is a scheme designed to let entities (operators) prove they control a given amount of asset certificates blockchain based. The PoA Asset consists of the following information permanently uploaded onto the decentralized database (the Blockchain):

For **Gold Certificates**:

- Certificates creation;
- Time stamp of Certificates creation;
- Certificates Signature;
- Certificates serial number.

For **Gold Cards**:

- **SKU of the gold bar** made by the Authorized Vault;
- **Bar Serial number** made by Refinery;
- Chain of **Custody digital signatures** (the Gold Mining Company, Custodian, Auditor);
- Audit Documentation;
- **Depository Receipt** made by the Authorized Vault;
- Certificate creation;
- Time stamp of Certificate creation;
- Certificate Signature;
- Certificate serial number.



PoA Asset Certificates are kept in an Ethereum Wallet.

9. Key Products



Gold Asset Certificate



Gold Asset Card



Karatcoin Token

9.1 Gold Certificates

Asset Gold Certificates consist of the PoA information permanently uploaded into the decentralized database.

These gold certificates have a specific duration and a fixed revenue, ideal for anyone who needs a safe investment.

Each **Gold Asset Certificate** represents **1,000 USD** of value.

The duration was determined as follows:

- **One year** and the return is an annual rate of **5%**;
- **Two years** and the return is an annual rate of **5,25%**;
- **Three years** and the return is an annual rate of **5,50%**;
- **Four years** and the return is an annual rate of **5,75%**;
- **Five years** and the return is an annual rate of **6%**.

Advantages:

- The **rates will be paid every six months** until maturity date of certificates;
- Gold Certificates and Coupons refer to unallocated asset;
- No Gold Asset storage fees applied;
- All certificates hold in a Cold Storage Wallet, when the certificates mature they can be redeemed.

All certificates are backed with bullion gold bars storage in the Authorized Vault.

9.2 Gold Cards

PoA Asset Gold Cards consist of the PoA information permanently uploaded into the decentralized database.

Gold certificates of each card can be used to be minted as Tokens to trade into the decentralized market.

Advantages:

- The physical gold asset is safe stored in a protected area (Vault);
- Gold Asset Card refer to allocated asset;
- All Gold Cards Certificate holds in a Cold Storage Wallet.

9.3 Karatcoin Tokens (KTC)

KTC is a cryptocurrency digital gold. Crypto value that is secure from political influence and will preserve and increase its value over time.

KTC is also a fast and comfortable means of payment with a worldwide scope, and it's private and anonymous enough to serve as a means of payment for several markets and any other economic activity.

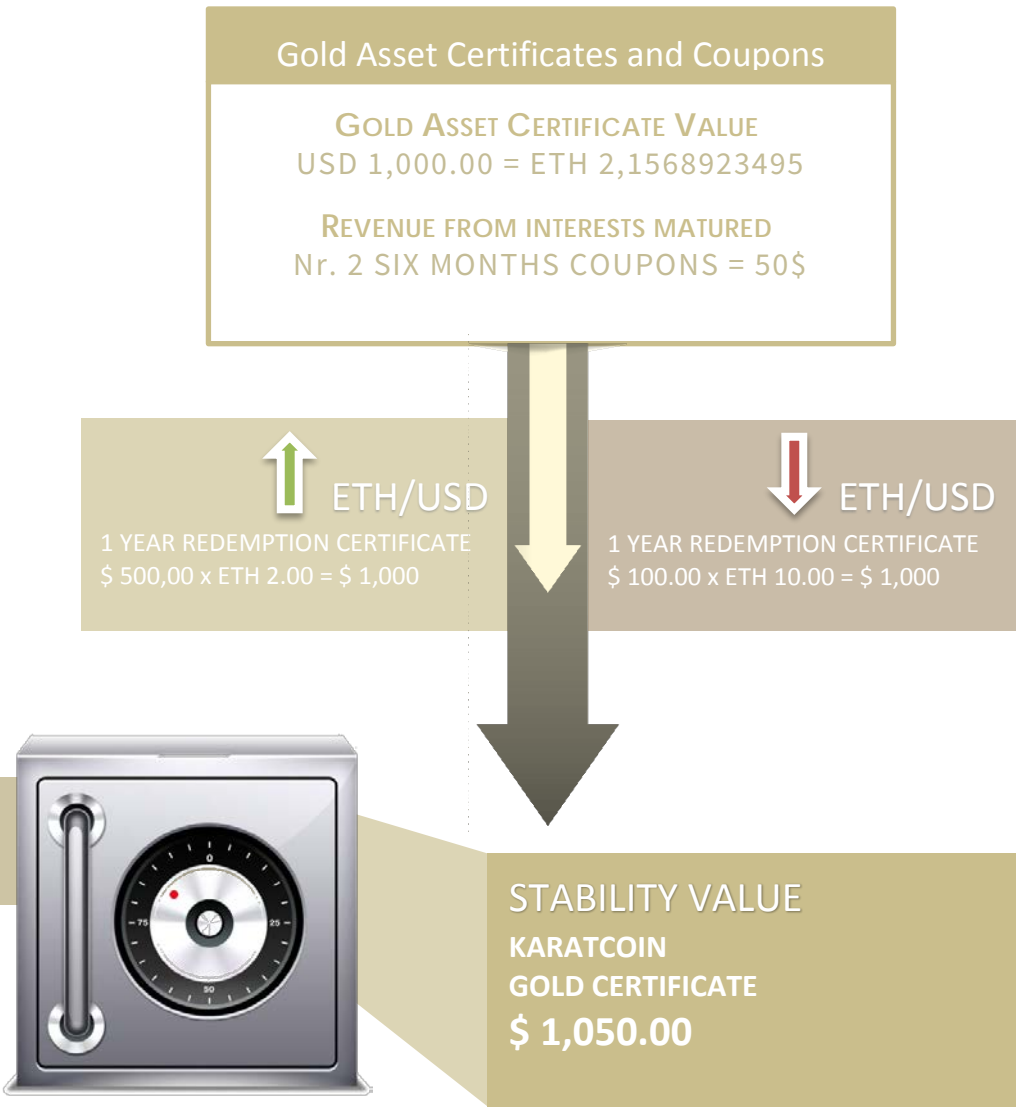
Through the smart contract process, tokens will be minted and each will be equal to 3 dollars.

The release of tokens related to the asset card will take place at the end of the process of the mint smart contract.

All Karatcoin Tokens are held in an Ethereum Multisig Wallet.

