



Mobilum Whitepaper

Version 2.0

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THIS WHITEPAPER SETS OUT A DESCRIPTION OF THE PLANNED MOBILUM PLATFORM AND THE INTENDED FUTURE USE OF THE MBM TOKEN. THIS IS BEING PROVIDED FOR INFORMATION PURPOSES ONLY AND DOES NOT CREATE ANY BINDING LEGAL OBLIGATIONS. PARTICIPATION IN THE MOBILUM TOKEN SALE WILL BE GOVERNED BY SEPARATE AGREEMENT WHICH YOU SHALL BE REQUIRED TO ACCEPT IN ORDER TO MAKE A CONTRIBUTION TO MOBILUM FOR THE PURCHASE OF MBM TOKENS.

THIS WHITEPAPER IS NOT AN OFFERING DOCUMENT OR PROSPECTUS, AND IS NOT INTENDED TO PROVIDE THE BASIS OF ANY INVESTMENT DECISION OR CONTRACT.

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Executive summary

Mobilum is a platform to convert your cryptocurrency to spendable fiat currency. You can have your existing credit or debit card topped up instantly. Short or long term credit is available on your card by using your cryptocurrency as the loan collateral. Mobilum issues a MBM crypto token to bootstrap its ecosystem of users, lenders, borrowers and card partners.

Mobilum in brief

Mobilum directly connects your cryptocurrency with your existing payment card given by your bank or other card issuers. You can easily convert and spend cryptocurrency where payment cards are accepted.

Key innovation

Mobilum makes crypto spending easier by allowing users to utilize existing payment cards, rather than issuing out new payment cards. This is possibly due to new card and payment technologies which the Mobilum team has an extensive technical background in.

Benefits to the user

The Mobilum platform:

- Enables spending cryptocurrencies and tokens with any card, physical or virtual, both online and offline
- Optimal cryptocurrency **exchange rates** determined by the Mobilum Platform
- Real-time transfer of money from the Mobilum App in 30+ currencies to 150+ countries, with instant spending availability for the recipient
- New user onboarding via Mobilum App in **less than 5 minutes**
- Opportunity to get a **short term instant loan** secured on cryptocurrencies

Mobilum token (MBM)

The Mobilum token (MBM) is used as an access token to use the platform as a fee functionality to cover the currency conversion costs of each transaction.

How Mobilum works

Mobilum enables cryptocurrency spending on any existing credit card, debit card or prepaid card. Mobilum does not issue out its own payment cards; you need to have an existing relationship with your bank or card provider who provides you with a physical payment card. You can then top up this card using cryptocurrency or receive a loan on your card against cryptocurrency collateral.

Mobilum app



In order to use the service you need to download Mobilum Mobile app. The Mobilum app connects cryptocurrency with your payment card. The app is available for iOS and Android mobile phones.

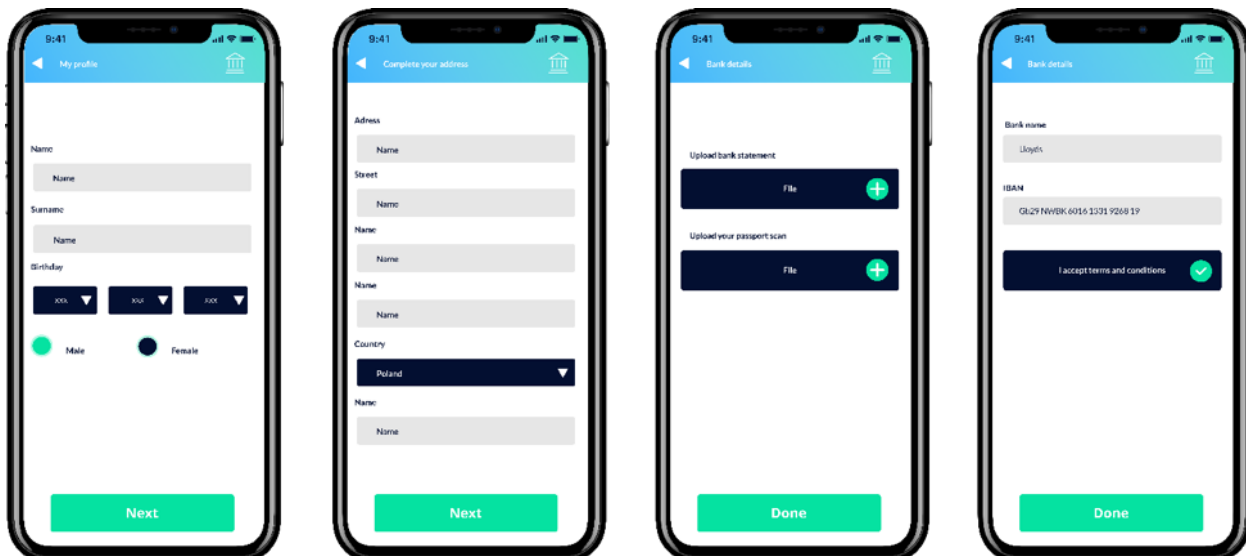
Account opening and identity verification

