

# IC3 Cubes Whitepaper

**[www.ic3cubes.com](http://www.ic3cubes.com)**

**October 2017**

IC3 Cubes – (IC3) an investment in physical gold. A vault verified, gold backed token = 0.00004 (g) of physical gold, price on settlement - day of purchase. IC3 Cubes has been offered access to physical gold supply through an insured, secure private vault, in order to create asset certificates that are supported and verified by physical gold via a private gold mine and vault in North Western Canada.

## ABSTRACT

IC3 Cubes ([www.ic3cubes.com](http://www.ic3cubes.com)) IC3, is the new digital gold standard that offers a unique and secure way to invest in and trade physical gold. Utilizing blockchain technology, the IC3 Token is a cryptoasset, representing a fraction (of a gram) of physical gold. The physical gold supply exists within an insured, secure private vault, that creates and issues both physical and digital asset certificates.

There are currently 1130 cryptocurrencies in the investment marketplace. Most of these currencies are backed by a proof of concept to solve a real-world problem. FIAT currency whose value is determined by the reputation and stability of its governmental institutions, similarly the value of many of these cryptocurrencies can be tied to the faith (FIAT money) of the population that invests in it, which makes it vulnerable to inflation and deflation similar to a fiat currency. Thus, we introduce a new token *IC3 Cubes* (IC3), a cryptoasset that is truly tied to a fungible asset built on a tried and tested blockchain technology.

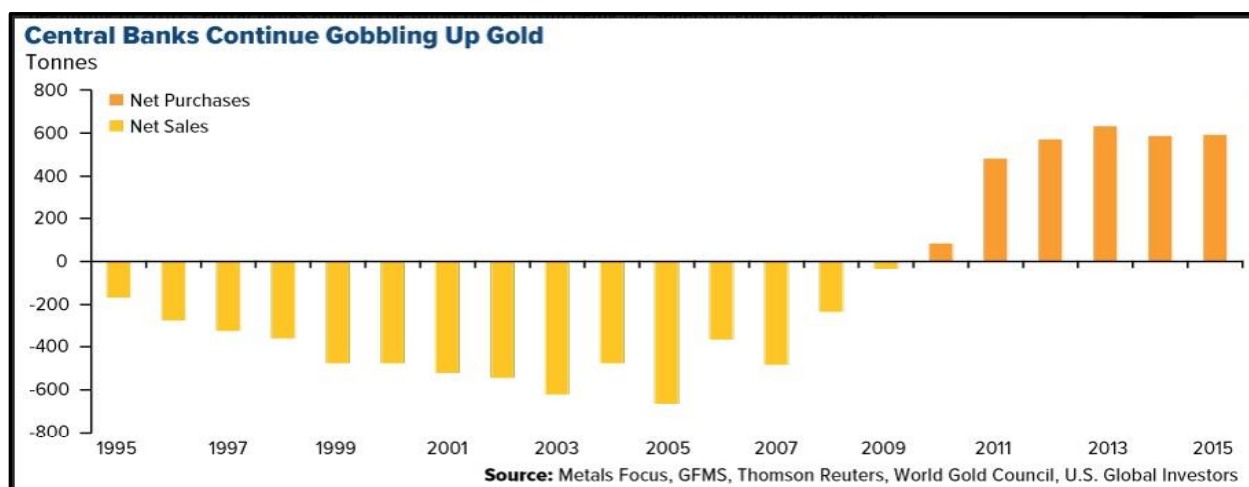
## 1 History of Gold and Cryptocurrency

### Gold Standard

Gold has been used as a currency since ancient times. Prior to WWI, a country's wealth was determined by their gold reserves. Gold offers refuge from widespread default risk and also offers investors insurance against extreme movements in the value of other asset classes. Unlike paper currency or coins, gold has maintained its value throughout the ages.

In modern times, FIAT currency is used in all forms of life, every individual still relies on the value of gold as a form of safe haven for their investments and hard-earned money.

Since 2010 the central banks around the world have turned from net sellers of gold to net buyers of gold. In 2015 a total of 483 tons of gold was purchased collectively making it the second largest total of gold brought since the end of the gold standard, with Russia and China leading the way.