10.Beat Inflation

When you are faced with inflation, you may be wondering how you are going to continue to be able to meet your financial goals and obligations with the cost of living rising. Inflation generally hits items that you buy on a regular basis, such as food and gas, but it can affect almost every purchase that you make. If you do not take steps to handle it, you may end up relying on credit cards and going deep into debt.

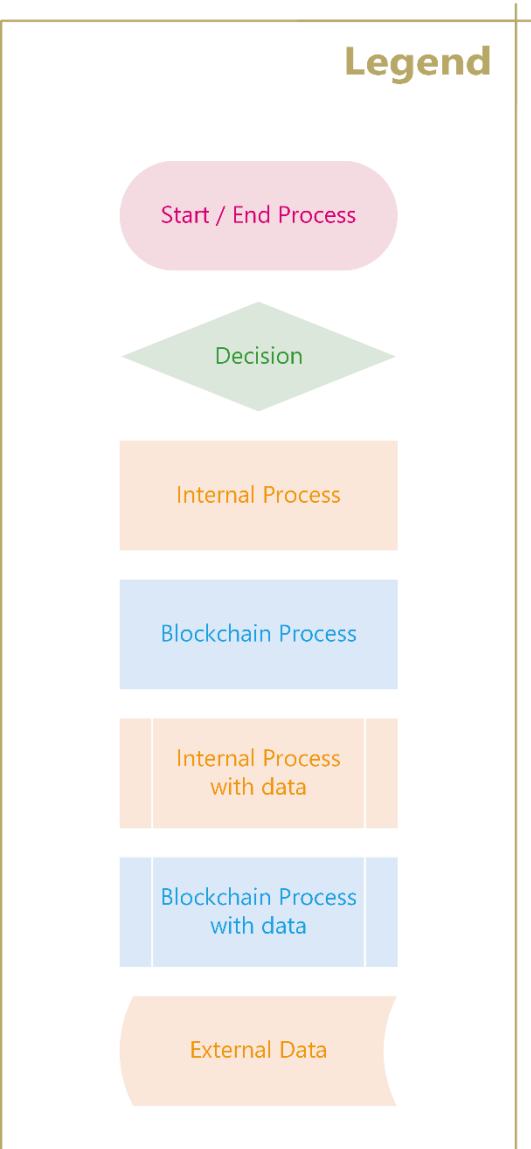


11. Key Process – Asset Card

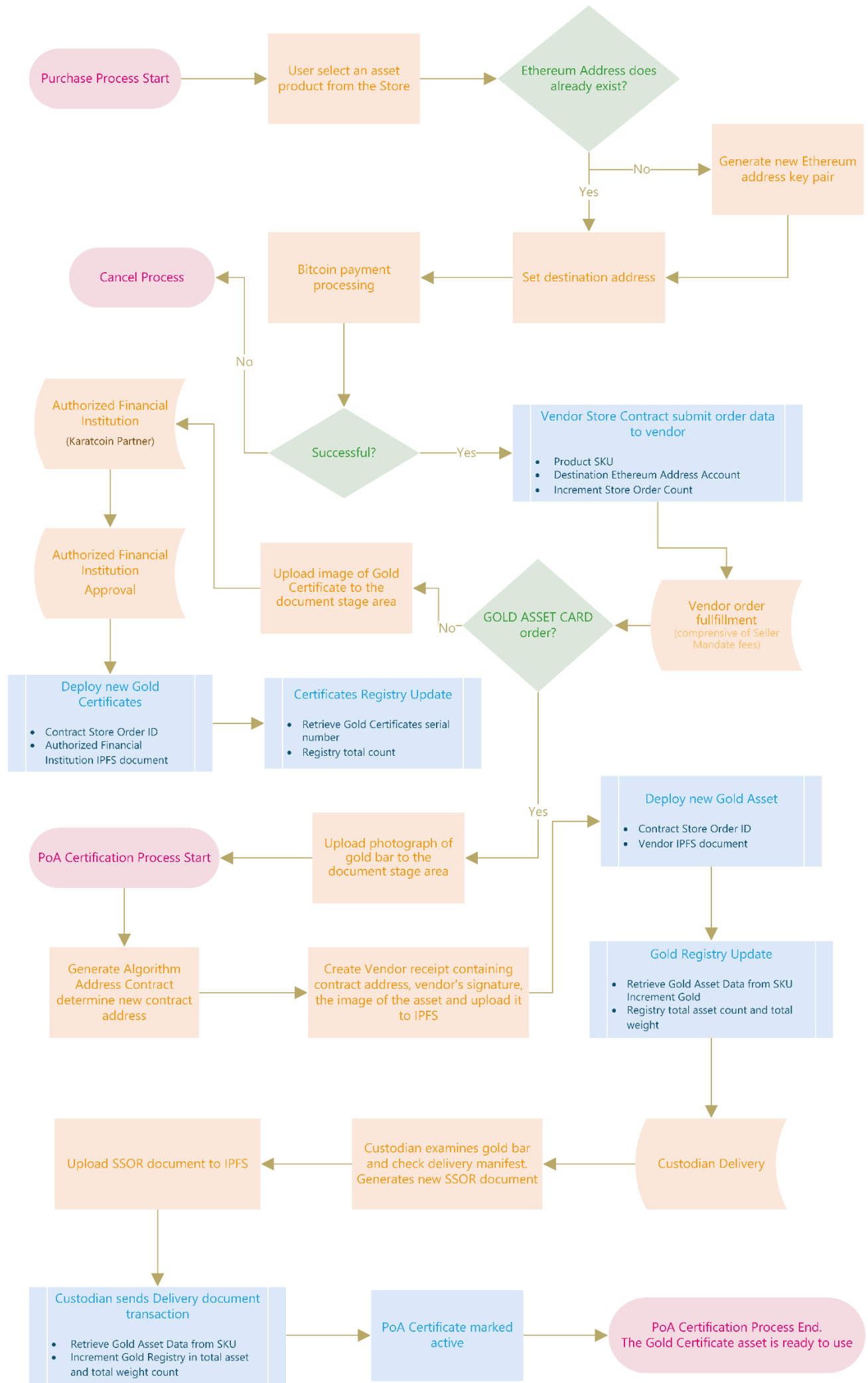
All five processes that activate the various functions, have been designed with the extreme attention in order to give an excellent result providing the validation of entire asset documentation, its correct redemption and to develop Dapp for future applications.

