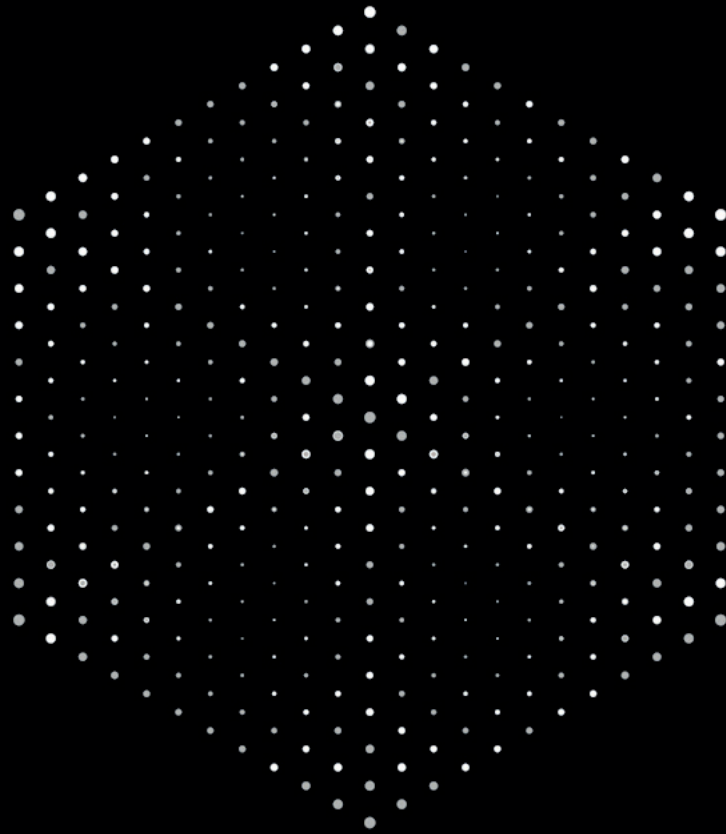


LAST UPDATE 07.12.2017 V.2



# RAISON

AI-BASED PLATFORM DESIGNED  
TO HANDLE INVESTMENTS  
AND PERSONAL FINANCE

# SUMMARY

RAISON is an AI-based platform designed to handle investments and personal finance.

RAISON helps to maintain an optimal investment portfolio of cryptocurrencies, shares, bonds and funds based on the customer risk-profile and investment expectations.

RAISON pools all user accounts, analyses cash flows and offers recommendations on how to improve the customer's financial position. The application enables utilisation of familiar financial services (IBAN, cards, and payments) on an integrated platform.

The platform focuses on functional simplicity based on the state-of-the-art high-tech financial solutions in a fully regulated legal environment.

The product specifically targets the Western European market as the most legally-transparent region with positive attitudes towards cryptocurrencies and excellent investment prospects in a zero interest rate environment. Further market development prioritises Eastern Europe, the UK and the USA.

The RAISON platform is developed by the joint team of Threesixty Elements SA, professionals specialising in capital management services under the regulation of the Securities and Exchange Commission (US), AKIL.IO, the resident of the ITMO Research University, successfully implementing machine learning and AI-integrated systems, as well as NetBox, a company created by former employees of MAIL.RU, responsible for technology and product base development.



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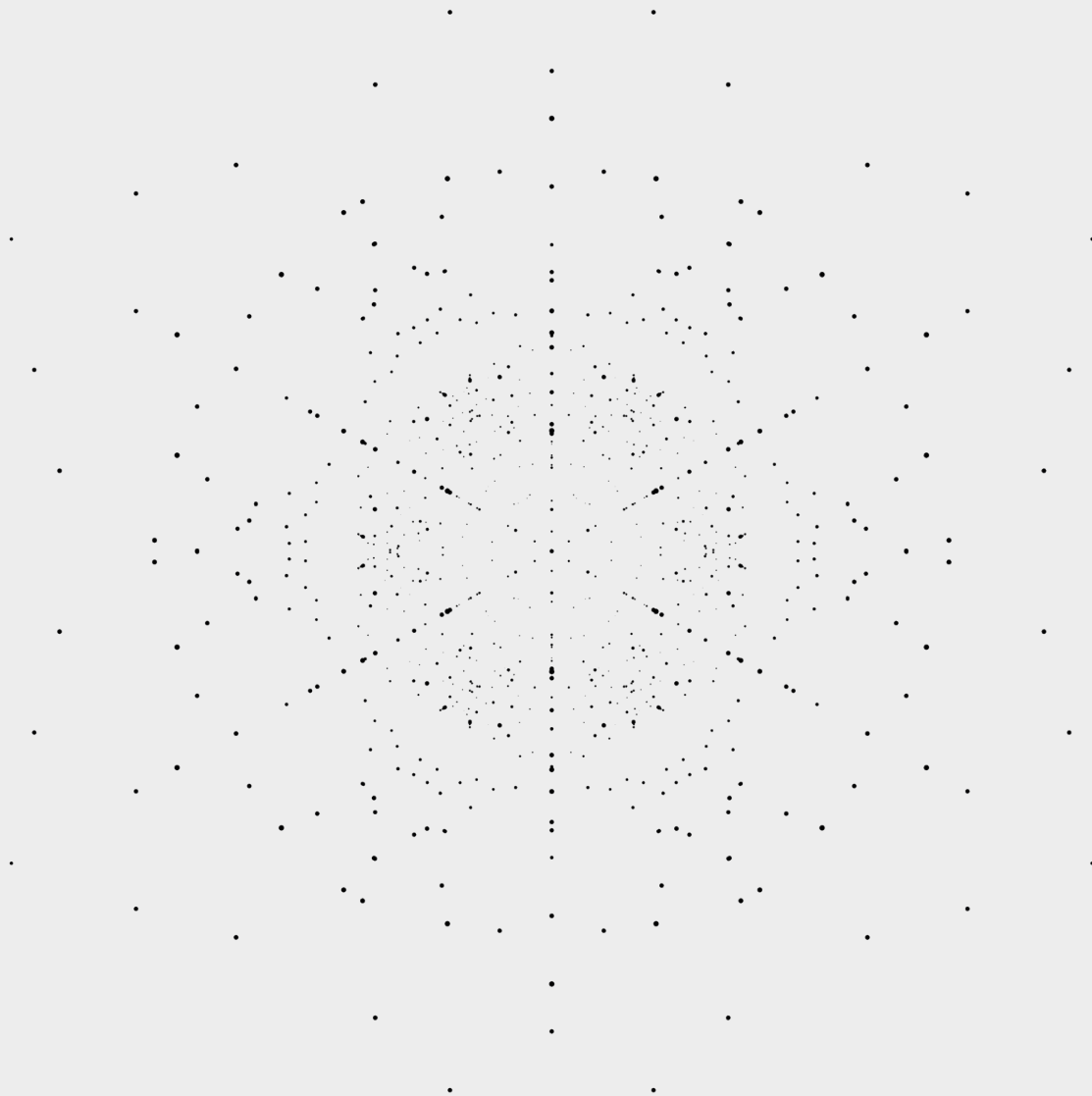
**Some of the statements in the Whitepaper include forward-looking statements which reflect the Issuer's current views with respect to execution roadmap, financial performance, business strategy and future plans, both with respect to the Issuer and the sectors and industries in which the Issuer operates. Statements which include the words "expects", "plans", "believes", "projects", "anticipates", "will", "aims", "may", "would", "could", "continue" and similar statements are of a future or forward-looking nature. All forward-looking statements address matters that involve risks and uncertainties.**



**Accordingly, there are or will be important factors that could cause the Issuer's actual results to differ materially from those indicated in these statements. These factors include but are not limited to those described in the part of the NPA entitled "Risks", which should be read in conjunction with the other cautionary statements that are included in the NPA. Any forward-looking statements in the Whitepaper reflect the Issuer's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Issuer's operations, results of operations and growth strategy. These forward-looking statements speak only as of the date of the Whitepaper. Prospective buyers of the RSN tokens should specifically consider the factors identified in the Whitepaper and NPA which could cause actual results to differ before making a purchase decision. No statement in the Whitepaper is intended as a profit forecast and no statement in the Whitepaper should be interpreted to mean that the earnings of the Issuer for the current or future years would be as may be implied in this Whitepaper.**



# INTRODUCTION

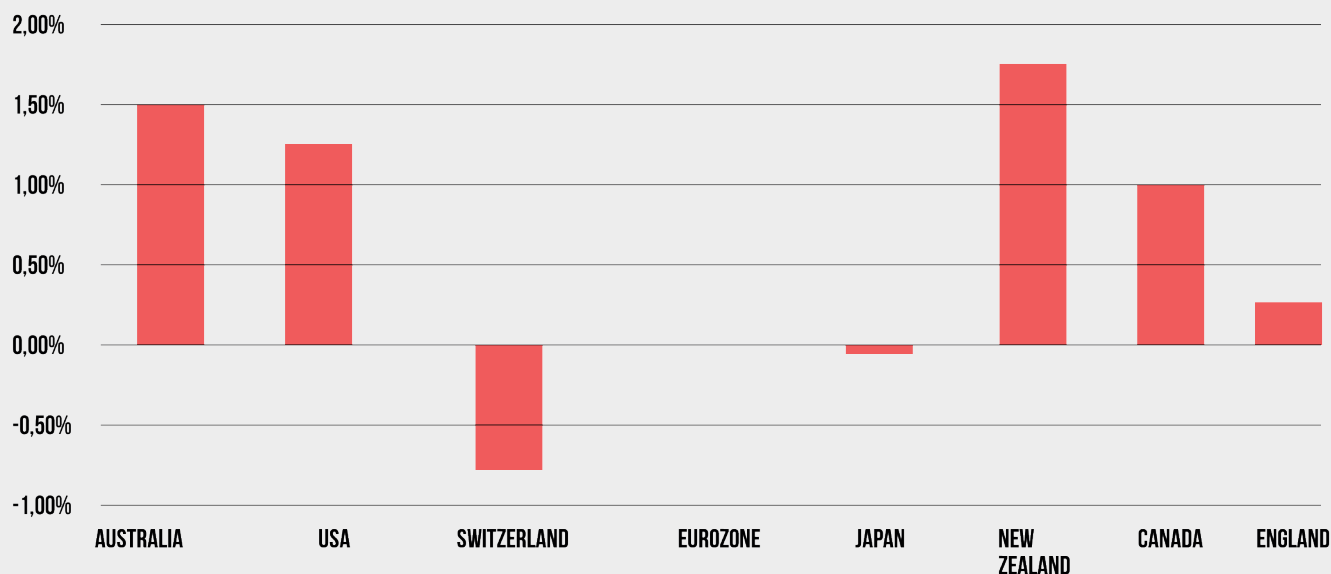


At the beginning of the century, the number of Internet users passed the 1 billion mark, and approached 4 billion in 2017. «Data explosion» is the best term to describe the amount of publications and news released all around the globe. The financial world is going through a period of rapid and dramatic changes that is hard to keep pace even for professional market players. There appear new technologies that transform conventional capital saving instruments, payment mechanisms, and insurance products. The government officials are discussing the paradigm shifts in the cross-border transactions involving cryptocurrency. There is almost no time to make decision and the risk of an error due to insufficient analysis of a large amount of data is constantly growing.

