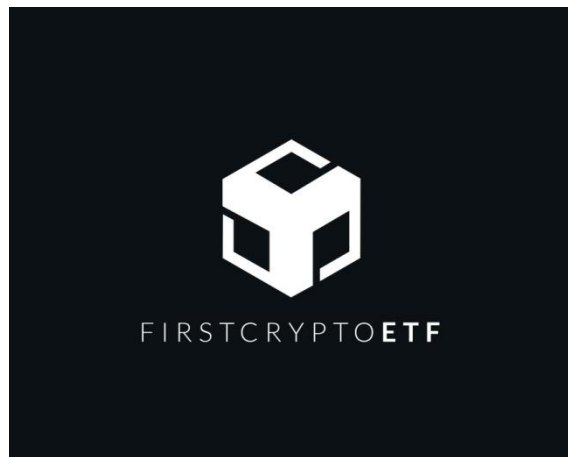


# THE WHITEPAPER FOR THE FIRST CRYPTO ETF

SEPTEMBER 2017



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## INTRODUCTION

The purpose of this document is to provide information regarding the First Crypto ETF, its core conceptual idea, functional model, competitive advantages, team, ICO details and roadmap towards the actualization of our projected roadmap. A more technical description of core architecture and APIs will follow soon after.

After condensing the original concept into a pitch presentation, we relentlessly reached out to interested partners and organically built our team. Along this journey, we found great partners and mentors strongly committed and excited to work with in fine tuning our vision and refining our proposal for the market. Now that we drive towards the ICO stage, we thank everyone that supported us and hope to surpass the expectations of the community in the future.

This whitepaper will be published on a yet to be disclosed date, on its current revision, and we recommend following updates on our website and other media channels periodically, for new information and updates.

## EXECUTIVE SUMMARY

First Crypto ETF (FCTF) is a fund with a unique platform, using blockchain technology and our proprietary authorized engine, which perfectly manages digital assets. It acquires a basket of crypto-currencies to a portfolio. Against this portfolio are issued tradable tokens, which can be bought or sold on crypto-exchanges, peer-to-peer platforms and other venues. It all happens in real time, all around the world. The price of the tokens tracks the value of the coins in the portfolio, and it's traceable thanks to blockchain technology.

Our sole objective was to develop a unique technological solution that allows the integration of crypto currencies with high liquidity and daily volume to be traded as one token on crypto exchanges all around the world simultaneously.

All of these features would make for a kick-ass product on its own right, the first-of-its-kind in the world of crypto currency exchanges and one that could be funded by venture capital investment alone. But we decided to go a step beyond, and wanted to offer the chance for anyone in the world to become a backer, leveraging the power of an Initial Coin Offering (ICO). In essence, the First Crypto ETF (FCTF) token will act as an investment stake from our backers.

This is an ambitious endeavor intended to build a comprehensive platform from the ground-up, while bringing tangible value to our backers, in the form of token appreciation.

We believe crypto currencies are evolving to become much more than speculation and are here to stay in the minds and wallets of consumers.

We will be opening our ICO sales on a yet to be disclosed date, intended to observe community interest in our project. After the round closure, and if it matches our expectations, the funds will fuel our passion with the First Crypto ETF fund and platform, financing development, evangelistic campaign, marketing operations, and team expansion. What we achieved so far is the result of the efforts of a diverse and highly-skilled team, targeting our ambitious roadmap. At this stage we need your support, and dare we say your trust.

## WHAT IS FIRST CRYPTO ETF?

**First Crypto ETF** is a fund and a technological solution that creates tokens that can be traded on crypto exchanges all around the world like other coins. It bundles specific crypto currencies into the single file, and the tokens of this file are then traded on exchange just like other coins. That makes the market more flexible and accessible with few restrictions creating a hub of unity in the crypto space.

Such token can be a great tool for everyone who wants to invest into several crypto currencies buying just one token. This will also be great for everyone who has limited time for market analysis or cracking down which crypto currency is the best for them.

In the same time it is interesting for traders and arbitrage traders who look for easy and simple tradable instrument which can bring great profits while saving transaction/trade related costs.

Crypto exchanges can profit from higher daily volume and new liquidity which will come with the First Crypto ETF to the markets. That being said, the First Crypto ETF can improve and minimize spreads on the market, act sometimes as a liquidity provider and trading volume generator.

## **AUTHORIZE ENGINE AND BLOCKCHAING TECHNOLOGY**

Authorize engine is a unique and cutting technology we integrated into our platform which helps us analyze markets and make smart decisions when and where to buy/sell exact amount of crypto currencies.



But wait, how does the First Crypto ETF then creates tradable tokens? Tokens are created also by our unique Authorized engine which works with the First Crypto ETF. During this creation process the Authorize engine buys crypto currencies which represent portfolios to follow. It buys crypto currencies, put them in files and then creates tokens which are sold on crypto exchanges to traders, portfolio managers, and other participants. Authorize engine keeps value of tokens on the market equal to value of crypto currencies which are held in the basket.

Markets are not perfect. So if demand for tokens goes up, its price may go higher than the price of crypto currencies from the portfolio. Taking the advantage, authorized engine buys crypto currencies, put them into the file and creates additional tokens to sell to the market until those two prices are back in line. This process is called CREATION.

When demand goes down and the price drops below the price its basket of crypto currencies, Authorized engine reduce the number of tokens in the market, this process is called ERASION.

Authorize engine analyze the entire time situation on the market – on all large crypto exchanges and data feeds from liquidity providers. Just to keep price equal to basket of crypto currencies. Thanks to blockchain technology, high-performance computing and unique algorithms.