Here below the list of these processes:

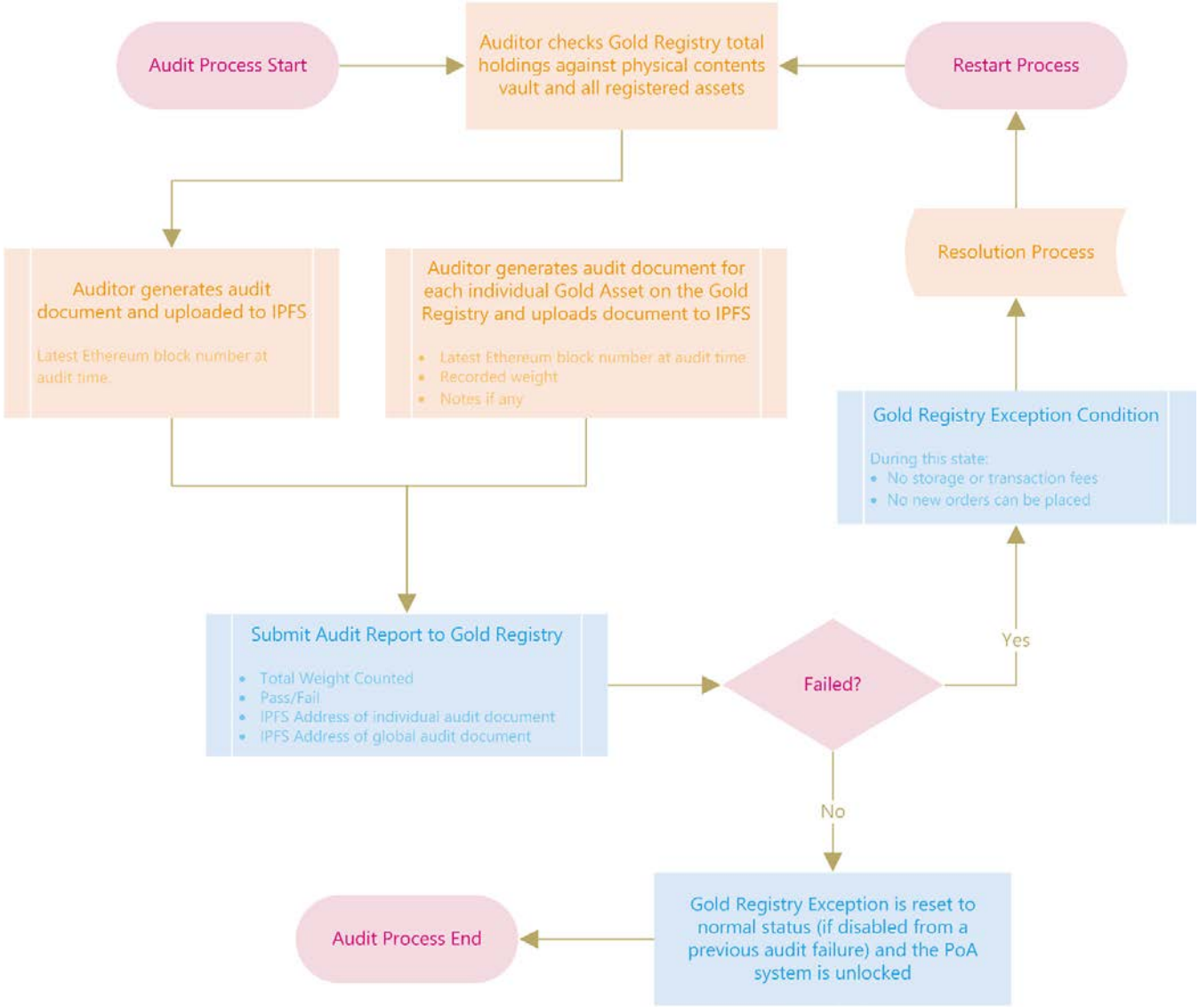
- Proof of Asset (PoA) Gold Asset Card;
- Verification process which records and provides an audit trail of an asset on Ethereum to create PoA Asset (Cards/Certificates). Assets are certified using sequential digital signatures from the entities in the chain of custody, namely **Vendor, Custodian, Auditor**, which are further validated with proof of depository receipts provided and uploaded onto IPFS for permanent record. The PoA Verification contains also a sub process for regular audits here called Auditor Process executed each quarter.