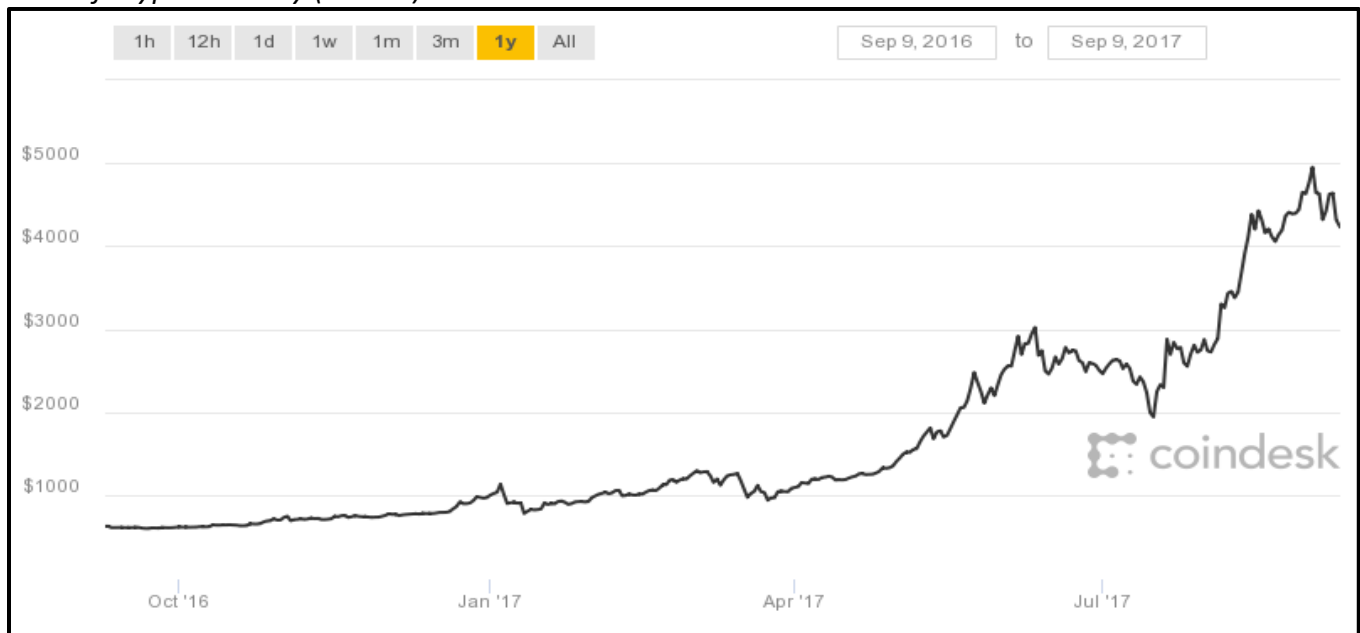


## Cryptocurrency

The first recorded cryptocurrency was introduced in 1998 by Wei Dai's (b-money) followed by Nick Szabo's (bit gold), but the most famous is (Bitcoin) introduced in 2008 by the mysterious figure of "Satoshi Nakamoto".

The rise of Bitcoin is attributed to financial conditions of the world during its inception where the general population in many countries lost faith in their respective governmental institutions; most notably, the real-estate bubble followed by the debt crises in Europe.

### *The Rise of Cryptocurrency (Bitcoin).*



There are many similarities between gold and cryptocurrency. Here we consider Bitcoin.