The potential for added efficiency from our portfolio settlement makes a strong case for blockchains. Executed trades (buy/sell) become almost instantaneous (as opposed to taking three days for clearance). This means intermediaries — such as clearing houses and custodians — get removed from the process. Thanks to blockchain, our portfolio will be traceable any time and from anywhere. Everyone will be able to check what is in our portfolio; the quantity of coins, when they arrived in the portfolio, time and their source (exchange, liquidity provider, etc). This gives us an edge and great transparency for every investor, market participant or portfolio manager.

## **VISION**

Our vision is to provide simple and easy tradable token on crypto exchanges all around the world, Including peer-to-peer platforms and other venues which attract newcomers, general public, traders and portfolio managers.

Our success is sustained by continually building and improving the firm by attracting, developing, exciting, and retaining top-tier investment managers. Later will come the CFD's offered by forex brokers what brings new volume and liquidity. We have a burning passion to bridge the product gap for a larger public and present crypto currency community.

## **BLACK CARD**

The general public and crypto-currency community will be able to interact with the First Crypto ETF thanks to this unique tool. Black Card enables customers to buy via credit or debit card on our website. It will be loaded with a pre-define quantity of tokens, representing a portfolio of crypto-currencies and delivered with password and seed phrase under the highest security standards.



## **TRANSPARENCY**

First Crypto ETF cares about Transparency, which is maintained and checked constantly to avoid mismanagement and abuse of the public funds, ensuring the smooth running. The blockchain technology, wallets with a “view only” function will enable transparency and accountability.

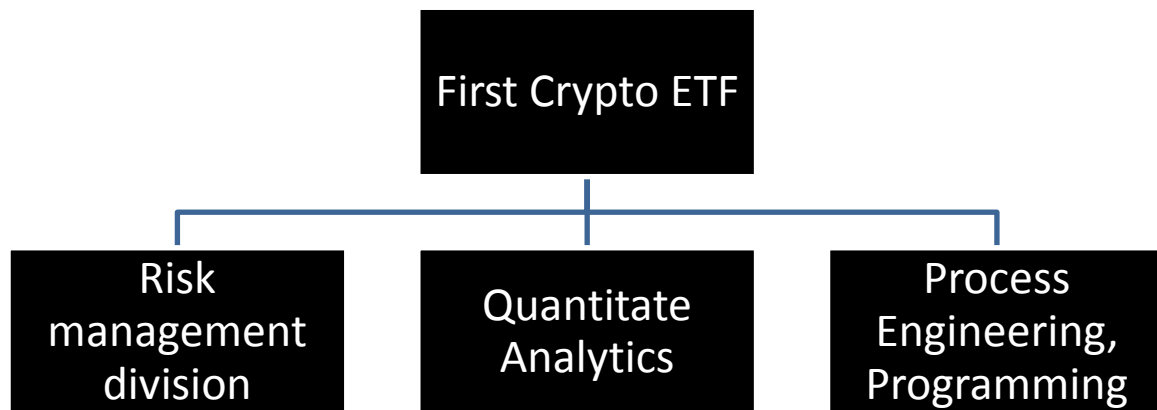
Our activities will be audited by the most respectful auditors. We are in intensive dialogue with companies from big 4“. That being said means we negotiate with Deloitte, KPMG, Ernst&Young and PricewaterhouseCoopers about future co-operation. They will have eye on our business activities.

Also most of the activities necessary for daily operations will be chosen after tendering procedure to achieve best offer for services.

## **RISK MANAGEMENT**

We will manage risk to the barest minimum by with the help of our professional Risk management division. They will be providing the in-house analytics of the day to day rise. This management team will be responsible for risk and quantitative analysis, daily operations and every other part that touches the process.

## Company structure



## TOKENS

We believe in our vision and power of our idea. That's why we decided to set up hard cap for tokens. Total amount of tokens is planned at 65 000 000. 18% of tokens will be hold by founders, consultants and partners.

FCTF tokens represent ownership of the First Crypto ETF fund and platform, allowing their holders to receive benefits and vote on FCTF related issues. All non-fiat funds sent during the ICO will be immediately sent back with the next block after they are received to a cold-storage, multi-signature address.





The capital required for development and release of the First Crypto ETF fund and platform will be secured through a crowd funding campaign – the First Crypto ETF Initial Coin Offering (hereinafter referred to as “ICO”). 10 days after the conclusion of the ICO, the First Crypto ETF will issue 65 million FCTF tokens.

Pre-ICO will be open to everyone between 6<sup>th</sup> October and 6<sup>th</sup> December. During this time, a special First Crypto ETF pre-ICO website will be available at **[www.firstcryptoetf.com](http://www.firstcryptoetf.com)** where pre-ICO participants will be able to generate user accounts.

First Crypto ETF ICO website will guide participants through the deposit process. 10 days after the funding campaign is completed, the number of First Crypto ETF (FCTF) tokens belonging to each ICO participant will be determined based on the total amount raised and the First Crypto ETF (FCTF) tokens transferred to individual user accounts. After 3 months period from launch of Crypto ETF platform on exchanges, first buyback of FCTF tokens will be offered.

10 days after the crowd funding campaign successfully ends 100 % of the First Crypto ETF tokens represent 100 % ownership of the First Crypto ETF fund and platform,

comprising of all assets and liabilities, as well as each and every right and obligation, including but not limited to intellectual property rights, branding and trademarks.

### **Pre-ICO**

There will be hard cap on tokens in pre-ico. Hard cap is set at 10 000 000 and 8 200 000 tokens go for sale. That means 18% is kept for founders, consultants and service providers who were with us during pre-ico process.

### **ICO**

Total tokens will be 55 000 000 and 45 100 000 goes for sale, using the same key as was used in pre-ICO.

## ROAD MAP