Mobilum will ensure that it takes the necessary steps to identify each customer using the platform.

Mobilum supports both personal and business accounts.

Mobilum defends against involvement in illicit activities, such as money laundering, by implementing anti-money laundering procedures and corporate policies by verifying the identity of customers and end-users for all registered users of Mobilum's services.

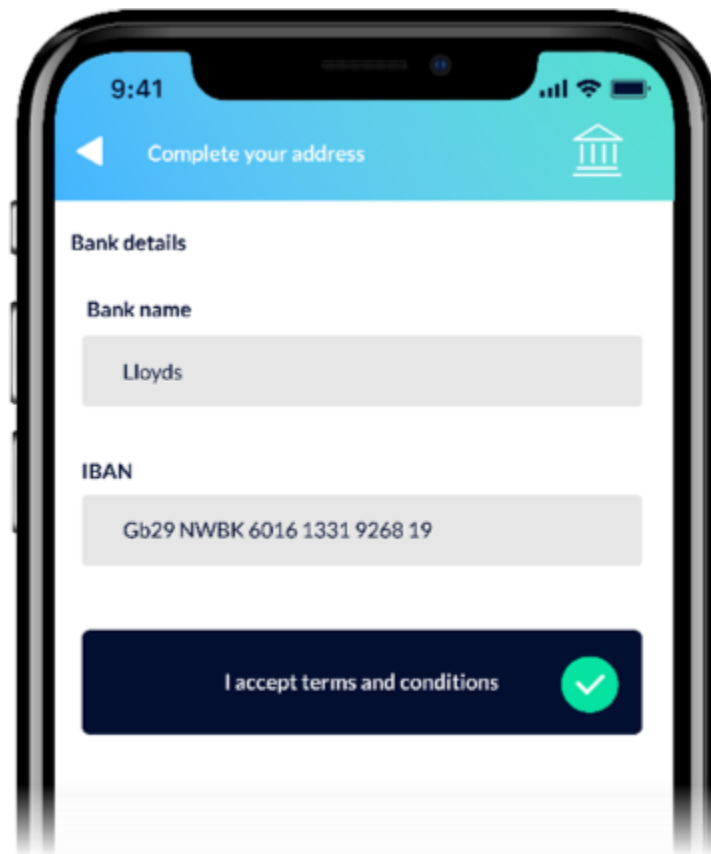
The validity of documents used to support the opening of an account is to be confirmed before the account can be finalized. More information about this can be found in Legal chapter.



The image displays four sequential mobile app screens for account opening and identity verification. Each screen has a blue header with a back arrow and a bank icon.

- My profile:** Fields for Name, Surname, and Birthday (with dropdowns for day, month, and year). Gender selection (Male/Female) with radio buttons. A green "Next" button at the bottom.
- Complete your address:** Fields for Address (Name, Street, Name), Name, Name, and Country (dropdown menu showing "Poland"). A green "Next" button at the bottom.
- Bank details:** Sections for "Upload bank statement" and "Upload your passport scan", each with a "File" button and a green plus icon. A green "Done" button at the bottom.
- Bank details:** Fields for Bank name (Lloyds) and IBAN (GB29 NWGB 6016 1331 9268 19). A green "I accept terms and conditions" button with a checkmark. A green "Done" button at the bottom.