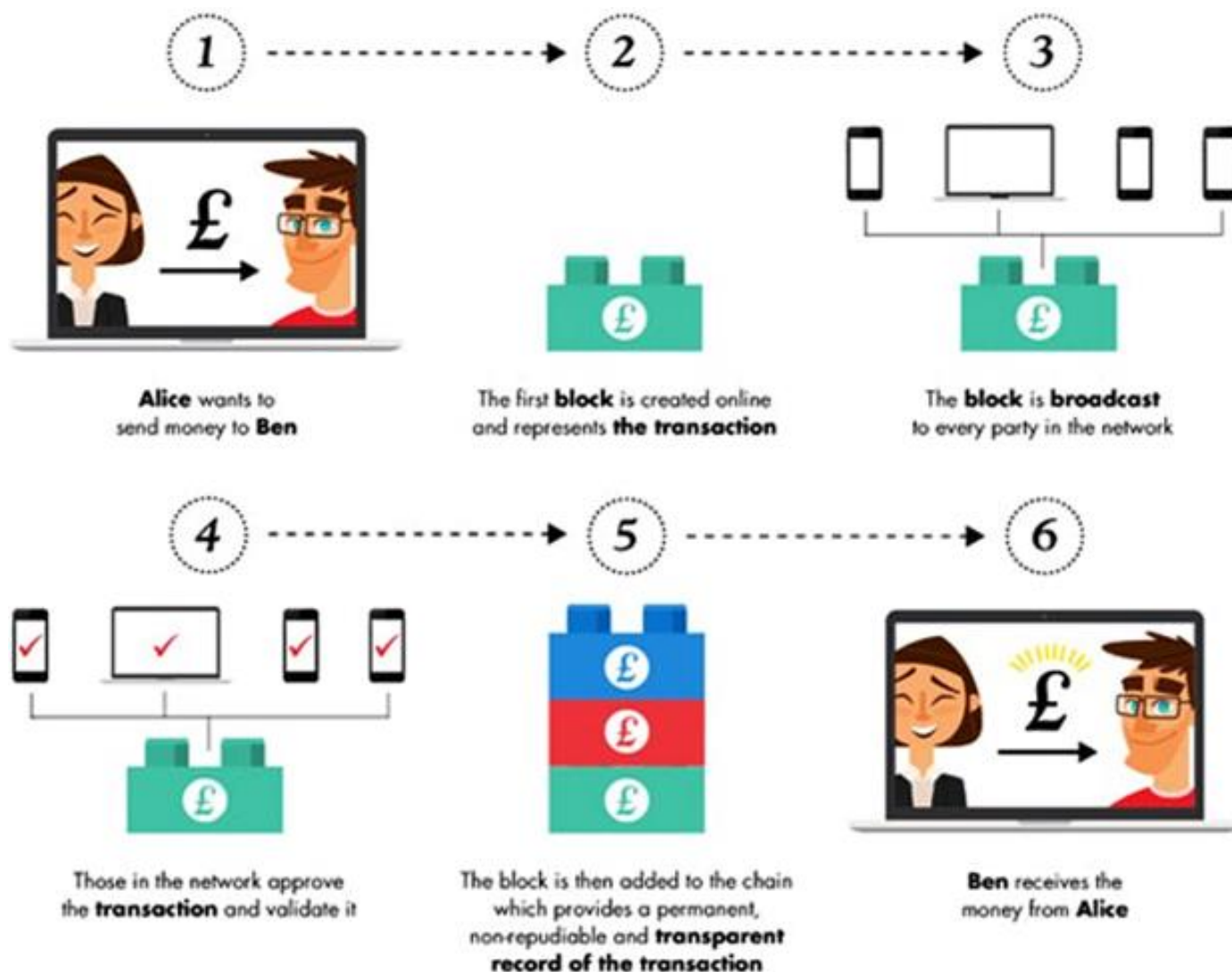
Gold	Bitcoin (Cryptocurrency)
Finite amount of gold exists under the surface of our planet	Finite unchangeable amount of bitcoin has been set as the upper limit of the currency
To increase your gold reserves, you need to mine the gold out of the ground	Bitcoins are mined by solving complex cryptographic puzzles.
No intervention possible by respective governments due to its property of being finite	Similarly, with bitcoin no intervention is possible. Since deterministic Algorithms decide the amount of bitcoin that can be mined

Bitcoin is built on top of blockchain technology which can be considered a global ledger which is immutable and thus cannot be altered or tampered with.