The world is at a point where classical financial institutions give way to new tech projects putting premium on the end-user service convenience. The traditional bank customers go to new mobile financial institutions which managed to adapt and understand the current needs of modern consumers.

The new generation chooses remote account opening and management possibilities over a visit to a classic bank branch. Loans and deposits moved online and now operate through P2P-platforms without any intermediaries.

## INTEREST RATES OF CENTRAL BANKS OF THE WORLD



data source: <https://www.fxstreet.com/economic-calendar/world-interest-rates>

In the majority of the developed countries, the monetary policies are best characterized by ultra-low interest rates making people think about protecting their savings after realising that the bank deposit rates fail quite often to keep up with inflation. It becomes ever clearer that in order to maintain the purchasing power of savings, people need to use the investment products extensively.

In light of the foregoing, a straightforward conclusion comes to mind — the desire to preserve and maximise wealth must be reinforced by specific actions. The major rule is to build a diversified investment portfolio. A modern fully-fledged diversified portfolio should include both the cryptocurrency and block-chain fund investments, as well as classic products like stocks, bonds and ETFs, whereas investment processes should take into account the current capital and money market trends based on the global economic environment dynamics.



# **MAJOR TRENDS IN THE FINANCIAL SERVICES MARKET**

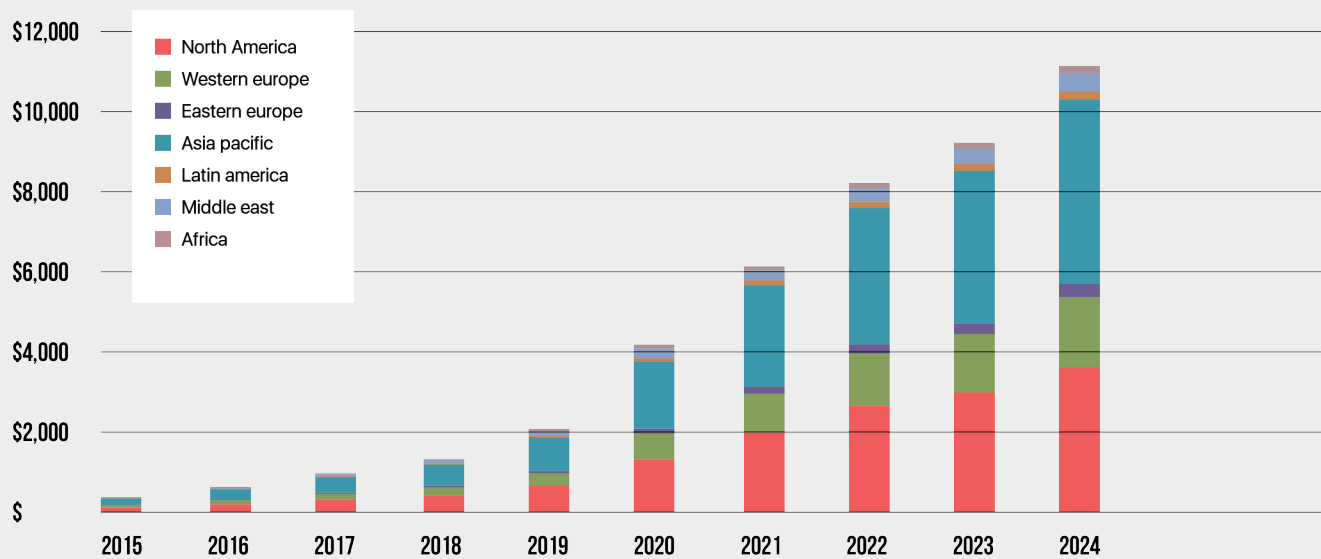




## AI (ARTIFICIAL INTELLIGENCE)

Artificial Intelligence is used across many sectors of the economy — from agriculture and transportation to education and medicine. In 2016, the global investment volume in the development of AI-based technologies exceeded \$26bn. USD. At the same time, the already launched projects are forecasted to exceed \$2bn. USD in income in 2019.

ARTIFICIAL INTELLIGENCE REVENUE BY REGION, WORLD MARKETS: 2015-2024



data source: <https://www.tractica.com/research/#artificial-intelligence>

In the financial sector, AI processes large amounts of data and helps make correct decisions before the competitors do. AI monitors social networks for event-driven strategies, assesses risks and builds investment portfolios depending on the market situation. The Artificial Intelligence also profiles customers of financial companies to increase sales and optimizes customer scoring to improve the credit portfolio quality. However, AI is not yet available for retail customers, though they need simple and effective investment advice. Development of an AI to be used in everyday financial activities will help allocate time and resources more effectively. By analysing a customer's lifestyle and finding new consumer trends and patterns, AI will be able to evaluate the overall financial situation of the end user and raise his/her quality of life.



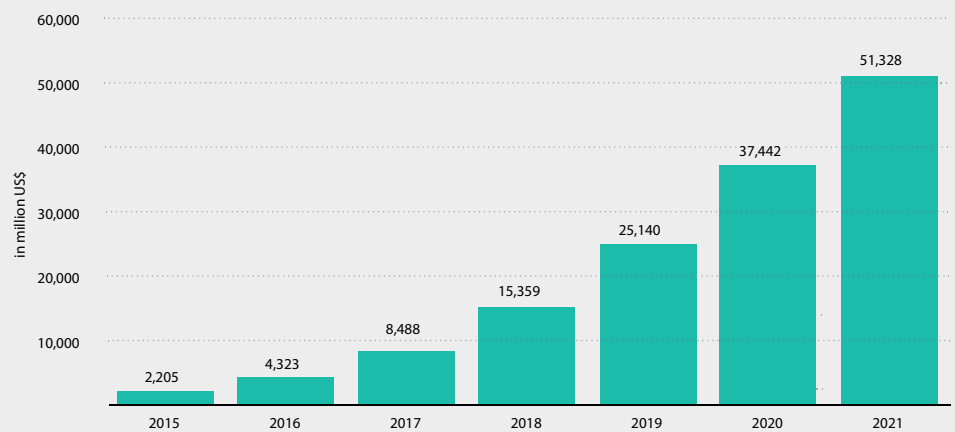
## INVESTMENTS

In the investment business, the transition from traditional trust management instruments to robo-advisory has been underway for more than two years. Since 2015 the robo-advisory market in Europe has been growing by 80-100% every year, and as of the Autumn of 2017, the volume of assets under management reached \$8.5 bn. According to forecasts, in the next four years it will grow six-fold and will amount to \$51 bn. For reference, in the USA, the assets managed by the five largest robo-advisory companies (for example, Betterment, Wealthfront, Vanguard) exceeded \$73 bn. in 2017.

In 2017, the number of robo-advisory users in Europe totals 500,000 and is forecasted to reach 2.5 mm. by 2021

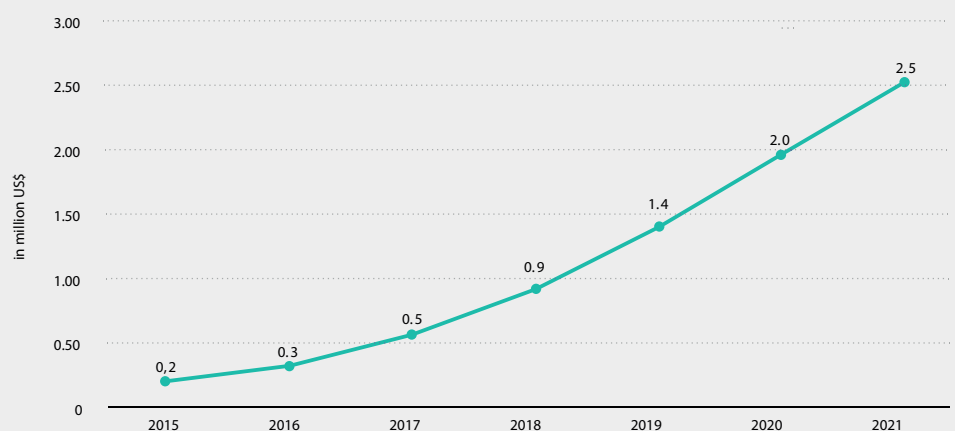
### Assets under Management, Absolute

Source: Statista, May 2017; Selected region only includes countries listed in the Digital Market Outlook



### User, Absolute

Source: Statista, May 2017; Selected region only includes countries listed in the Digital Market Outlook