Connecting your existing card to Mobilum



First time users who want to utilize Mobilum with their existing payment card must first connect that payment card to the Mobilum app. There are several different methods used by Mobilum to top up your payment card: wire transfer to the International Bank Account Number (IBAN) associated with the payment card, OCT (Original Credit Transaction) for VISA cards, Money Send for MasterCard.

During the onboarding process of a payment card, the user simply must provide the payment card number and details, or must scan the payment card. The IBAN can be found on the card itself, or from a credit card or bank statement. Mobilum determines which payment method is both supported and most convenient when topping up and/or adding credit to a user's payment card.

When connecting a payment card to the Mobilum app, Mobilum will initiate a small test transaction which will appear in the users card transaction history as an initial credit to your card. After the test transaction is verified it is reversed.

Topping up the card with cryptocurrency

After your card is connected with the Mobilum app, you can top up your card from the Mobilum app.

First send Bitcoin, Ether or any other accepted cryptocurrency to your wallet in the Mobilum app. From there, you can choose to convert any amount of cryptocurrency to be spent on your card (limits set up by your payment card issuer apply).

The Mobilum Wallet and Platform will accept the following cryptocurrencies in the first sprint:

- Bitcoin (BTC)
- Ethereum Classic (ETC)
- Ethereum (ETH)
- Dash (DASH)
- Neo (NEO)

+ All major (top 30) currencies and tokens in 2019.

Spending fiat

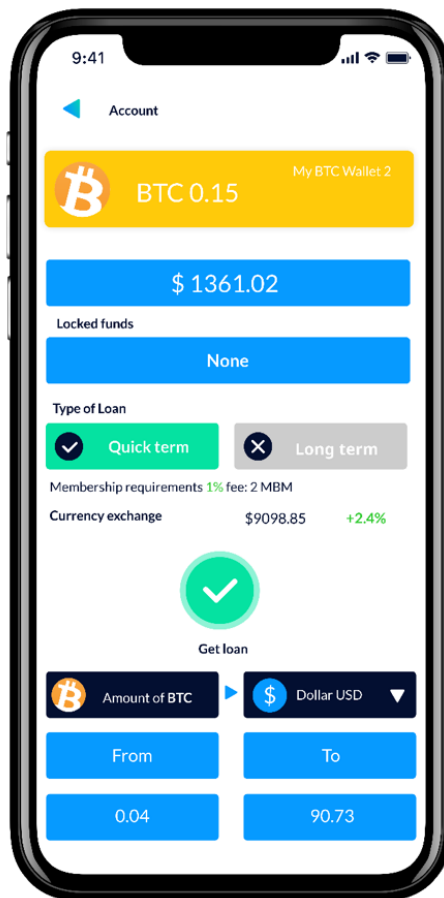
After you have topped up your Mobilum app, you can convert your cryptocurrency for fiat to spend immediately.

Mobilum uses direct transfer gateways to move the converted fiat currency to your card. It takes up to 30 minutes to receive the money. If for a particular payment card a given transfer period will be higher, the Mobilum app will inform the user during the onboarding process of the card.

The Mobilum app will notify you when the money is available on your card. After this, the money is immediately spendable.

MBM token and fees: You pay access fee and transaction fee. For all currency conversion, you need to hold 0.5% of the conversion value in MBM tokens as an access fee. Access fee tokens are not spent. You will pay an additional 0.5% in MBM tokens to Mobilum as the transaction fee to cover the cost of currency conversion. If you do not have enough MBM tokens they are automatically reserved for you as the part of the transaction. These fees are subject to change.

Getting a loan



As an alternative to directly spending your crypto, you can choose to get a loan on your card using your cryptocurrency as collateral. In this case your cryptocurrency is not spent and you can pay back the credit without currency conversion.

If the period of the loan is within one day you are not paying any additional interest. If the period of the loan is for a longer period of time there is a monthly interest charged on it. The interest is subject to change according to the market conditions.

You can settle the credit by paying back the fiat currency, or you can choose to not to pay in fiat, but choose to settle the credit from the cryptocurrency collateral.

In order to receive credit you need to deposit an equivalent value of your crypto that will be used as a collateral increased by the risk-cover ratio (usually 20%). Depending on market conditions the collateral value may change (as the current crypto to fiat value or risk-cover ratio may change). If the collateral value needed to secure the credit will depreciate, we may ask the debtor to complete the security.