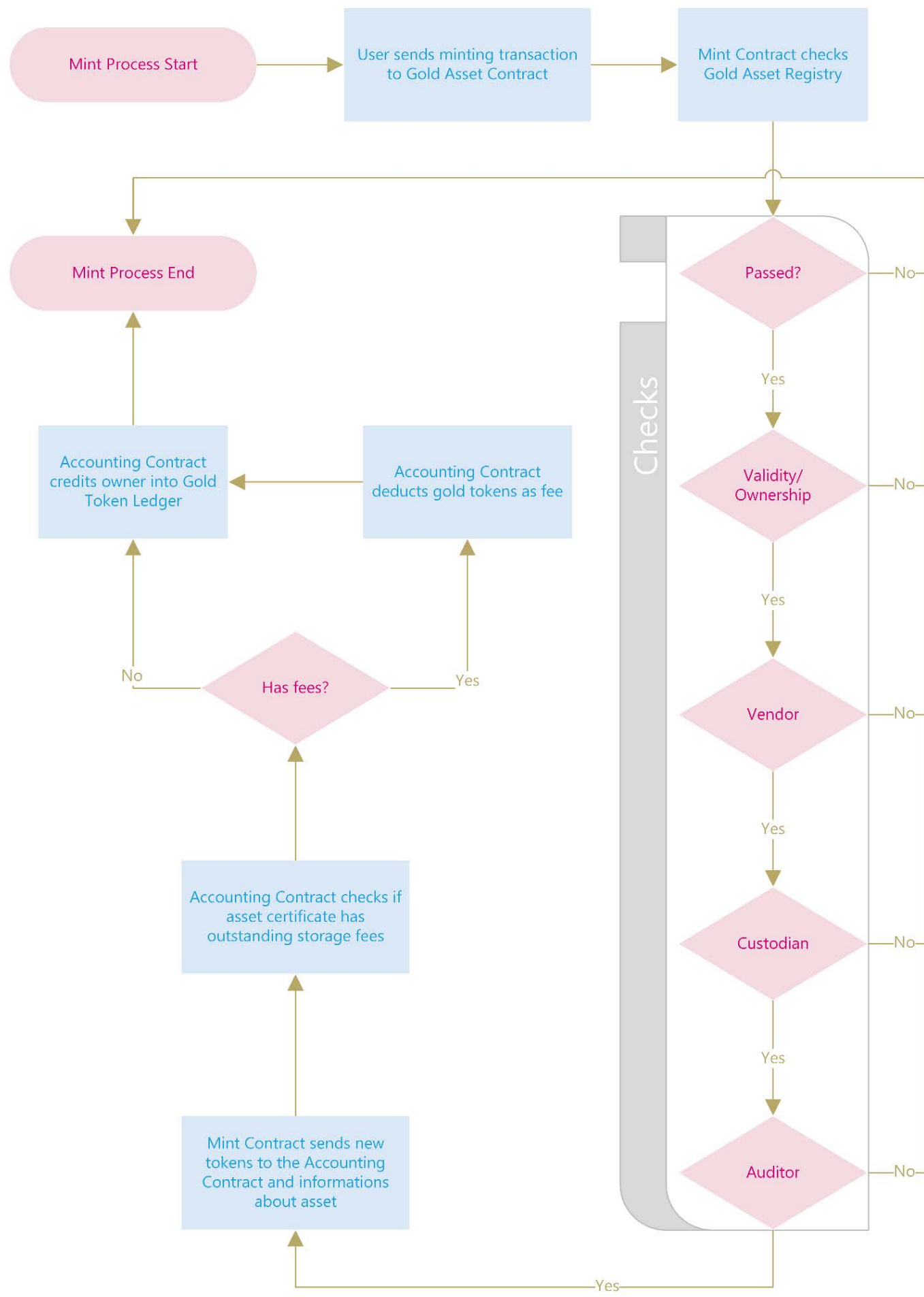
12. Registration Process



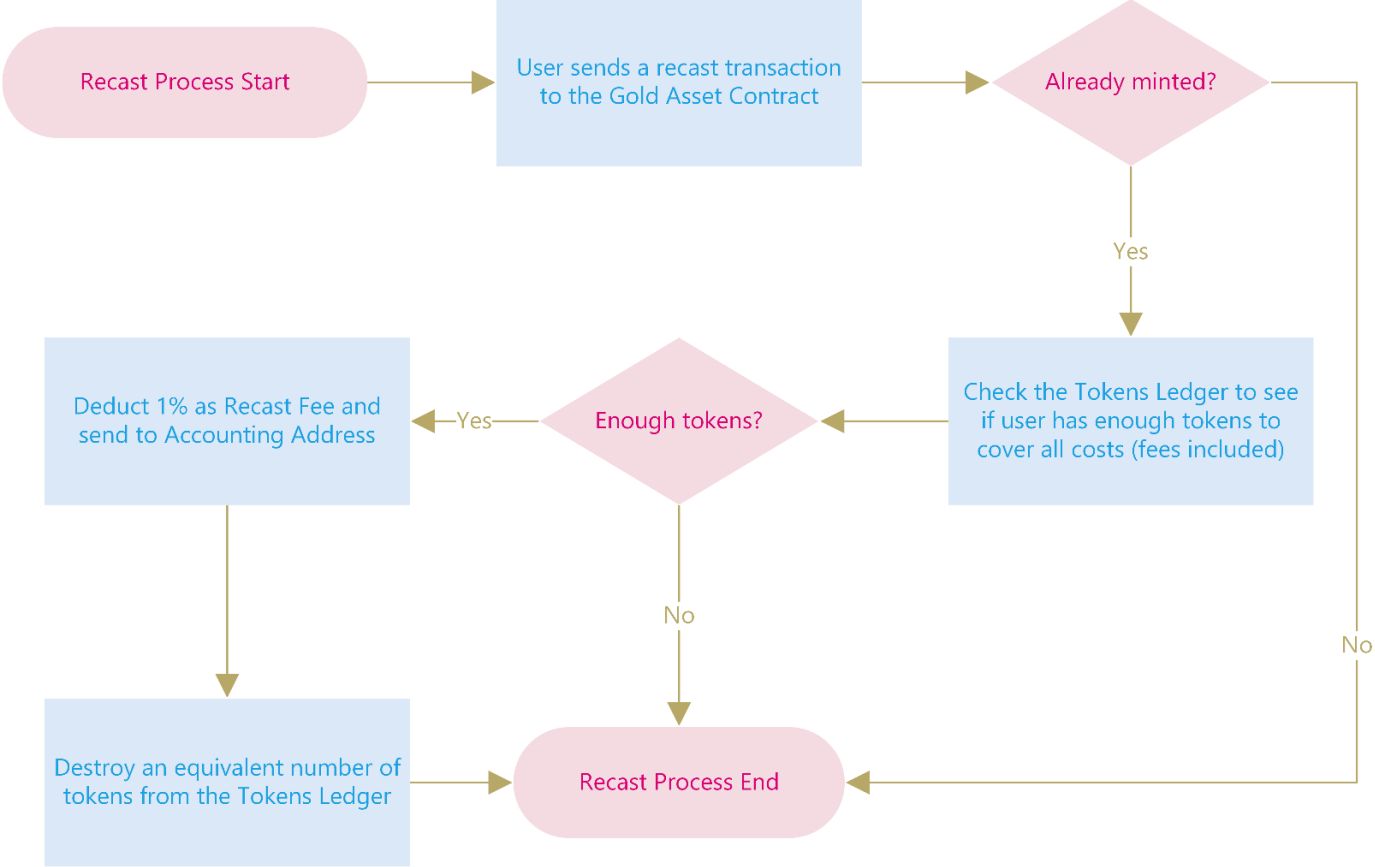
13. Audit Process



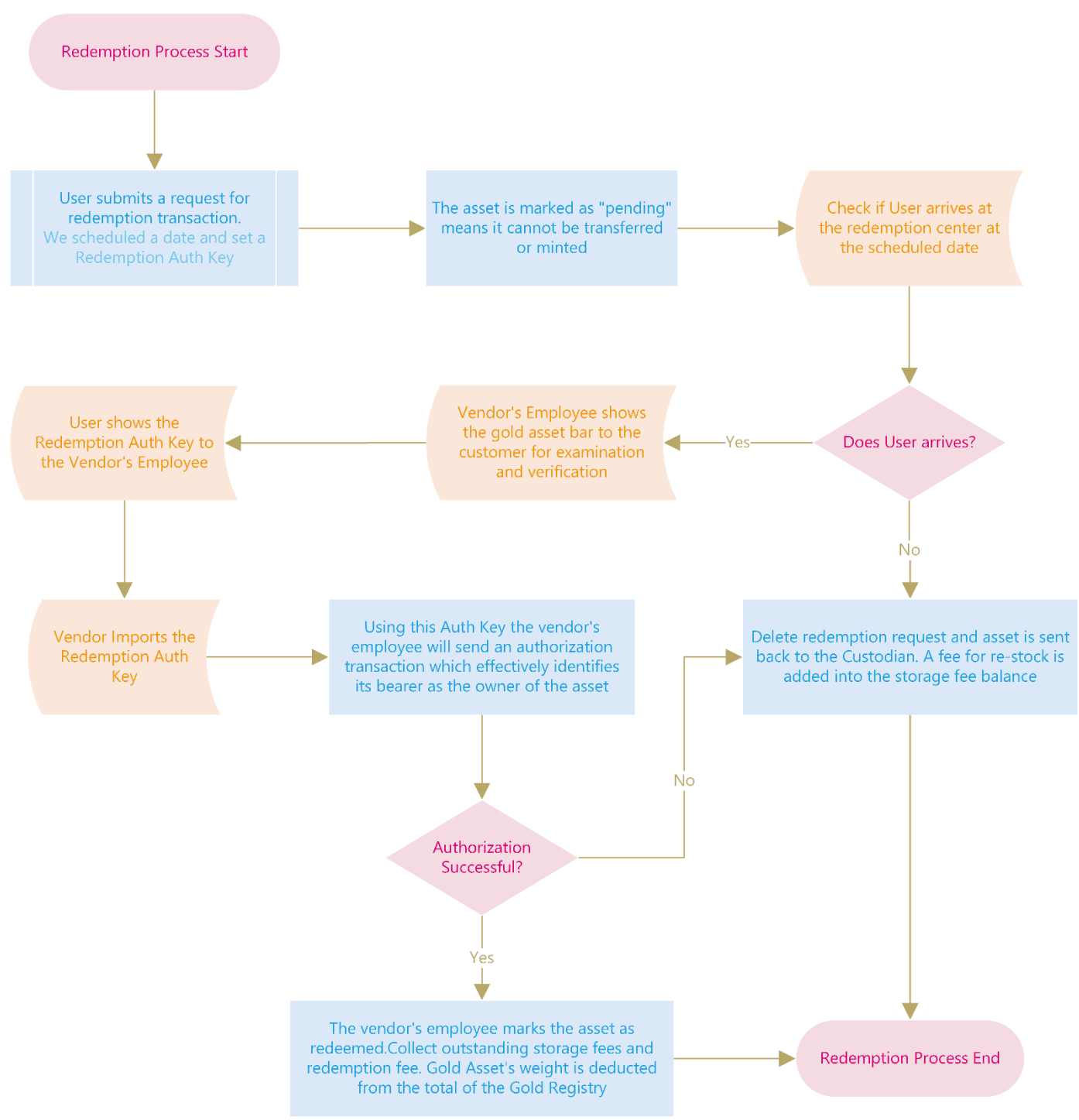
14.Mint Process



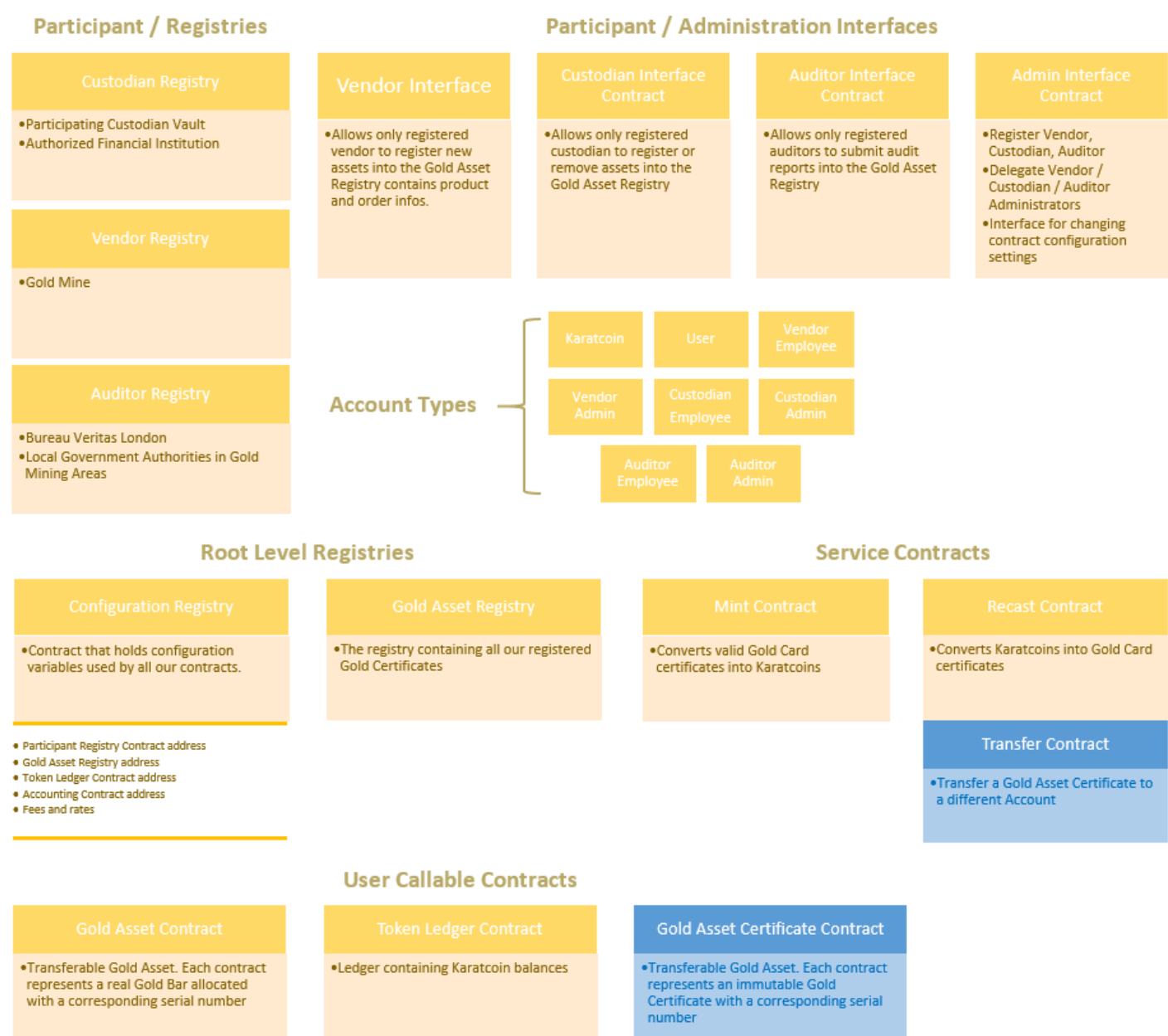
15. Recast Process



16.Redemption Process



17. Smart Contract Stack Map



18. PoA Participants

(Blockchain Oracle Entities)

18.1 Asset Vendor (Gold Mining Company)

Gold mining companies supplies gold bullion bars certified by London Bullion Market Association (LBMA3) through the KARATCOIN Marketplace. It also provides retail and trading of gold and luxury jewelries.