# BLOCKCHAIN AND CRYPTOCURRENCIES

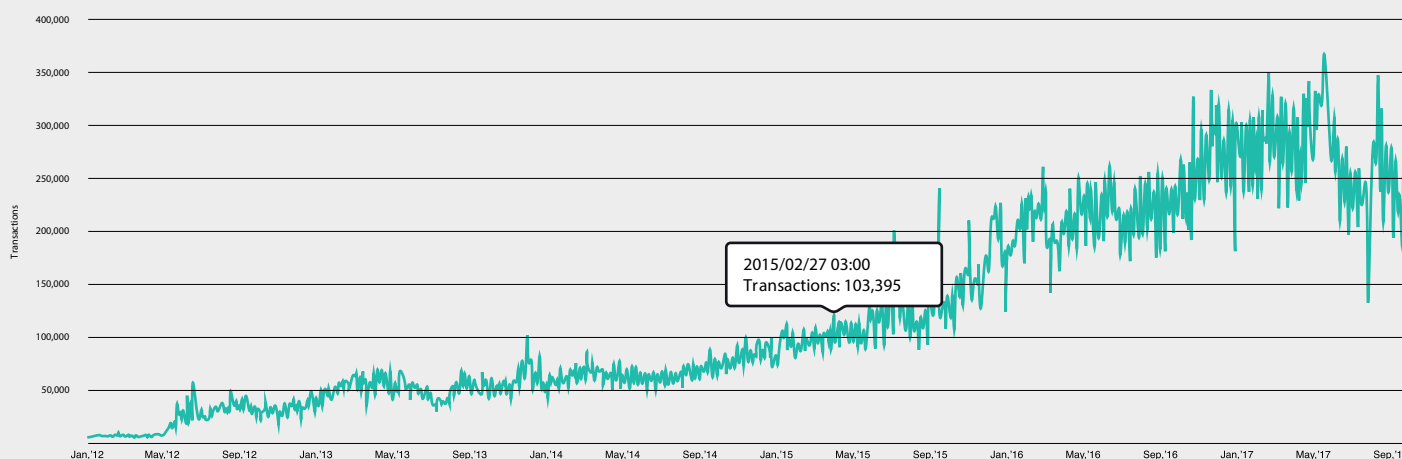
Cryptocurrencies and blockchain technology came into common use and became the mainstream of the century. While global economic models elaborate possible application of new assets, the possibility to invest in blockchain projects developing entirely new solutions for everyday life came to the fore for end users.

As of September 2017, the total cryptocurrency capitalization exceeded \$100 bn., and, according to the latest research, the number of unique Bitcoin purses ranges from \$5.8 to \$11.5 mm.

The number of daily Bitcoin transactions grew from 6,000 in January 2012, to 295,000 in October 2017.

## Confirmed Transactions Per Day

The number of daily confirmed Bitcoin transactions.  
Source: blockchain.info



However, the number of companies in the market that provide quick and secure methods for working with cryptocurrencies is still too small. After attacks on Mt. GOX, BTC-e and The DAO, the focus of users' attention is gradually moving towards regulated platforms ensuring overall safety and adequate protection for their assets.



## SIMPLIFIED BANKING

The latest few years have clearly demonstrated transition from traditional to virtual banking. Consumers demand comfort and simplicity: a bank becomes just an instrument in the hands of the user.

More and more customers prefer to use online-services: open an account without visiting a bank, issue a virtual card instead of a physical one, and buy some coffee using Apple Pay just an hour later. The number of online-banking users among customers of traditional banking institutions in Europe increased from 25 to 53% during the last ten years. Furthermore, the number of digital bank customers grows at a much faster rate, mainly due to automation of account opening processes, low fees and user-friendly applications. Neo banks work without any physical presence in the cities, which speeds up entry into new markets and additionally provides much higher return on invested capital.



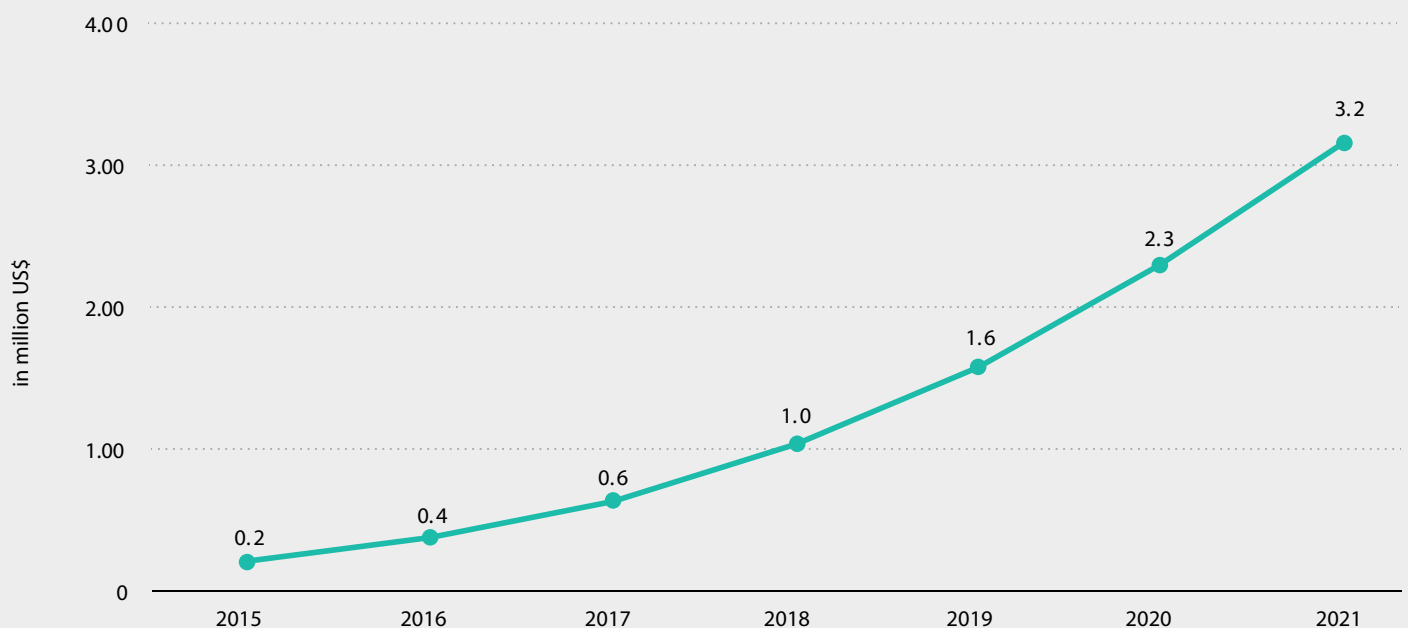
## P2P — DECENTRALIZED TRANSACTIONS

The market of P2P insurance already insures real estate property, motor vehicles and air flights. Such service was first provided in 2010 in Germany, and as of September 2017 similar projects were launched in the USA, Australia, the Czech Republic and the UK. After launching smart contracts this industry will develop much faster and will increase turnovers.

P2P loans may cut the costs down for creditors and increase profits for investors. The number of users in Europe in 2012 amounted to 600 thousand people, and by the end of 2017 it will exceed 3 million. Implementation of PSD2 directive provides vast opportunities for developing P2P lending (loan granting independent of the banks). Consolidation of user's financial flows on a single platform will allow analyzing the capabilities of a borrower and assigning an appropriate risk-profile.

### User

Source: Statista, May 2017; Selected region only includes countries listed in the Digital Market Outlook



## **CRYPTO-CURRENCY MARKET REGULATION**

The crypto-currency market has long existed without any regulatory framework and its participants entered into transactions based on the principle of contract freedom, however, its exponentially growing capitalization drew the attention of regulators around the world. Currently one of the most loyal regions for crypto-currencies is Europe, especially Swiss Zug, known today as Crypto Valley, owing to the government supported Crypto Valley Association. Zug became the first city that accepted bitcoins as a means of payment for utilities in May 2016.

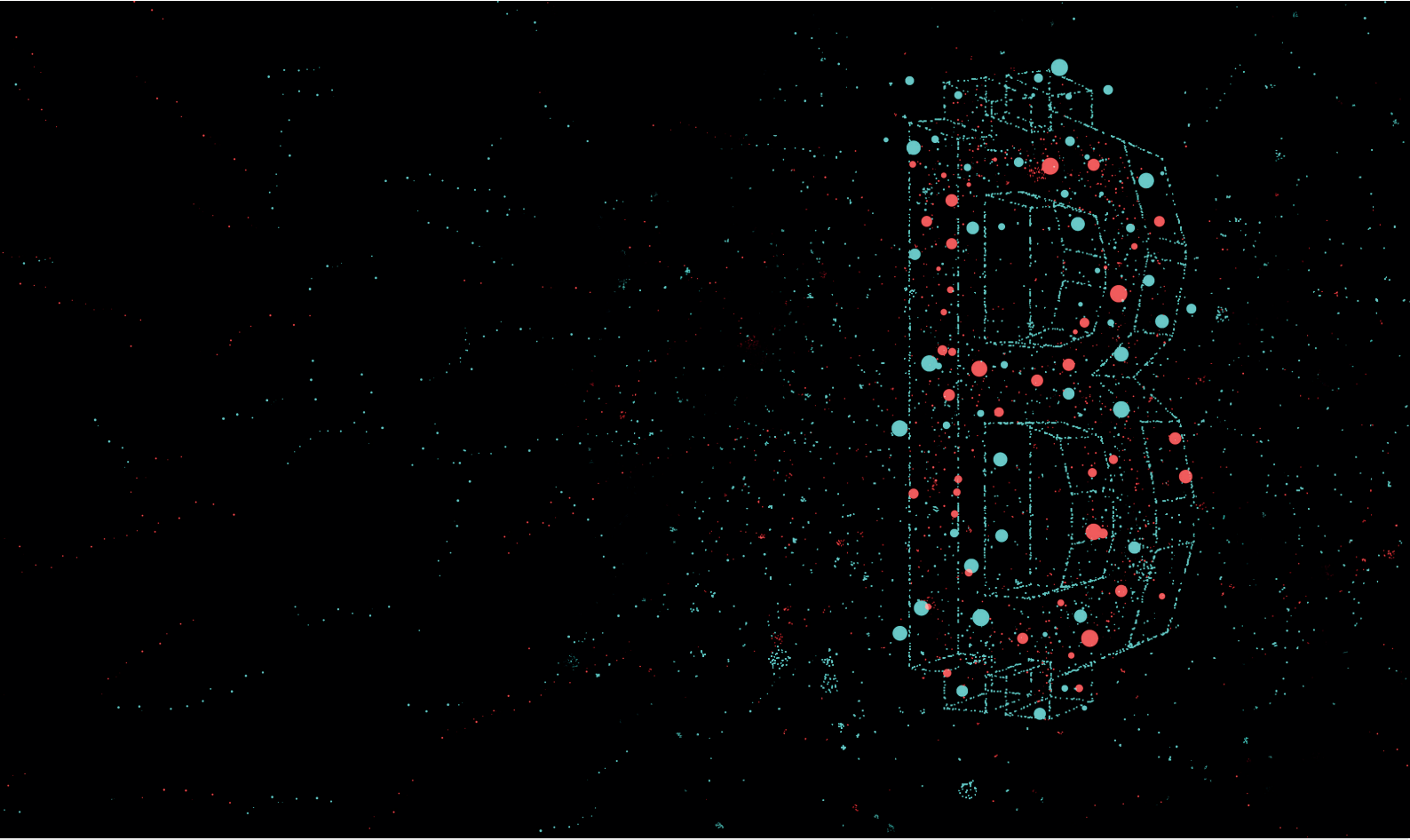
In April 2017 the cryptocurrency became a recognized means of payment in Japan. The Japanese Financial Services Agency (FSA) was nominated responsible for the digital currency regulation and started registration of operators exchanging cryptocurrency for fiat money. As of September 2017 the agency received over 50 applications from the cryptocurrency exchanges.