Otherwise we have the right to close the granted loan by liquidating the collateral. All information (needed collateral value, risk-cover ratio for the particular crypto and given period of loan) will be shown in the Mobilum app before topping up the payment card with the loan.

MBM token and fees: You need to hold 0.5% of the loan value in MBM tokens as a membership fee. If you do not have enough MBM tokens they are automatically reserved for you as the part of the transaction fee. When the transaction is made, 0,5% of the collateral value of MBM tokens are paid to Mobilum company to cover the cost of currency conversion. These fees are subject to change.

Other and future functionality

In the future, the Mobilum app will act as an Any to Any payment method. We will add fiat to crypto conversion, giving users the ability to buy cryptos with fiat money.

Another feature we will be working on is lending your cryptos as a collateral for loans applied for by other Mobilum app users, which will allow you to obtain passive income on your cryptos with a relatively controlled risk.

We will be adding more wallets in the future with the ability of instant transfers and conversions between them, assuring low-cost and best execution rates.

In the close future, Mobilum will release an e-commerce widget that will allow direct spending of your currencies (both crypto and fiat) to e-commerce shops bypassing any intermediary. It will be quick, affordable and reliable.

Note: The processes described in this paragraph are indicative and will be fine-tuned at the implementation stage of the project, to reflect the best possible customer experience for the service end users. All activities of Mobilum in the area of payment cards will follow respective international card schemes rules and regulations, and will be implemented under proper licenses held either by Mobilum's business partners and service providers, or the company itself.

Markets and availability

Supported cards

Mobilum will support all payment cards with a technical bank account number.

Individual providers will be added to the platform successively, however, from the very beginning of the operation, Mobilum provides a quick transaction with a guarantee of less than one day for: Visa, Visa Debit, Visa Electron, MasterCard, Maestro, Diners Club, Amex. Mobilum is also working towards to support for JCB and UnionPay.

Supported countries





Mobilum's goal is to be present in three major markets in the world: Asia, Europe and America. Success is mainly related to money licenses as the pace of development and expansion greatly depends on the possibility to obtain them. Mobilum will initially appear around Q4 2018 in Europe, Q1 2019 in Asia and Q3 2019 in America.

For more information see Account opening in Legal chapter.



Product benchmark

The Mobilum business model is radically different from the existing cryptocurrency payment card providers. Mobilum does not issue out new cards, thus it is able to work more cost effectively, expand faster and be more resilient against hostility towards cryptocurrency trading. Acting as a lender, Mobilum takes over the risk of financial operations.

				 TokenCard
Card issuer	Use existing card	TBA	Not released	TBA
Token economics	Access token and fee token	Internal fees	Hold to access higher tier cards	Internal fees
How many card providers	All of them	1	-	1
Currencies accepted	Up to 30 biggest cryptocurrencies & ERC-20 based tokens	Bitcoin, Ethereum, Dash & more	Bitcoin, Ethereum	Ethereum
Card holder transaction fee	0.5% in MBM tokens	Free	1%	1.5%
ATM fees	Charges based on card provider service	\$2.75 withdrawal fee	0-2% withdrawal fee	Unknown
Physical Card issuing fee	No additional card = No additional charges	\$15	Free	Unknown
Payment card	Any debit or credit card provider	Only TenX Card	Only Monaco Card	Only Token Card
Fund security	Hosted Multi-Sig Wallet & Smart Contract	Hosted Wallet & Smart Contract	Hosted Wallet	Smart Contract
Double spending Risk	Safe	Safe	Safe	Risky

MBM token

The Mobilum project is looking to raise funds through an MBM token sale to bootstrap its platform economy around users, business partners, lenders and borrowers. The Mobilum platform will be functional at the launch of the token sale.

Token utility

Mobilum has a dual nature of an access token and a transaction fee token.

Users need to hold Mobilum tokens in order to use the Mobilum platform. The token sale event is the primary issuance of tokens and the first chance to purchase these tokens. Users can later obtain tokens through the Mobilum platform itself, or independent brokers.

Fee and access token

The user needs to have 1% of the transaction value in MBM tokens. 0.5% is paid to Mobilum Ltd. as a currency conversion fee and 0.5% is reserved as an access fee.