18.2 Authorized Financial Institution

The Authorized Financial Institution, Karatcoin Partner, is a company engaged in the negotiation of monetary transactions, such as deposits, loans, investments and currency exchange rates.

In practice Financial institutions include a wide range of commercial transactions in the financial services sector, including banks, trust companies, insurance companies and brokerage or investment companies.

18.3 Independent Auditor

Bureau Veritas - Fifth Floor - 66 Prescott Street - LONDON E1 8HG

Created in 1828, Bureau Veritas is a global leader in Testing, Inspection and Certification (TIC), delivering high quality services to help clients meet the growing challenges of quality, safety, environmental protection and social responsibility.

As a trusted partner, Bureau Veritas offers innovative solutions that go beyond simple compliance with regulations and standards, reducing risk, improving performance and promoting sustainable development.

Bureau Veritas core values include integrity and ethics, impartial counsel and validation, customer focus and safety at work.



Bureau Veritas is an approved London Bullion Market Association (LBMA) supervising company, who can be appointed to undertake proactive monitoring ensuring high gold refining standards are met.

Having staff within easy reach of most precious metal refineries, Bureau Veritas is able to bring its expertise in representative sampling and accurate assaying to you locally, protecting commercial interests throughout.

Some of the Bureau Veritas services includes:

- Supervision of unpacking and recovery at the refinery;
- Stock Audits;
- Weighing, Sampling;
- Moisture / Sizing / Sample preparation;
- Party and Umpire Analytical services;
- Consultancy.

Supervision includes monitoring and reporting on:

- Raw materials;
- Melting operation;
- Witness of the sampling;
- Sealing of reserve samples.

Bureau Veritas is recognized and accredited by major national and international organizations. Bureau Veritas Inspectorate will carry out quarterly checks on the quality and quantity at our custodian vault to ensure accounting is upheld.

18.4 Local Government Authorities in Gold Mining Areas

Local Government Authorities with their Minerals Commissions, are responsible for the regulation and management of the utilization of the mineral resources and the coordination and implementation of policies relating to mining. They also ensure compliance with Mining and Mineral Laws and Regulation through effective monitoring. Every gold bullion is rigorously tested with precision instruments at Audits.

18.5 Participating Custodian Vault

The vault provides account holders with a secure location to store their monetary gold reserves.

None of the gold stored in the vault belongs to the vault itself. The vault acts as the guardian and custodian of the gold on behalf of account holders.

The usual process for storing gold in the vault is as follows:

All bars brought into the vault for deposit are carefully weighed, and the refiner and fineness (purity) markings on the bars are inspected to ensure they agree with the depositor instructions and recorded.

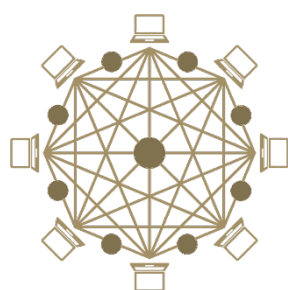
Following the verification process, the gold is moved to one of the vault's compartments, where each compartment contains gold held by an account holder

Each compartment is secured by a padlock, two combination locks and an auditor's seal. Compartments are numbered rather than named to maintain confidentiality of the account holders.

The Vault charges account holders a handling fee for gold transactions and storage, including when gold enters or leaves the vault.

19. Multi Party Trust Mechanism

The Karatcoin system relies on **multiple independent participants** to provide a transparent platform for the tokenization of assets.



We can assume that miners in a Proof of Work based crypto-currency system will act rationally, that is, that they would act in a way to maximize and protect their long-term profits by performing their role of transaction verification.

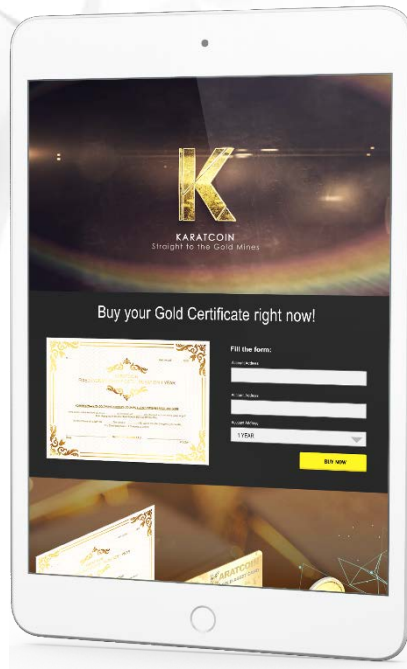
We assume that a cartel of rational miners would not collude to perform double spending attacks as such attacks would cause reputational damage to the entire system.

20. Real World Governance

Karatcoin ensures the safety of its products, thanks to the fact that friendly cooperates with local small-scale miners and with local judicial authorities that comply with legal standards defined by the governments where mines are located.

Karatcoin Team works hard to prevent unpleasant surprises such as robberies, thefts and scams against the collaborators and colleagues, so we have decided to create different tasks.

The entire supply chain is also controlled by independent supervisors such as the "International Mineral Resources Management"



21. Key Benefits

21.1 No centralized database



All chain of custody information is **fully managed by the Ethereum blockchain**. This blockchain **ledger is immutable** with data upload taking significantly less time than on the Bitcoin blockchain.

21.2 Everlasting Existence of Digital Assets



All asset data is recorded on the blockchain and **exists indefinitely**. Even if Karatcoin folds, **every proof generated** can be verified and **are admissible in a court of law** in the applicable jurisdiction.

21.3 No Web based Account log-in / Sign-up



There is no web form log-in and there are **3 options to buy contracts**:

- Users will download desktop client from Karatcoin. There is significantly less chance of a Man in the Middle attack compared to traditional user web based log-in.
- Users can buy directly from Karatcoin.co (via Truffle) without waiting for download the wallet and its blockchain.
- Users from their wallet (e.g. Mist) can directly interact with our Ethereum Contract.