Not all financial regulators are so optimistic about the blockchain technology. The Chinese authorities banned ICOs in early September 2017 and the press followed with the reports on the local exchange closures and the external pool mining ban. Earlier, the US Securities and Exchange Commission (SEC) stated in its report that, under certain conditions, the issuance and sale of tokens falls under the securities market legislation.

However, regulatory authorities in a number of countries are determined to create a legal framework balancing the need to protect the investor interests with the possibility of developing the increasingly promising blockchain field.

Judging by the current trends, the first laws that can effectively regulate the cryptocurrencies and ICO will be adopted within a few of months. Thus the governments of the Gibraltar and the Isle of Man have already announced the end of drafting process by late 2017. They will shortly present their regulatory projects in Switzerland and Luxembourg.





# **MAIN PROBLEMS THAT INVESTORS ARE FACING**



High speed of finance sphere development, introduction of new investment tools and global trends i of the finance services market causes a number of problems for common investors

### **LOW PENETRATION OF LEGALLY REGULATED PLATFORMS**

Blockchain technology promotes decentralization and lack of control by the regulating authorities. However, in most cases, it does not offer any clear legal mechanisms to protect the user's property interests, whereas working with an unlicensed exchange or fund significantly increases the risk of losing assets.

### **A LARGE VARIETY OF INVESTMENT TOOLS AND ERRORS IN RISK ASSESSMENT**

The world is changing rapidly. Because of daily routine a person does not have enough time to evaluate new investment products, especially cryptocurrencies. Partial or inaccurate financial analysis leads to risk assessment mistakes resulting in a complete or partial loss of investment.





## **LACK OF UNIFIED INTEGRATED PLATFORM FOR BUILDING PORTFOLIO FROM DIFFERENT TYPES OF INVESTMENT INSTRUMENTS**

The investment portfolio of different instruments implies the use of several platforms — one for trading shares, another for crypto-currency trading, the third one, for example, for structural notes, etc. Each of these platforms will require you to undergo their KYC and AML procedures and gain access to a respective personal cabinet. Spreading the financial instruments across different platforms complicates the analysis and makes it harder to navigate your own investment assets.

## **DIFFICULTIES IN UNDERSTANDING STATE OF YOUR OWN FINANCE AT A GIVEN POINT OF TIME**

The situation is similar with the banks — a customer cannot quickly determine at which bank and what amount of money he has at the given moment. Due to a large number of offers, a customer usually uses two or three banks: one for settling mortgages at a better rate, the second for a co-branded credit card with travel bonuses, and the third bank for paying public utilities with no fee charged and exchange currency at the best market rate. The customer also needs to keep track of his monthly spendings in restaurants and understand how much he can save by refinancing a credit card in another bank. But All of the above challenges require a complex solution targeting both a broad functionality, based on the state-of-the-art financial and technological developments as well as maximized simplicity and a comfortable user experience. Moreover, the solution should function strictly within the financial sector's legal framework to ensure the utmost investor protection and safety of their assets. A brief market study indicated to the advanced European legal framework regulating the cryptocurrency transactions with a relatively low penetration of mobile financial institutions and robotised capital management solutions in the region. This combination allows us to consider Western Europe as a product development platform, which, after making allowance for a number of functional parameters, will be able to take the leading position in the global market.

The following items should become the product development and roll-out basis.

this requires additional effort and collection of statistics from all the cards and accounts.



# FRAMEWORK APPROACH TO PROBLEM SOLVING AND EVALUATION OF PROMISING MARKETS

All of the above challenges require a complex solution targeting both a broad functionality, based on the state-of-the-art financial and technological developments as well as maximized simplicity and a comfortable user experience. Moreover, the solution should function strictly within the financial sector's legal framework to ensure the utmost investor protection and safety of their assets. A brief market study indicated to the advanced European legal framework regulating the cryptocurrency transactions with a relatively low penetration of mobile financial institutions and robotised capital management solutions in the region. This combination allows us to consider Western Europe as a product development platform, which, after making allowance for a number of functional parameters, will be able to take the leading position in the global market.

The following items should become the product development and roll-out basis.

1.

## LATEST DEVELOPMENTS IN THE DECISION-MAKING AUTOMATION

The application should use the AI solutions to raise the investment efficiency. To offer the most suitable investment products and advice, the financial product should be fully based on the machine-learning algorithms analyzing big data and individual financial profiles of the users.



2.

## **A SINGLE PLATFORM POOLING A VARIETY OF FINANCIAL DATA**

Consolidation of financial information within a single application to enhance the user experience raise the financial position evaluation efficiency and enable the use of complex analytics in the search for opportunities. A single platform saves time and brings down the number of KYC and AML procedures when opening accounts with different financial institutions and trading platforms.

3.

## **MAXIMIZED SAFETY OF SAVINGS AND PROTECTION OF THE CUSTOMER'S INTERESTS**

The platform should be based strictly on the regulated financial infrastructure, which guarantees compliance with the legislative framework aimed at ensuring the protection of the customers' assets and safety of their capital.

4.

## **DECISION-MAKING EFFICIENCY**

AI should offer the most up-to-date investment ideas tailored to a particular customer by analyzing their day-to-day transactions and applying the data for further risk profiling.

5.

## **CONTINUOUS ADAPTATION TO NEW TECHNOLOGIES AND TRENDS**

Throughout its operation, the platform should be continuously improved using the most advanced solutions. The technologies should be kept up-to-date and rolled-out solutions constantly updated.

As of today, there is a number of new products in the market making their mission to pool the traditional financial products and cryptocurrency instruments. However, a more thorough analysis shows that the platform built upon the above-mentioned functional parameters will stand out in the competitive field against the existing and emerging market players.



	RAISON	Bankera	Change bank	Cryptopay
AI-based consulting (deeply integrated AI advisory)	●	○	○	○
Cryptocurrency transactions	●	●	●	●
Investments in cryptocurrency funds	●	●	○	○
Investments in conventional instruments	●	●	●	●
Functioning within the regulated environment	●	●	●	●
Comprehensive financial analysis of the user	●	○	○	○
Financial platform for a day-to-day life	●	●	●	●
Platform for financial institutions (umbrella services)	●	○	○	○
Access to ICOs on partnering platforms with the same user account	●	○	○	○

Ultimately, we have formulated a clear-cut goal for the new platform — to make a person's life easier when working with crypto-currencies and conventional investment products and raise the customers' living standards by efficiently handling their finances.



# PRODUCT DESCRIPTION

RAISON is the platform for handling the investments and personal finance, which employs the Artificial Intelligence algorithms and offers simplicity, enhanced usability and wide investment opportunities, among other things, in the blockchain-related products. The platform allows analyzing your own financial situation and using the application in everyday life — for example, to pay for shopping with bitcoins using virtual Apple Pay card or jointly settle bills for lunch. We have integrated all financial environments of a customer into a single app.

Five functional app levels were identified during the road-mapping process.



## BLOCKCHAIN

## FIAT

### INVESTMENTS

Cryptocurrencies funds, Mining funds, ICO funds

Umbrella services for professional in blockchain

P2P insurance and lending

Equity, ETF, Bonds, structured notes for retail

### ADVISORY

Ai-advisory for cryptocurrencies and funds

Advisory for ICO

Financial rating

Advisory of your financial health from ALL accounts

Recommendation for optimization your financial life

Financial rating

### CUSTODY SERVICES

Bitcoin and altcoins majors

Tokens

Current accounts in EUR, USD, etc

Investment assets accounts

### TRANSFER & PAYMENTS

Cryptocurrencies transfer

Payments in crypto by cards

Sepa-transfers, Wire

Apple Pay, Android Pay, Samsung Pay

Card-to-card payments

Abroad payments with real exchange rates

## BLOCKCHAIN&FIAT

### EVERYDAY LIFE

Remote onboarding

Debit and credit cards

Fast and cheap FX exchanges

Split bills

**THE PLATFORM  
INCLUDES FIVE LEVELS,  
EACH OFFERING ITS OWN  
FUNCTIONALITY BOTH  
FOR FIAT ENVIRONMENT  
AND BLOCKCHAIN  
ECONOMY:**



# INVESTMENT

Blockchain module is a platform for placement of funds, which invests in all areas related to blockchain technology. At this platform, we will collect reliable funds which provide preservation of capital and high yield. Many projects in the realm of blockchain suppose the initial creation of a pyramid but we intend to provide our customers with the possibility of making money on the technology and protect their capital at the same time.