A blockchain is a ledger of facts, replicated across several computers assembled in a peer-to-peer network. Facts can be anything from monetary transactions to content signature. Members of the network are anonymous individuals called nodes. All communication inside the network takes advantage of cryptography to securely identify the sender and the receiver. When a node wants to add a fact to the ledger, a consensus

forms in the network to determine where this fact should appear in the ledger; this consensus is called a block. A blockchain, at its simplest level, is just a corruption-resistant string of ledger entries shared over a network by multiple parties.

### How Blockchain Technology (Cryptocurrency) Works



### Similarities between Cryptocurrency and Gold

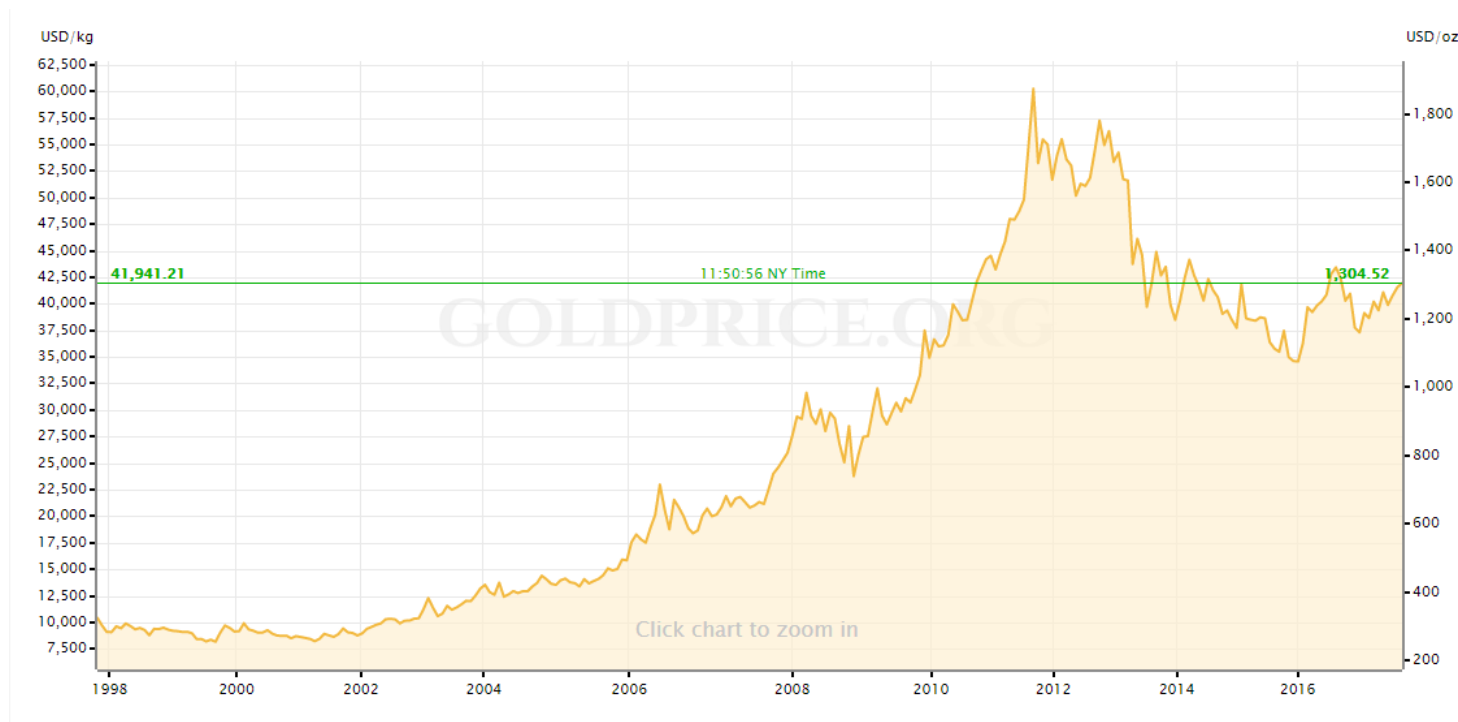
The problems with FIAT currency is that its price is dependent on the stability of the government. Also, a government can increase the amount of FIAT currency in circulation to fix problems in the economy in the short term. This gives rise to inflation and creates an uncertainty in the economy which when the population to protect their assets turn to gold. For example: before World War I, almost all the countries followed the gold standard, but once war broke out they abandoned the gold standard to pay for expenses of the war which would not be covered by their respective gold reserve.