If users do not have enough MBM tokens when starting a transaction the necessary amount of MBM tokens are automatically bought for them from the liquidity pool.

The value of fee and access requirements are defined based on public forex market data. This is discussed later more in detail in Technology chapter.

Paying fees with MBM token

Currency conversion fees are covered with MBM tokens to top up and credit operations. Fees are received by Mobilum Ltd. to cover the costs of exchange.

- 0.5% of the transaction or collateral value is paid to Mobilum Ltd. on the execution of that transaction or establishment of the collateral

Holding MBM as access token

Users are required to hold MBM tokens to access the platform. These tokens are not consumed during the transaction. Higher the transaction volume the user has, more MBM tokens they need to hold.

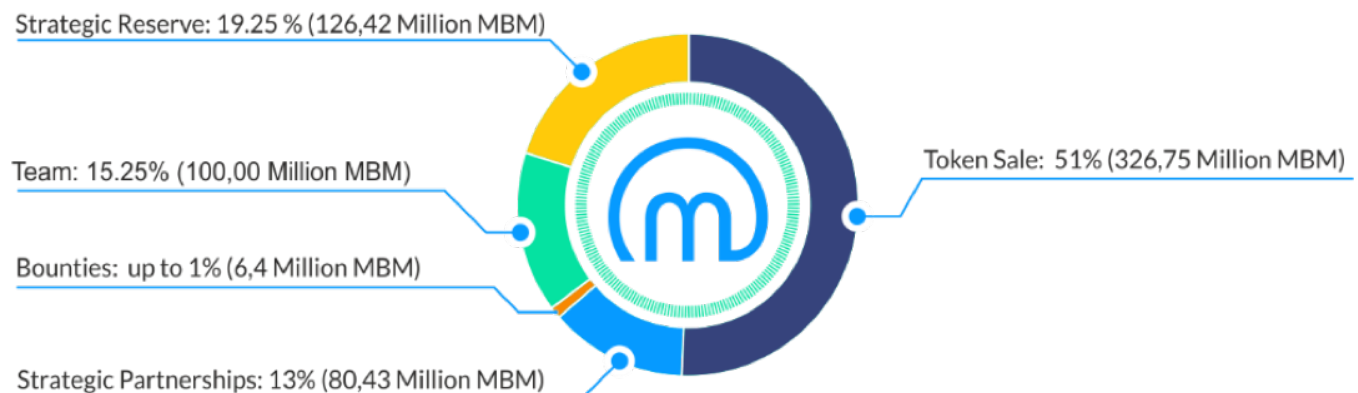
- 0.5% of transaction value in MBM token USD value when topping up card
- 0.5% of collateral value in MBM token USD value when asking for credit as a access requirement

Note: Mobilum reserves the right to adjust these amounts depending on the market situation and competition.

Token sale

Hard cap: 29 million USD equivalent in ETH

Token supply, pools and lock ups



Total Token Supply: 640 Million MBM

Mobilum Tokens (MBM) ITO Supply distribution details

Token Sale: 51% (326,75 Million MBM)

Bounties: up to 1% (6,4 Million MBM)

Strategic Partnerships: 13% (80,43 Million MBM)

Team: 15.25% (100,00 Million MBM)

Strategic Reserve: 19.25 % (126,42 Million MBM)

All tokens that are not sold in the sale will become part of the Strategic Reserve.

Strategic Reserve tokens are locked in for 12 months. They will be gradually released to the market to support the liquidity. Depending on the initial customer interest, Mobilum may control the pace of release to be able to support growing user demand.

Above a certain contribution amount, Mobilum will grant contributors bonus MBM Tokens. The bonus MBM Tokens obtained in the Token Presale are subject to three months lock-up and will be delivered to the contributors 90 days after the first transfer of MBM Tokens to the contributor.

Eligibility to participate

Token sale participants **cannot** come from USA, China and countries on Gibraltar sanction lists.

Token sale participants must pass identity verification and source of funds checks in order to be eligible for the purchase.

Liquidity pool

Not everyone gets a chance to buy MBM tokens during the token sale. For the future access and transaction fee tokens, Mobilum acts as a primary merchant.