In this module we also provided for the creation of infrastructure for cryptocurrency managers (Buy-and-hold portfolios, arbitration strategies, participation in ICOs) who then will be able to use our service to prove their professional competence during independent monthly asset evaluation and receive additional investments based on stable management results.

Fiat money module is needed for an investment portfolio preparation. You may also raise money on shares in companies that participate in the development of equipment/technology for the blockchain environment.

The general partner of the project is also working to introduce to the retail market such professional products as structural notes and bonds. These products are primarily traded starting from \$100,000 (euro bonds) and higher (e.g. \$ 300,000 for structured notes). High prices prevent ordinary customers from earning several times the bank deposit yields and that is exactly what we are going to address. The plan is to integrate relevant functionality into the Raison platform.

You can either rely on the AI-advisory assistance as a part of the investment platform experience or work independently, using only the order execution and asset storage functions.

Another investment level component is P2P loans which replace the bank deposits and offer an opportunity to earn stable interest based on the counterparty's risk profile. By using the full financial picture of the borrower, the P2P platform professionally evaluates its lifestyle based on the frequency and amount of cash receipts, their purpose and spending efficiency. Initially, the cost groups are defined by MCC codes and further — based on grouping similar transactions by other users of the platform. As a result, the user is assigned a credit rating which defines the recommended minimum loan rate.





# ADVISORY

First of all, the Advisory block allows evaluation of the general financial position of the customer and assigns them a corresponding score. This is driven by the PSD2 directive which will be legalized in Europe in 2018 and allows parsing of financial data from the third-party financial institutions.

How will this benefit the end-user?

First of all, they will gain access to comprehensive analytics from all their operations (including cash which may be introduced manually) on a single platform. The users will see their balances, history of account transactions, credit and debit cards, and mortgage brought together from different banks into a single application.

Second, by analysing the entirety of data, the AI will offer customers to improve their financial position by, for example:

- transferring a low-yielding deposit to bond ETFs;
- refinancing the mortgage at a partnering bank;
- obtaining a credit card on better terms;
- bringing down the restaurant expenses (if the spending exceeds a certain percentage of income) and using the food delivery service at a discount;
- in case of considerable transport expenses, offering the apartment rent options closer to the office.

Advisory for cryptocurrencies. Based on technical indicators, recommendations for building the cryptocurrency portfolio will be updated on a daily basis. Depending on a customer's risk profile, he/she will receive either a combination of traditional instruments (equity, ETF) and cryptocurrency instruments, or the offer to purchase diversified cryptocurrency fund directly, with partial investment in a dedicated fund for mining.

Our team will daily analyze ICO and collect statistics for the most popular projects.



# CUSTODY SERVICES

The unified platform will allow a customer to store both blockchain assets and fiat money on a multi-currency account.

# TRANSFER AND PAYMENTS

Integration with Apple Pay, Samsung Pay and other systems is the priority task of RAISON.

Blockchain. For the crypto-community members who don't keep their assets in fiat, we offer the possibility to link a card to any cryptocurrency as the main currency of the account.

For fiat money users our platform provides the whole range of services, including payment via SEPA system, bank (wire) transfers and transfers from one card to another (card-to-card payments).

# EVERYDAY LIFE

When using our platform, you don't need to worry about safety of your assets, and we will also help you save some time:

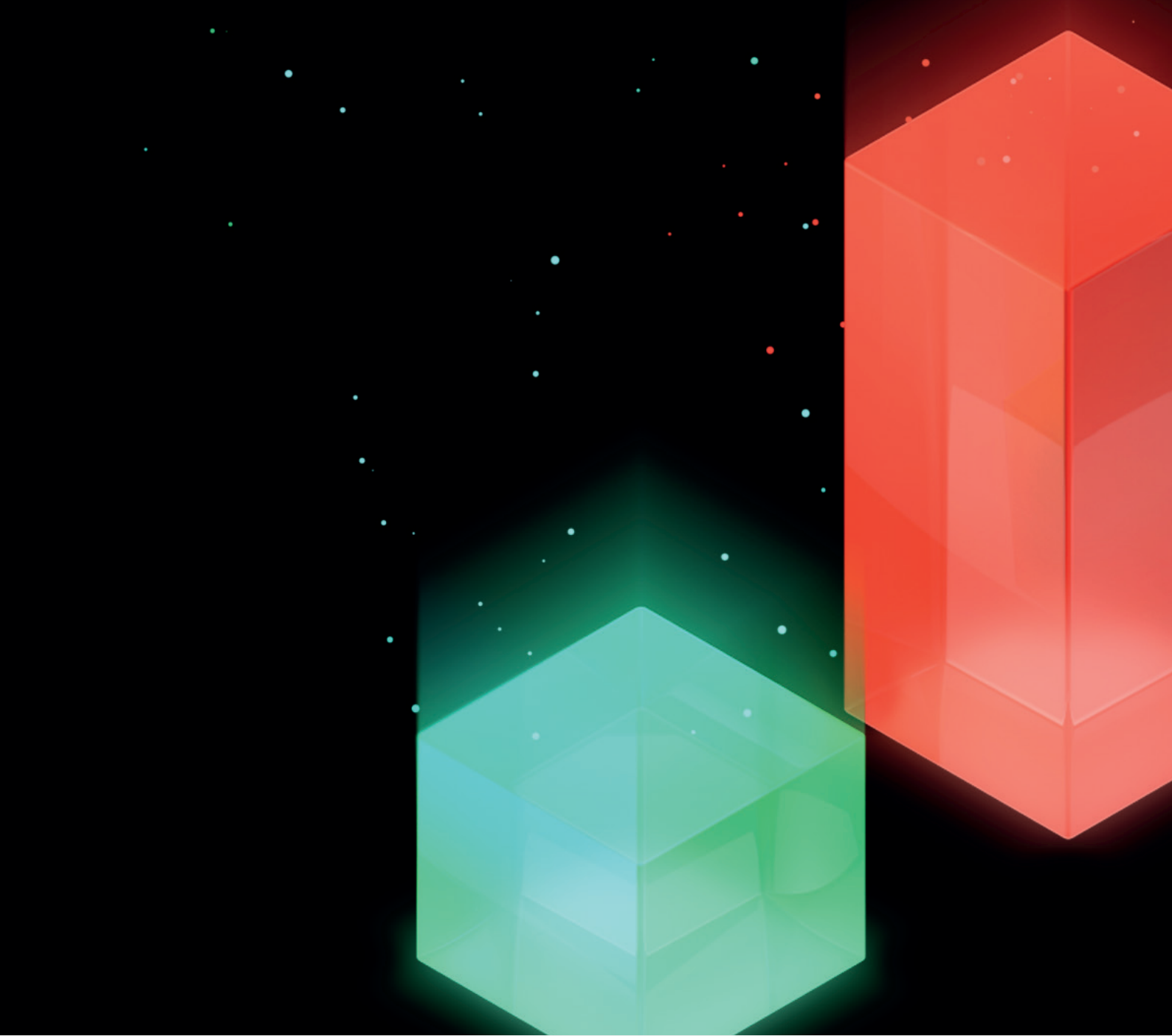
- Compliance passing procedure won't require your physical presence at the office – remote onboarding allows accepting a customer and assigning him/her IBAN in just six minutes.



- To make an investment in a mining fund, you won't need to change cryptocurrency and will be able to pay for shares with bitcoin.
- You don't need to get a physical card to pay for your shopping — just link Apple Pay to a virtual card and use it with no unnecessary delays.
- In order to receive money for coffee from your colleague you just need to get a bill and send him a notification.

**WE WILL MAKE  
A USER'S LIFE EASIER  
AND PROVIDE HIM  
OR HER WITH MORE  
OPTIONS**





**WHY WILL  
THIS WORK**



The project of creation of the investment platform is based on the existing platform of Threesixty Elements S.A. managing company. Experience in investments, possessed by the team of Threesixty Elements, became the foundation for building a successful company and expansion in the blockchain area.

Presently, the Threesixty Elements team successfully cooperates in the investment business with various financial institutions: Interactive Brokers, INTL FC STONE, Swissquote, each being the best in its focus area and providing direct access to exchange markets on the most advantageous terms.

Today, our own IT-platform allows:

- Users — to monitor transactions, keep track of personal investment assets and its value on the reporting date, dynamics of base assets consisting of structured notes. Within our mining fund we provide our customers with the information reflecting the total power of miners and currencies on all purses in real time.
- Personnel — to receive automatically generated contracts for customers, rapidly conduct compliance procedures, monitor progress in plan performance, work effectively with information and avoid communication problems.
- Managers — to calculate remuneration for agents and issue invoices to the accounting program for automated payment.

Threesixty Elements S.A. manages two funds basically investing in cryptocurrency instruments and technology-related operating businesses. Thus, in 2017, the company launched a mining fund targeting cash investments in the blockchain infrastructure and creation of GPU servers.

Wide experience with the regulators in various countries and establishment of funds allows us to receive all licenses necessary for the legal operation. As part of the project implementation, in February 2018, we will submit an application to CSSF in Luxembourg to receive the Electronic Money Institution license. This license will enable us to open customer accounts and assign them an IBAN, but requires the presence of a primary bank, in which the assets should be stored (as of now, we have already conducted negotiations with the local PwC office). Before the end of 2017, we will also apply for a license for a mifid Investment Firm. Also, gaining access to the financial data via PSD2 protocol requires an authorisation. These licenses will allow us to accelerate the launch of the final product. In February 2019, we will start working to obtain a comprehensive bank license which provides for the ability to receive deposits and grant loans.