By coupling the newest and most innovative medium of exchange with the oldest form of value, IC3 Cubes plans to combine history with the technology, while re-shaping gold trading standards and exchange.

## 2 Why Gold

Fiat money is not a scarce resource; thus, the quantity of its supply is not limited by scarcity like gold but can be controlled by central banks to serve the monetary system of a given country. Any existing fiat currency relies on the confidence people have in it and in the nation backing it. Not having intrinsic value induce governments to print too much quantities of money which leads to hyperinflation and exposure to devaluation.

Since the 1990s, much of the supply of gold in the market has come from the sale of gold bullion from the vaults of global central banks. Meanwhile, new gold production from mines has been declining since 2000. As a general rule, a reduction in the supply of gold increases the price of gold. Long lead times in gold mining mean that production of gold is relatively inelastic, regardless of increases in demand. That is why the rally in the gold price since 2001 has not created a meaningful increase in gold production levels.



### Demand – At All Time Levels

Demand for gold has shown sustained growth recently. Rising income levels in emerging market economies like China and India, and the increasing demand from the tech sector: consumer products (electronics, computers, electric vehicles, etc.)

### **Geopolitical Uncertainty**

Gold tends to retain its value during times of geopolitical and financial uncertainty. It is often called the 'crisis commodity', because people flee to its relative safety when world tensions rise. During such times, gold often out-performs other investments. When confidence in governments is low, the gold price usually tends to rise.

### **Currency Hedge**

Gold is a time-tested hedge against rampant government orchestrated fiat currency devaluation. The U.S. Dollar has declined in value 98% over the last hundred years, and the decline continues because of the vast national budget, mounting trade deficits and a huge increase in the money supply.

### **Risk Management**

Gold is significantly less volatile than most commodities and many equity indices, tending to behave more like a currency. Assets with low volatility help reduce overall risk in your portfolio, adding a beneficial effect on expected returns. Gold also helps manage risk more effectively by protecting against infrequent or unlikely (but consequential) negative events, often referred to as 'tail risks'.

For centuries, particularly during times of financial stress, geo-political uncertainty and the resulting 'flight to quality'. Gold is a foundation asset within any long-term savings or investment portfolio, where investors have sought to protect their capital in assets that offer safer stores of value. A potent wealth preserver, gold's stability remains as compelling as ever for today's investor.

## **3 IC3 Cubes Overview**

IC3 Cubes will provide the investment performance of world class gold markets with the transparency of an exchange-traded security. IC3 utilizes an anonymous and private decentralized system that enables investors to acquire an amount of gold in the form of IC3 Tokens; a cryptoasset, utilizing smart contracts on the Ethereum Blockchain.

The IC3 Token represents a fraction of a gram ( 0.00004 g) of physical gold. IC3 Cubes offers access to a true gold supply through an insured, secure private vault, that creates and issues both physical and digital asset certificates.

IC3 Cubes will issue an electronic receipt that is equivalent to the current weight, based on the settlement price of gold, on the day of purchase via COMEX NY (ref [goldprice.org](http://goldprice.org))

All investments received shall be kept and managed based on the transparency, audibility and efficiency principles. Raised investor contributions will be under the custody of IC3 Cubes, held by the vault and subject to audit.

While there may be other gold based blockchain endeavors who market themselves as verified gold based tokens, the reality is that those coins use their funds to acquire the gold to then support the token. IC3 Cubes is the premier gold backed token that offers a unique personal investment option to access physical gold supply via a private gold mine and vault in North Western Canada.

IC3 Cubes will enable investors to buy and transfer even a very small fraction of gold anywhere in the world while having pertinent ownership information securely stored on an unalterable Ethereum Blockchain. By utilizing this form of digital trade and acquiring IC3 Tokens, individuals will have access to global investment opportunities that will be realized in the coming months as part of the collective IC3 Cube eco-system.