22. Budget Costs

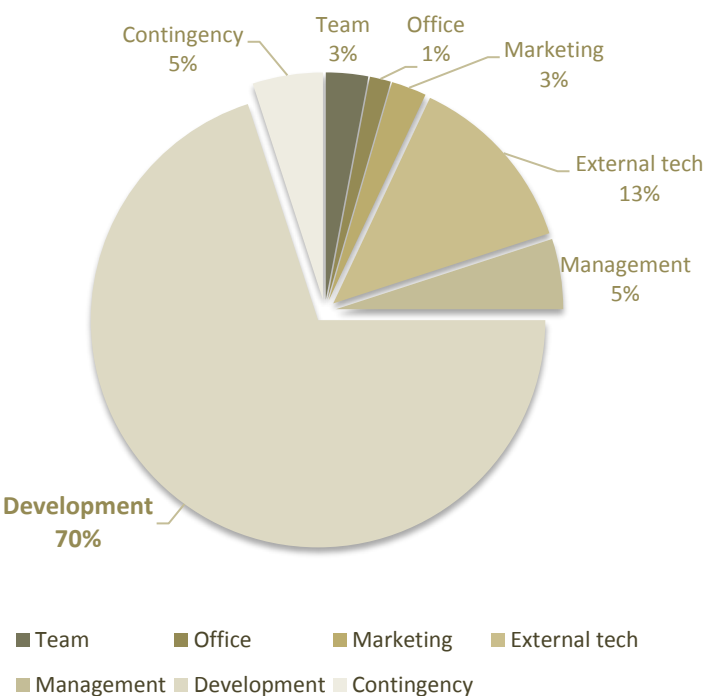
ADMIN: 20%

Team: 3%

- Employees
- Advisers
- Experts

Office and indirect costs: 1,5%

- Office and indirect costs of offices as well as other indirect, employment-related costs.
- Legal and accounting services



Marketing and Communication: 2,5%

- Community animation and expansion activities are strictly related to Karatcoin's expansion plan. This includes both communication and marketing efforts to get new communities on board, as well as supporting (financing or co-financing) third party integrations with Karatcoin.

External technologies: 13%

- Expenditures on external technologies
- Development and management marketplace platform

FINANCIAL 5%:

- Financial Management: 5%

DEVELOPMENT: 75%

- Development and operations for gold mines: 70%
- Contingency fund: 5%

23. Evolution



24. Long-Term Roadmap

Over half the world's population, living in the Eurasian land mass, understands that gold is money.

Asian central banks will want to increase their gold reserves, something India has been desperately trying to do by gaining possession of her citizens' gold. China would be the first to adopt the gold standard, to be followed by Russia. In the reality of these hypotheses how will the other superpowers move?

We firmly believe that the future will be very brilliant for a fast expansion of the gold business, so we have planned our goals as described below:

24.1 Goals for 2018

GOLD ASSET CERTIFICATES

- Closing the **first block** of allocation Gold Certificates at total value **\$25,000,000.00**
- Develop the core foundation for the marketplace and define the included processes.

GOLD ASSET CARDS

- Karatcoin planning to allocate **500.000 Karatcoin Gold Asset Cards** from gold mining extraction.

24.2 Goals for 2019

GOLD ASSET CERTIFICATES

- Launch the **second block** of Gold Certificates at total value **\$50,000,000.00**
- Develop and test the functionalities defined in 2018
- Create a full roadmap for final platform development.

GOLD ASSET CARDS

- Karatcoin planning to allocate **1 Million Karatcoin Gold Asset Cards** from gold mining extraction.

25. Roadmap

	START OF THE PROJECT Q3 2017 Following a careful financial examination of some gold mines, the Dreammy staff started to develop the Karatcoin project
	SUCCESSFUL PREICO Q1 2018 Reserved for institutional investors, international funds and ventures capital investing in blockchain projects
	RESEARCH & DEVELOPMENT Q1 2018 Especially for the launch of the Karatcoin's DApp, development of the market place platform and to security our products in the blockchain
	ICO (PRE-LAUNCH) Q1 2018 Karatcoin's initial offering coins the total supply of the tokens for the Token Sale (PRE-ICO + ICO) will be 15,000,000 (TOKEN) = 45M\$
	DAPP + BLOCKCHAIN DEVELOPMENT Q2 2018 Start design and develop in a completely decentralized world all things peer to peer networks as DAPP and market place platform
	FUND MINES ISSUANCE OF CERTIFICATES + GOLD CARDS Q2 2018 Examination of mines to be financed, deposit of bullion bars in the vault and issuance of certificates and gold cards
	LAUNCH RESERVATIONS 2° BLOCK CERTIFICATES + GOLD CARDS Q4 2018 Starting reservation of the second block of certificates, deposit of bullion bars in the vault and issuance of gold cards
	FUND MINES + ISSUANCE OF CERTIFICATES + GOLD CARDS Q1 2019 Examination of mines to be financed, deposit of bullion bars in the vault and second block issuance of certificates and gold cards

Using Karatcoin users can buy one or more gold products in the marketplace where can be exchange and trade any gold products using the buy-and-sell button.

In other words, liquidity generated on the marketplace, will create a significant cash flow of Karatcoin tokens which will be used by both old users and new users to purchase gold certificates and gold cards and its value will increase according to the number of Karatcoin tokens circulating.

In short **Karatcoin will be used** for:

- Buy gold certificates;
- Buy gold cards;
- Trade in cryptocurrencies market.

26. Crowdsale

26.1 Financial projections

Raising funds via a token crowdsale is superior to the traditional VC model in many ways especially for startups not based in one of the really great startup hubs. However, the similarity between “IPO” and “ICO” (“Initial Coin Offering”) is not coincidental.

A good crowdsale has more in common with a company IPO than a company raising a seed or Series A round, and investor expectations after a successful raise are very different.

The funds raised by crowdsale will be used for Karatcoin operations, and in particular for the issuance of Karatcoin Gold Certificates and Gold Cards, platform development, marketing and public relations, legal fees and international expansion.

26.2 Token sale and distribution

In traditional companies, equity is the key foundation of receiving investments, attracting great employees, and forming strategic partnerships. For tokenized companies, tokens take over those roles.