# Forecasting and Building Portfolios Using Machine-Learning

At this point in time, we use a list of assets from the top 1000 shares of the US and EU markets (based on capitalization) and the top 30 cryptocurrencies by market volume. For each analyzed asset, we create a matrix of channels with the time steps based on the exchange rate fluctuations for a day, a week and a month for the last half of the company's life, but not more than 5 years. In addition to the exchange rate, we also incorporate such indicators as Revenue, Revenue per share, Gross profit, EBITDA, total cash, total debt, debt / equity, P/E (price / earnings ratio), P/S (Price / sales ratio), Market Cap, Trade Daily Volume, Avg. yearly trade Daily volume, forward dividend yield, 52-week (low-high), EPS, Beta, and 5-Year Average Dividend Yield. The forecasting will also benefit from the analysis of the influence factors derived from the aggregated news and social media content — references grouped by frequency, emotional colouring and semantics.

After preliminary processing and normalization of the input data, we obtain a three-dimensional matrix containing data on all the researched assets allowing us to look at the general market condition and identify correlations between individual assets in the future. During the main data processing stage, we apply the combination of Convolutional Neural Network (CNN) and Max Pooling Layer to each data channel going through several iterations in order to reduce the incoming data dimensionality and isolate the characteristics of higher orders. CNN not only proved itself as a network for image classification, but also for processing time series. We collect all intermediary results in the Long Short-Term Memory (LSTM) network to obtain the forecasting results for the current time window. This network is a variety of a Recurrent Neural Network (RNN) applied for processing sequences. All these operations are repeated multiple times with a fixed step-wise time shift to obtain the forecast results for a given period of time across all assets.

As of today, we forecast 1 year ahead, therefore the data processing time window is from -1 year to +1 year from the given moment. The system will probably be changed during the RND process into a sequential comparison of two time windows year-over-year to identify annual cycles and improve the long-term forecast accuracy.

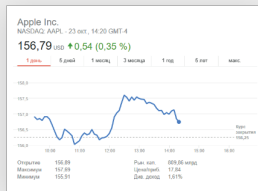


During the last stage of building the portfolios, we select only a portion of assets from the initial list based on the manually generated investment model and group the assets according to their risk profile assigned by the system operator. The actual decision-making on the portfolio formation and asset selection is done using Markov Decision Processes (MDPs) and Reinforcement Learning (RL). MDPs have already found a wide application in the decision-making modeling in situations where results are partially accidental and partially under the control of the decision-maker. The combination of MDPs and RL will significantly speed up training and achieve a more stable result over time.

**DIAGRAM**



1.



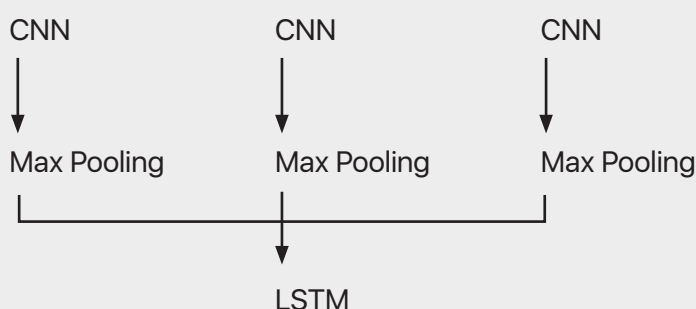
Asset under research

Data channel

Stock price, News and Social Media trends, Revenue, Revenue per share, Gross profit, EBITDA, total cash, total debt, debt/equity, Operating Cash Flow, P/E (price/earnings ratio), P/S (Price/sales ratio), Market Cap, Trade Daily Volume, Avg. yearly trade Daily volume, forward dividend yield, 52 week (low-high), EPS, Beta, 5 Year Average Dividend Yield.

2.

Evolutionary model of network parameters selection



To each channel separately. The number of convolution iterations depends on the channel step.

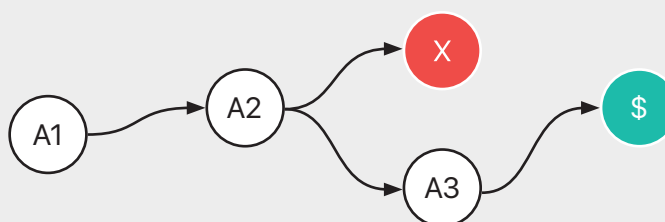
We apply it with a shift in the time scale to obtain predictions for a given period.

3.

The obtained prediction data for a filtered list of assets

4.

The process of decision making of portfolio management (on based MPDs + RL)



5.

Assets allocation based on forecasting results



# BOARD



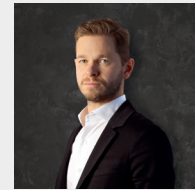
Andrey Berezin  
Global Head of Investment  
Strategies

He has been in the Investment Business since 2009 and has much experience in investment strategies including Swifttrade, Real Estate Fund, Element US IPO I Fund and Threesixty Elements as a managing director.



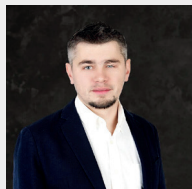
Alexander Zaytsev  
Global Head of Corporate  
Strategy

More than 10 years experience in investment business, research and management consulting including Finam, QBF Investment, Federal State Enterprise Scientific Institute «Planning. Economy.Management», Institute for Regional Policy, Moscow Confederation of Industrialists and Entrepreneurs.



Andrey Kononykhin  
Global Head of Product  
Management

More than 15 years in Internet products design and development. Ph.D. in computer science. Ex head of Digital Distribution at Mail.Ru Group (2010-2014). Co-founder and Chief Products Officer at NetBox (2014-now).



Nikolay Kondratov  
Global Head of IT Services  
and Development

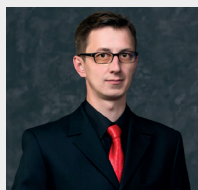
More than 10 years experience in highload scalable web-applications and services. Head of e-mail service development team in Mail.Ru Group in 2008 - 2012. Currently CTO at NetBox.



Alexey Martynov  
Chief Technology  
Officer

Data science expert. More than 10 years participate in large scale integration projects and AI-based development. Working early on IT, Netrika and other companies. For the last 3 years engaged in R&D activities as CTO in Intelligent Systems (at ITMO University).

# EXECUTIVE TEAM



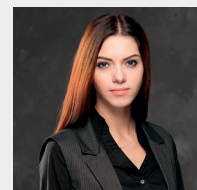
Andrey Gordeychuk  
Chief Information  
Officer

Started in 2009 in Quehenberger Logistics as IT project manager. Large experience in IT services including highload scalable projects. For the last 3 years engaged in R&D activities as CIO in Intelligent Systems (at ITMO University).



Waldemar Karcher  
Global Head of Business  
Operations

10 years of international sales and project management in european manufacturing companies. Large experience in team management, negotiations with key customers.



Elena Romanova  
Global Head  
of Compliance

More than 6-year experience in banking including SMP Bank as a director of retail operations.



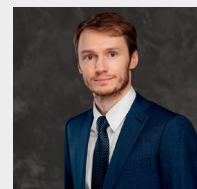
Evgeny Lamekhov  
Global Head  
of Marketing

More than 15 years experience in Internet Marketing. Ex Head of Marketing at Nikita Online. Ex Head of Web Products at TNT Television Network. Currently Chief Marketing Officer at NetBox.



Kirill Kovalenko  
Head of Multi-Asset  
Strategies, Structured  
Products

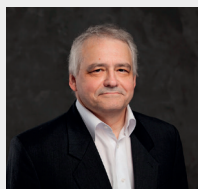
Started in 2001 in Bank of New Zealand. A large trading and asset management experience in investment banking including ICAP Financial Services, HSBC, Promsvyazbank, Trust Bank, Piccadilly Asset Management.



Viktor Mishin  
Head of Relocation and  
Following strategies

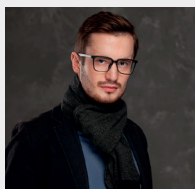
Started in 2008 as a trader in Swifttrade. Large experience in trading and business development at world markets including DMA Brokers, Devado Management, Huho Labs.





Alexander Vinogradov  
Head of Option Strategies  
and Trading

More than 20 year of experience in banking, started in 1994 with the Central Bank of Russian Federation, moved to corporate banking where worked on positions of dealing officer, head of stock exchange department, and currency department.



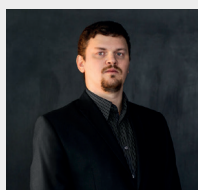
Oleg Berezin  
Chief Marketing  
Officer

More than 4 years in social media management. Specializes in marketing and strategic planning. Worked for Pwc, SPN Communications and Viber.



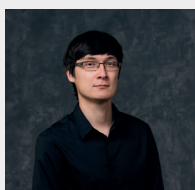
Vladimir Shabanov  
Global Head  
of Technology

Started in 2010 in RU-Center Group as national domains manager. Large experience in computer technologies including Hewlett-Packard Enterprise, Saint Gobain (as a system officer) and Private Equity Fund.



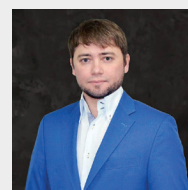
Anton Stepanov  
Team Lead

More than 5 years experience in highload scalable projects. Developed for the state institutions of the Russian Federation.



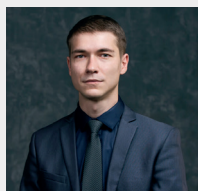
Artem Kuznetsov  
Computer Systems  
Architect

Participant of the I-III All-Russian Congresses of Young Scientists (2012-2014). Author of scientific publications on Scopus. Laureate of state prizes in the information technology. Last few years, he has been actively involved in the R&D of IoT and machine learning.



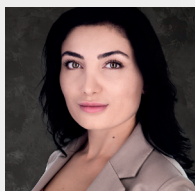
Sergey Kononykhin  
Chief Operations Officer

More than 7 years experience of financial infrastructure development in large Internet projects and services. Took up the position of Chief Financial Officer at NetBox since 2012.