### **Higher Return on Investment**

The traditional gold ETF is assumed to charge an average 0.4% annual storage and management fee. Over time, these fees for the ETF add up, giving an investment in IC3 a higher return than physical gold.

### **Asset Security**

For security concerns, access to the funds will only be permitted to the vault Trustee under supervision of the auditing and insurance firms. At no time will funds be moved from the vault unless there is an authorized purchase or sale of physical gold.

IC3 Cubes is committed to the growth of blockchain / cryptoasset investment. By being a truly physical based gold token, IC3 Cubes will showcase and support buying demand, provide investment managers and individuals with a stable, known and controlled base of gold in which to invest, trade and exchange.

## **4 IC3 – The Digital Gold Standard**

### **Insurance (Finance Security): Aon Reed Stenhouse & Lloyds**

- All IC3 Cubes will be secured and stored in the private vault.

### **Exclusive Presale**

An initial allotment / block of 261,644,250,000 IC3 Cubes will be distributed in this Exclusive Presale.

### **Token Distribution:**

- 1 IC3 Cube will always equal 1/25,000 of a gram (g) of physical gold, or 0.00004(g).
- IC3 Cubes are always priced at settlement on the day of purchase via COMEX NY (ref [goldprice.org](http://goldprice.org))
- $1 \text{ IC3} = \text{Market Price of Gold (per g)} \times 0.00004$
- IC3 Cubes Represents a Total Distribution of 10 Blocks or 2,616,442,500,000 IC3 Cubes.