Karatcoin is an ambitious project based on develop and manage:

Karatcoin Gold Certificates

- Real **savings** account;
- **Coupon** every **six months** with good interest rates;
- **Decentralize** the wallet: Ethereum + Cryptocurrency;
- Protect the investment with **high value stability***: Gold + Dollar.

Karatcoin Gold Cards

- Send and receive gold as payment;
- Start from 1 gram to rise in line with the investment;
- Gold can be redeemed by users on the blockchain;
- The minimum investment will be 50,00\$ and therefore accessible to everyone.
- Selling physical gold in the partner centers, the value will be credited on the gold card.

There will be **50M** Karatcoin tokens, which will represent all the global supply.

Karatcoin will launch a **Token Sale** (PRE-ICO + ICO) to initially distribute up to **30%** of KTC in order to fund development of the platform and expand service offerings.

During the **crowdsale**, Karatcoin Tokens will be sold at the **fixed** price of **3,00\$**.

*Since the stability is an important feature of successful global economies and well know that without stability individuals across the world could not have low cognitive costs while engaging in commerce and savings, Karatcoin Gold Certificates can be safely used to fund startups or other finance projects.

The **CROWDSALE** will be divided into 2 parts:

26.3 STEP 1: PRESALE – PRIVATE PRE-ICO

In the first step we have planned a presale campaign to start the project.

During the **PRE-ICO**, **3.000.000** of Karatcoin tokens will be allocated for a value of **9.000.000,00\$**.

A **10% bonus** will be assigned to the participants for a total value of **300.000** Karatcoin tokens.

PRE-ICO will be for private investors only.

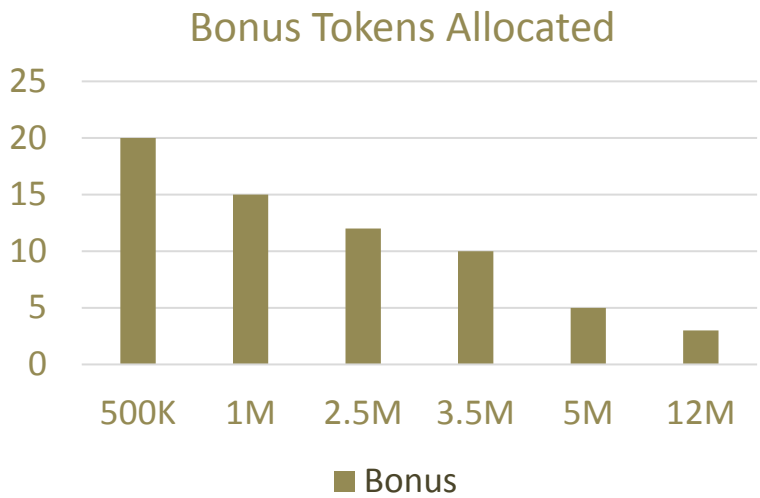
Presale of the Karatcoin tokens **will start on 1° quarterly 2018 for 15 days**.

Both Bitcoin and ETH will be accepted.

26.4 STEP 2: CROWDSALE – PUBLIC ICO

The price that users get depends on how early they buy in.

BONUS	RATE
1-499.999	20%
500.000-999.999	15%
1.000.000-2.499.999	12%
2.500.000-3.499.999	10%
3.500.000-4.999.999	5%
5.000.000-12.000.000	3%



To overcome them and build our platform in high security, we need the best people in the world.

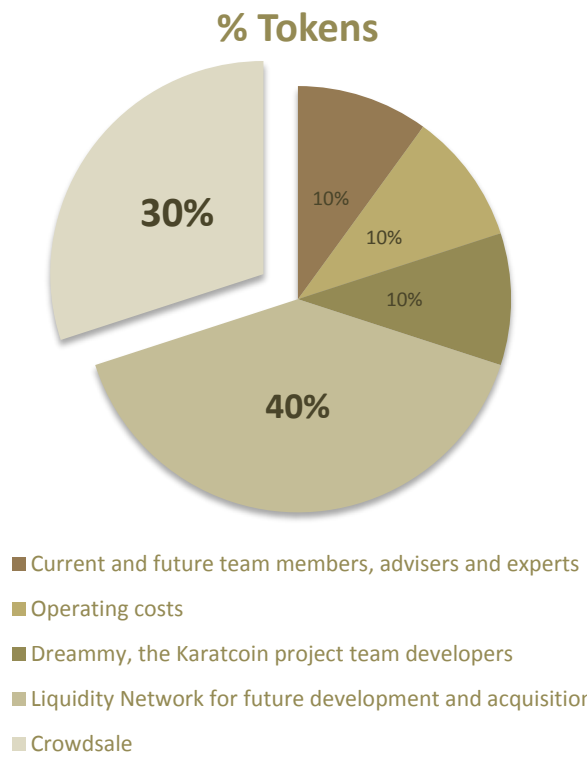
We are setting aside a significant percentage of the tokens to reward:

The **total supply of the tokens for the Token Sale (PRE-ICO + ICO) will be 15.000.000 (TOKEN) = 45M\$.**

Any tokens that are not sold during the crowdsale it will be placed in a multisig wallet for the duration of one year and will then be distributed to the Karatcoin team, protecting the participating investors and letting the community to decide how much this project is worth.

Crowdsale of the Karatcoin tokens will start after **30 days** from the end of the presale and will last 1 month.

Tokens will be **transferable** after the end of crowdsale.



26.5 Legal and company incorporation

The Terms of Sale and company incorporation information will be published at our website and linked to the majors’ social media a week before the crowdsale starts.

27. Collateral services

Collateral is an asset pledged by a borrower to a lender, usually in return for a loan. The lender has the right to seize the collateral if the borrower defaults on the obligation.

Traditionally the financial collateral means security, which is why collateralized loans often receive better interest rates than unsecured loans, since the lender bears less risk. Although mortgages are one of the most common collateralized obligations (with the house being the collateral), many other kinds of lending circumstances require collateral. For instance, margin loans almost always require collateral. Frequently the collateral is the securities involved in the margin loan.

The owners of Gold Certificates will be able to increase their earnings, leasing the certificates to startup companies to accelerate their fundraising.

In conclusion privately held assets can be safely and efficiently used as collateral without going through lengthy verification process to ascertain an asset's existence and authenticity.



Straight to Gold Mines.

KARATCOIN.CO

This is not an offer or to sell or a solicitation to buy any digital assets. The cryptocurrency space is volatile. Please be careful and thoughtful when purchasing any cryptocurrency token, digital asset or token sale.