Denis Zhuk  
Chief Data Officer

Data science expert.  
Author of scientific  
publications on  
Web Science and  
Scopus. Laureate  
of state prizes  
in the information  
technology. Leads  
the block of programs  
«Architecture of  
Information Systems»  
at ITMO University.  
Last few years, R&D  
activities as CDO  
in Intelligent Systems  
(at ITMO University).



Aleksandra Stroganova  
Head of Business  
Development

8 years in international  
trading in MSC  
Mediterranean Shipping  
Company working as team  
leader and a manager of  
international sales. Large  
experience in international  
logistics, shipping and  
negotiations.



# PROGRAM PARTNERS AND PARTICIPANTS

## 360 ELEMENTS

Threesixty Elements S.A. is an investment management firm registered with the US Securities and Exchange Commission as a registered investment advisor, authorised by the BVI Financial Services Commission as an approved investment manager.



IIS is a research organization at the ITMO University (Russia's leading national research university in the field of IT).

Key areas of research and development:

- Machine Learning (ML);
- Big Data;
- Internet of Things (IoT)



National Research University of Information Technologies, Mechanics and Optics (ITMO) is the leader in the field of information and photon technologies in Russia and one of the few academic institutions in Russia that was awarded the status of a national research university in 2009. Since 2013, ITMO has been taking part in the program to raise the competitiveness of Russian universities among the world's leading research and educational centers known as Project 5-100. This gives the university an opportunity to provide the most comfortable conditions for Russian and foreign students and professors, create a unique environment for science development and training world-class professionals.



AKIL.IO ERP — provide IT support with possibilities of artificial intelligence for business. Optimize for software development cycle up to 80%. Build software based on natural language task. Automatic deploy and scale on virtual and dedicated servers from any providers. Reduce cost for create and support software.





Ambisafe, a pioneer in the crypto industry, have been developing products and services in this field since 2010. They created the world's first platform for ICOs development and the first wallet, capable of storing several crypto currencies simultaneously.

The most successful ICO projects are: TaaS, Polibius, Propy.



GSL Law and Consulting — a fast-growing company started in 1999 rendering tax, law, audit and consulting services in Europe, USA, Asia and Russia. GSL is a team of more than 100 professionals working in 6 offices: 3 offices in Europe (Netherlands, UK and Cyprus), an office in the Caribbean — in the British Virgin Islands, an office in SAR Hong Kong and the head office in Moscow, Russia.



NetBox — a leading company at Russian digital software distribution market. The company operates since 2012 distributing products of top Russian internet services (Yandex, Mail.Ru Group, Opera Software, etc). NetBox Ltd. designs its own solutions in desktop software (web browsers and utilities).



ArtQuant Ltd. is a company providing innovative solutions in the FinTech and InvestTech industries. The project focuses on using the latest achievements in the field of intellectual data analysis and AI methods to create technologies facilitating the work of global stock market participants.



PINKMAN studio stands for creation of brand and digital solutions. We wrap up the brand and then develop and promote it in the digital environment.



# FINANCIAL MODEL OF THE PROJECT

A 4-year financial model was created for the project to evaluate its prospects. The market forecast showed the number of users reaching 1 million people in Q4 2021. To forecast and estimate the future financial flows, we have identified the following parameters:

1. General average annual AUM under robot-advisory management in Europe. According to [statista.com](https://www.statista.com), in 2017, the average amount of funds held by a single investor using such services is about 14,000 EUR, with the total number of such investors reaching 500,000 people.
2. Average monthly POS payments in Europe. According to [www.paymentcardyearbooks.com](https://www.paymentcardyearbooks.com), the monthly volume of such transactions per user is about 430 EUR.
3. Average monthly volume of mobile payments (including NFC payments) in Europe. According to [statista.com](https://www.statista.com), one user spends about 180 EUR per month on the corresponding transactions.
4. The forecasted average monthly volume of assets stored in cryptocurrency is about 4300 EUR per user; minimum average monthly trading volume — a quarter of the total volume of cryptocurrency assets.
5. Sale of financial derivatives — about 1400 EUR per month per user on average.
6. Provision of funds and assets for margin lending in transactions with conventional financial instruments and cryptocurrencies — about 50% and 10% of AUM volume or turnover, respectively.



RAISON earns from the following sources:

1. Advisory service commission will be 0.25% of the portfolio, which is currently close to the lowest limit of the service fee.
2. As of October 2017, the commission for exchanging the cryptocurrency for fiat money or back is more than 1%, but the growing number of new players will drive it down, so we limit this figure to 0.3% of the transaction value.
3. Our team is planning to actively work with structural notes which ensure high yields for customers with low issuer risks. Selling one structural note entitles the agent (RAISON) to a 1% fee.
4. The customers are provided with the security for margin lending at 2.5% (equity, bonds), which can generate a 1.2% income in case of refinancing. In case of margin lending for the top-5 cryptocurrency, the income will total 5%.
5. After obtaining a banking license, the updated bank cards will generate 1-1.5% of the purchase turnover for the bank.
6. A portion of collected funds, but not more than 20 million EUR, will be equally distributed between the Element ONE and Element Blockchain Mining and Research Investment funds with an average current yield of about 40% per annum, which will also form the revenue stream with the additional coupon yields. In the second quarter of 2020, these funds will be converted into EUR and transferred to the account of the future bank to ensure its licensing.

## **REVENUE SIDE OF THE FINANCIAL PLAN BY YEAR**





		2018	2019	2020	2021
Total customers		20 000	200 000	450 000	1 000 000
All in EUR					
POS terminals payments, monthly average*	428,2	41 103 680,0	603 710 300,0	1 734 061 500,0	3 981 919 000,0
Digital payments, monthly average**	182,6	17 529 013,6	257 457 387,3	739 505 261,3	1 698 123 192,5
AI investment advisory, monthly average AUM***, including growth 7,5% p.a	14 041,1	296 659 456,1	3 177 772 060,9	7 625 136 512,0	18 000 635 304,3
cryptocurrencies custody, monthly average AUM****, including growth 30% p.a	4 267,1	104 543 835,4	1 301 464 073,0	3 504 352 032,7	9 067 577 558,0
cryptocurrencies exchange turnover, monthly average AUM****, conservative	1 066,8	34 136 762,6	501 383 700,3	1 440 144 671,0	3 306 998 874,1
structured products sales, monthly average ****, including growth 10% p.a	1 422,4	48 395 972,8	770 210 705,5	2 387 795 423,6	5 924 150 671,2
margin value (securities)	50%	148 329 728,0	1 588 886 030,4	3 812 568 256,0	9 000 317 652,1
margin value (crypto)	10%	16 246 965,4	292 082 674,7	996 900 144,5	2 686 136 504,8
Revenue	Revenue	Revenue	Revenue	Revenue	Revenue
Advisory fees p.a.	0,25%	294 184,7	4 596 410,3	14 016 660,8	34 232 799,5
cryptocurrencies exchange fees	0,30%	102410,3	1 504 151,1	4 320 434,0	9 920 996,6
structured notes reoffer fees	1,00%	305 808,5	3 036 749,5	4 818 261,8	11 396 700,4
transaction fees	1,10%			22 170 487,3	62 480 464,1
Interest on margin (securities), p.a.	1,20%	706 043,3	11 031 384,7	33 639 986,0	82 158 718,7
Interest on margin (crypto assets), p.a.	5,00%	203 087,1	3 651 033,4	12 461 251,8	33 576 706,3
Total Operational Revenue		1 611 533,9	23 819 729,0	91 427 081,8	233 766 385,6
Development Fund Returns, forecast yield p.a =	40%	9 515 700,0	8 916 298,0	2 473 730,0	0,0
Totall Revenue		11 127 234,0	32 736 026,0	93 900 812,0	251 666 886,0

A more detailed description of the return on investment for token holders is available in the Token Price and Financial Parameters section.

\*EU data, www.paymentcardyearbooks.com, 2017 based on CAGR to 2015 data  
\*\*EU data, based on Statista research, multiplied by USD/EUR 2017 average  
\*\*\*EU robo-advisory Statista research data, multiplied by USD/EUR 2017 average  
\*\*\*\* forecast

The main expenditure items for RAISON will be the operating costs, namely licensing, office rent, personnel and IT development. A more detailed breakdown is provided in the full financial model, which is available separately.

The token value increase will be due to the growing capitalization of the financial institution and coupon yields. Comparative analysis of the neo-banking industry lead us to the conclusion that the financial institution assessment depends on a coefficient calculated based on the 500 EUR per user parameter.



# DEVELOPMENT ROADMAP

November 2014 – January 2015

Launch of private funds Element US IPO I and Element Incubator.

October 2015

Receipt of authorization in Financial Services Commission of British Virgin Islands by the managing company as approved investment manager.

February 2016

Licensing in the US Securities and Exchange Commission as investment advisor.

December 2016

Reaching a turnover of about \$15 mln. as part of formation of investment strategy and distribution of structured notes in 2016.

August 2017

Launch of Blockchain Mining and Research Investment mining fund.

September 2017

Submission of application for authorization of the managing company in Swiss regulator FINMA.

Blockchain Mining and Research Investment fund registered as the resident of CRYPTO VALLEY in Switzerland.



#### November 2017

Launch of registration process of Investment firm (MiFID).

#### December 2017 — February 2018

Carrying out a crowd-funding campaign with distribution of RSN tokens.

#### April 2018

Launch of a local office in Europe (Luxembourg, Estonia).

Submission of documents for the Electronic Money Institution license.

#### May 2018

The first product version with the ability to aggregate personal financial data on a single platform and offer recommendations on how to improve the financial efficiency using AI.

#### August 2018

Receipt of all permits from the regulatory authorities, ensuring the possibility of buying investment products and cryptocurrency. Card product issuing.

#### September 2018

Launch of AI trading advisory.

#### December 2018

Launch of P2P Lending platform.