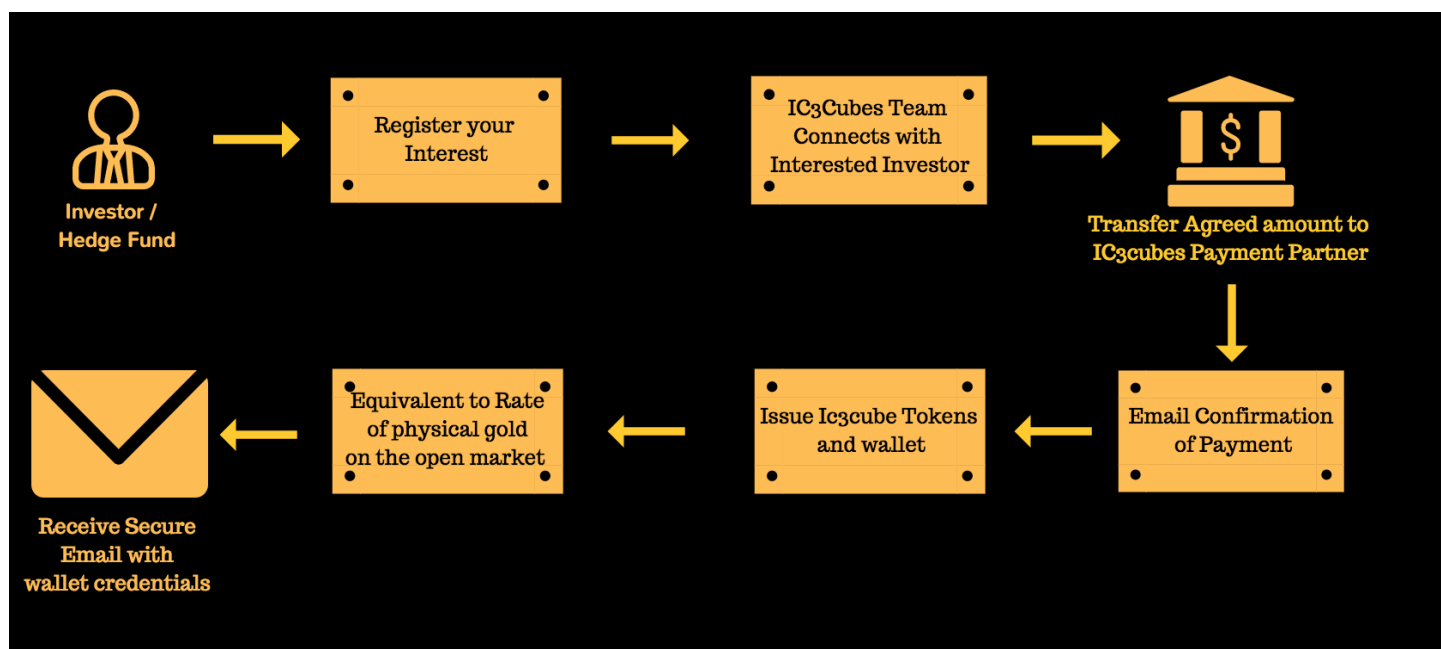
### **IC3 Token Verification**

Each IC3 Token purchase shall include a one time, \$10.00 verification fee, which assigns the physical gold within the vault to the newly issued tokens.

## Acquiring IC3 Cubes

### Phase 1: Exclusive Presale - Transaction Process

- Direct contact must be made by registering interest: via web ([www.ic3cubes.com](http://www.ic3cubes.com)) or email ([email@ic3cubes.com](mailto:email@ic3cubes.com)). IC3 Cubes will then send the account application and registration.
- Once the account registration is complete, verification and account information will be sent via encrypted email, and additional pertinent information will be disclosed.
- During Phase 1 of the Exclusive Presale, IC3 Cubes are acquired via bank wire transfer or e-transfer. Referencing the unique account #.
- Once funds are received in the IC3 Cubes Account, a smart contract is created and IC3 Cubes are issued based on the settlement price on the day of purchase - via COMEX NY (ref [goldprice.org](http://goldprice.org))
- A digital / printable certificate will then be issued to the account holder, utilizing blockchain based anonymity.
- The record of transaction of the IC3 Token is then posted to the Ethereum Blockchain and a copy of the transaction is sent to the account holder.



- These tokens will be transferable upon completion of the share token sale, **(Holding Period)**.

### Holding Period – Approx 9 Months

There is a finite amount of physical of gold to acquire and invest in. IC3 Cubes intends on a total distribution of 2,616,442,500,000 IC3 Tokens, or approx. **A Total of 3,364,823 (Troy Ounce) over 10 Lots.**



ICE Cubes will utilize the holding period of the exclusive presale to build out the technology and infrastructure required to support future IC3 token distribution, while also introducing innovative trading models (IC3 eco-system) to facilitate a new era of cryptoasset based investment and trade using blockchain technology.

### **Phase 2: Digital Anonymous Investment & Trade**

Purchases can be made by using a secured decentralized account (wallet) with additional transactional / payment options that will segue into the full IC3 eco-system (Phase 3). The wallet will be a software program available for download, once a user account is setup. A secure platform for anonymous investment and trade.

### **Phase 3: Future of Digital Asset Exchange**

As gold represents the oldest form of value, wealth and currency, the IC3 Cubes team is actively developing a vast eco-system to facilitate digital cryptoasset exchange utilizing blockchain technology.

## **5 Conclusion**

As one of the few financial assets that do not rely on an issuer's promise to pay, gold offers refuge from widespread default risk and also offers investors insurance against extreme movements in the value of other asset classes and cryptocurrency. Unlike paper currency or coins, gold has maintained its value throughout the ages. IC3 Cubes will help usher in a new era of cryptoasset investment, trade and exchange.

The applications for gold on the blockchain are vast. IC3 Tokens represent a fractional amount of physical gold, an ideal investment and most stable form crypto-based value. Through the IC3 eco-system, IC3 Cubes will continuously explore and implement systems, platforms and solutions with real world implications.

By participating in this Exclusive Presale, investors will not only receive the right of first refusal for subsequent IC3 Token offerings, but also preferred rates on future services within the IC3 eco-system. As advocates of blockchain technology and cryptocurrency trade, IC3 Cubes will help forge a decentralized future.

IC3 is the new digital gold standard that offers a secure way to invest in and trade physical gold. For individuals not currently involved or active within the world of blockchain, IC3 is the asset based entry point into the digital future.