#### February 2019

Application for a banking license.

#### December 2019

Launch of P2P Insurance.



# CROWDFUNDING

## TOKEN AND DISTRIBUTION PROCESS DESCRIPTION

### TOKEN RAISON

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#### TOKEN Ticker — RSN

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ICO will take place on the decentralized Orderbook exchange between December 7, 2017 and February 28, 2018. Tokens will be allocated on the decentralised exchange Orderbook as following:

1. From 7th December until 21st December, a maximum of 200 000 tokens should be sold.
2. From 1st February until 28st February, a maximum of 3 800 000 tokens should be sold.

The RSN token will be sold for both the cryptocurrency and fiat money. Instructions for acquiring the tokens will be available closer to the start of sales. Details for the cryptocurrency participation will be announced shortly. You can also contact us for more information on fiat purchases at [front@elements.vi](mailto:front@elements.vi).

The Token is a convertible note issued for partial co-financing of the project. Possession of the token gives the right to receive a quarterly coupon with a floating rate, calculated from the proceeds generated by the project. For calculating the rate of the coupon, a special formula is used, that includes the following variables: the number of users, the amount of net profit and the current stage of the project.

The release of the token is carried out by RSN Finance OÜ, an Estonian limited liability company, registration code 14369967, Roosikrantsi 2-K088, Tallinn, Estonia, 10119. According to Chapter I of Article 1 paragraph 2 (b) of EU Directive 2003/71 / EC, the total volume of up to 2,500,000 euros does not fall under the requirements of the relevant directive. The second stage of the proposal will take place within the framework of the EU Directive 2003/71 / EC with the disclosure of the prospectus and its approval by the regulatory authorities. The transfer of the token is made after the adoption of the Agreement for the purchase of a convertible note between the holder and the issuer.



The RSN token offering/purchasing is forbidden to PRC citizens by default. In the framework of the allocation of the first tokens issue with a total volume of 200,000 for an amount not exceeding 1,500,000 euros, the issuer may be exempt from publication of the prospectus for investors, because:

- for residents of the European Union, tokens with a total value of not more than 1,000,000 euros are available for the public offering.

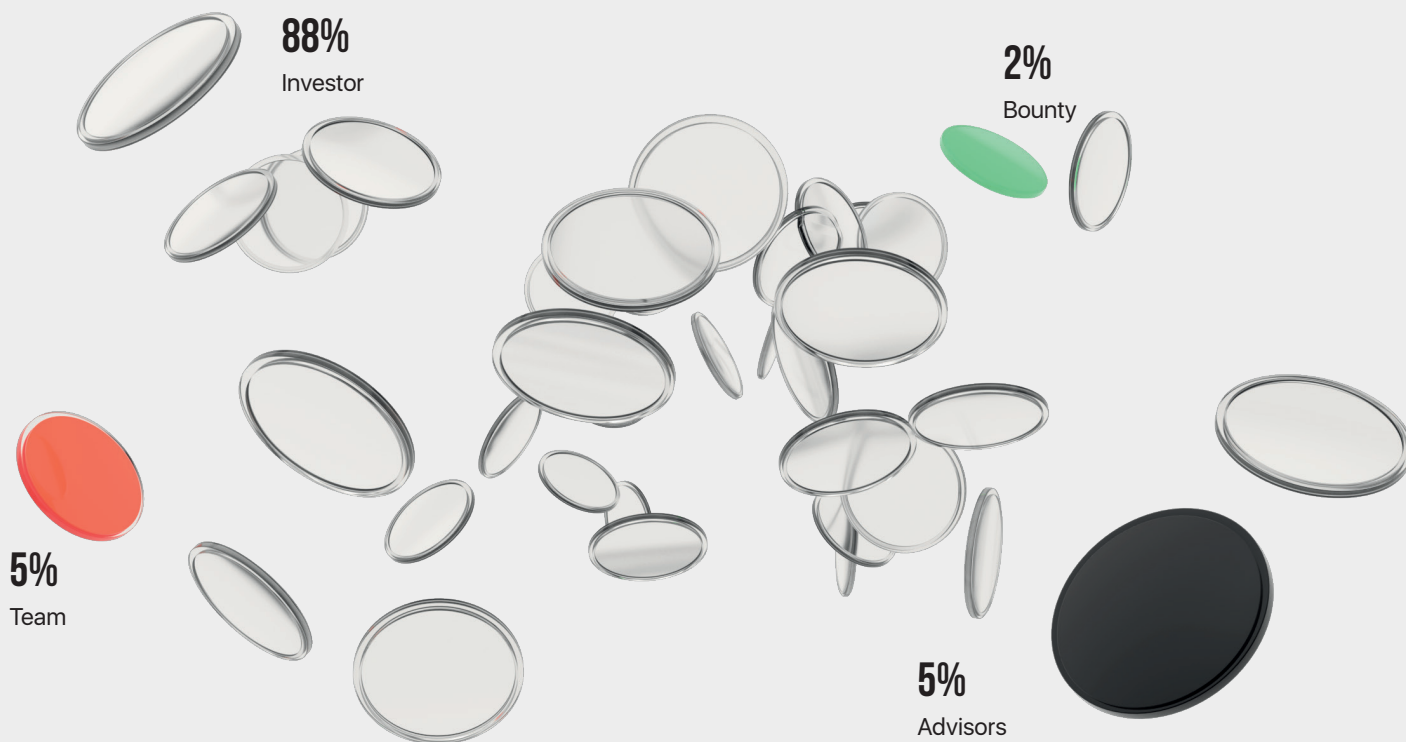
- in the US, the offer is available only for accredited investors. We also have the right to use Rule 506 (b), which allows exemption from providing specific information to potential investors, if the rules for combating fraud are not violated.

- for Singapore residents, accommodation is regulated by 272A and 302B of Securities and Futures Act, which falls under the category of small offer.

Any purchase of tokens is available only for pre-identified individuals, the passage of the procedure KYC and AML is mandatory for participating in allocation.



# TOKEN DISTRIBUTION:



## TOKEN PRICE AND FINANCIAL PARAMETERS

RSN token price is nominated in EUR and totals 10 EUR/token.  
The total token totals 4,000,000.

Each RSN token gives its holder the right to:

1. 25% of RAISON-generated revenue: The 4-year aggregate coupon yield under the financial model averages 276%.

2. Guaranteed token buy-back starting from January 2020: The price is calculated by the following formula - number of RAISON users \* 500 EUR \* 0.25 / total number of tokens, but not less than 11 EUR per token.

In this case, at the beginning of the buy-back, the minimum premium with the coupon yield paid (under the financial model assessment) will total about 83% of the ICO price. The token value growth rate (considering the coupon yield payments) by the end of the buy-back program in 2021 is forecasted to reach 456% to nominal value or about 641% to the ICO price.



RAISON will channel 50% of the financial institution's net income to the token purchases.

To ensure the mechanism transparency, a user counter will appear on the RAISON website on December 1, 2019.

Following the 2021 calendar year results, the Board of Directors will approve the new financial plan, which may change the company's revenue participation arrangement, full repayment of obligations to token holders or conversion of tokens into the company shares.

**25%**

December 7, 2017 —  
December 21, 2017 —  
max 200 000 RSN

## BONUS PROGRAM

At the corresponding dates, when you purchase tokens, discounts are given at nominal price

**15%**

February 1, 2018 —  
February 7, 2018

**10%**

February 8, 2018 —  
February 14, 2018

**5%**

February 15, 2018 —  
February 21, 2018

# MILESTONES AND OFFERING

RSN TOKEN	10 EUR			
EUR	5 000 000	10 000 000	25 000 000	35 000 000
TYPE	Investment platform with AI advisory	Full AI advisory services	Full AI Bank	Full AI Bank + P2P Services
REGULATIONS	EU PI license	EU EMI license	EU Bank license	EU Bank license
	Investment firm (MiFID)	Investment firm (MiFID)		US investment company
MARKET	Western Europe	Europe	EU+UK	EU+UK+USA
INVESTMENTS				
Platform for blockchain fund	●	●	●	●
Umbrella services for professionals in blockchain	●	●	●	●
Trading equity, ETF, Bonds, structure notes for retail	●	●	●	●
P2P Lending, Insurance	○	○	○	●
ADVISORY				
AI advisory on cryptocurrencies and funds	●	●	●	●
Advisory on ICO	●	●	●	●
Implementation of financial rating (complex valuation of aggregated financial statement based on AI research)	○	●	●	●
AI recommendations for optimization of your financial state	○	○	●	●
CUSTODY SERVICES				
Bitcoin and altcoins majors	●	●	●	●
Tokens	○	○	●	●
Current accounts in EUR, USD, etc	○	●	●	●
Investment assets accounts	●	●	●	●
TRANSFER AND PAYMENTS				
Cryptocurrencies transfer	●	●	●	●
Payments in crypto by cards	●	●	●	●
Sepa-transfers, Wire	○	○	●	●
Apple Pay, Android Pay, Samsung Pay	○	○	●	●
P2P transfers	●	●	●	●
Cross-border payments with market FX exchange rates	○	○	●	●
EVERYDAY LIFE				
Remote onboarding	●	●	●	●
Debit cards	●	●	●	●
Credit cards	○	○	●	●
Fast and cheap FX exchanges	○	●	●	●
Split bills for sending to debtors and P2P payments of debt	○	○	●	●
Deposits	○	○	●	●





The capital raising in given volumes will allow to implement the appropriate platform functionality in the terms indicated in the roadmap of development.

Regardless of the amount of money involved in the release of tokens, the project team aims at the most complete project implementation, namely the creation of a high-grade banking sector operating in the markets of Europe, the United Kingdom and the United States, using for this purpose its own capital and other financing mechanisms rather than the release of tokens.

In the case of additional primary financing (got by raising of third-party borrowed capital) is less than it is indicated in the corresponding milestones above, the time frame for maximum implementation of the project will be expanded.

**INFO@RAISON.AI**  
**RAISON.AI**