Those who do not have MBM tokens to transact on the Mobilum platform will automatically obtain them as a part of the platform's transaction fees. These tokens are allocated to the user from the Mobilum MBM token liquidity pool using a fair market price.

Liquidity comes from the strategic reserve pool allocated to Mobilum during the token sale.

Market price definitions

The Mobilum platform aggregates the information about the ask and buy prices, and depth of the markets of traded cryptos (including MBM) from different sources (like price feeds providers, exchanges and brokers) using direct APIs, instantly. Gathered data creates a virtual order book on the Mobilum platform, so whenever a user wants to top-up their payment card or get a loan, the Mobilum app easily takes the best execution price from that virtual order book. There are mathematical formulas (algorithms) to support the operation.

Each time the Mobilum MBM liquidity pool receives a request to allocate a number of MBM tokens for the user, it will check the best execution price of the token on the virtual liquidity pool in order to determine the fair market price of the MBM token. There are automated internal algorithms, as well as specific mathematical formulas that Mobilum has developed to support the operations that determine the fair market price of the MBM token.

A bottom value of the MBM token is set as a price of one MBM during Token Generation Event.

About Mobilum

Mobilum team

We have more than 20 years experience in integrating payment solutions and systems into the global financial world. In the 1990's we brought SMS payments to vending machines, and in the 2000's we were involved in one of the first electronic wallets, which has grown our knowledge base to what we know of prepaid cards today.

Recently we have been implementing solutions (i.e. high frequency trading platforms, internalizers) for exchanges, banks, stocks and forex brokers, payment processors and multilateral trading facilities.

Team members



Wojciech Kaszycki

CEO, Founder

Serial successful entrepreneur, investor, business consultant, founder, and fintech enthusiast focused on building revolutionary technical inventions.

Over 20 years of business experience.

E-commerce pioneer, created Poland's first Amazon equivalent.

Fintech pioneer with Poland's first electronic purse and fully MiFID compliant multilateral trading solutions.

Founder of several successful companies such as Gifts of Nature, List Polska, Bizmatica Polska, MirroCool.



Jakub Nalej

CTO, Co-Founder

IT manager passionate about blockchain and fintech.

Six years in IT management.

Excellent knowledge about implementation of IT solutions at state institutions.

Former lead of Polish Digital Repository of Scientific Institutes' initiatives.

Former network administrator for one of the largest projects of digitized scientific collections in Europe.



Przemek

Maliszewski

COO, Co-Founder

Senior level manager with a professional career spanning more than 20 years in disruptive technologies.

Over 15 years of experience in financial markets, banking and insurance.

Vast operational and technical experience gained by working with global enterprises.

Specialized in implementing foreign FSI solutions in the Polish market, from sales to delivery (core banking systems, advanced trading platforms for brokerage houses, front office systems for treasury departments of banks, risk and compliance systems).



Dawid Suski

CLO, Co-Founder

Tech-driven lawyer and economist, firmly believes in blockchain future and seizes the fintech moment.

Proven track record working for law firms specializing in Intellectual Property Law, commercial law and contracts.

Graduate of International Law Schools and programs.

Gained vast knowledge about regulatory and related fields conducting financial audits at Deloitte.

Experienced Data Protection Officer, successfully implementing newest EU regulations.

Loui Mercieca



Technical advisor, developer and trainer on blockchain and Emerging Technologies. Founder and CTO of cryptoGEEKS, a blockchain development company specialising on bespoke solutions and consultancy services. Loui is also a member of the National Blockchain Strategy Taskforce, acting as a technical blockchain advisor for the Government of Malta.

Advisors



Janusz Diemko

Former C-level executive of First Data with over 20 years of experience in the transaction and payment processing industry in EMEA.



Ismail Malik

Professional with over 20 years of experience in tech startups and entrepreneurship, covering asset management, cryptocurrencies and mobile payments.



Yacine Teraï

Founder of StartupToken. Nearly 15 years of global experience in business growth, marketing strategy and management of global startup ventures. Specialized in token crowdsales for innovative blockchain startups.



Abasa Phillips

Cryptocurrency and payments specialist and founder of Zilla. At home in the payment industry since 2009, involved with cryptocurrencies since 2011.



Jakub Fijołek

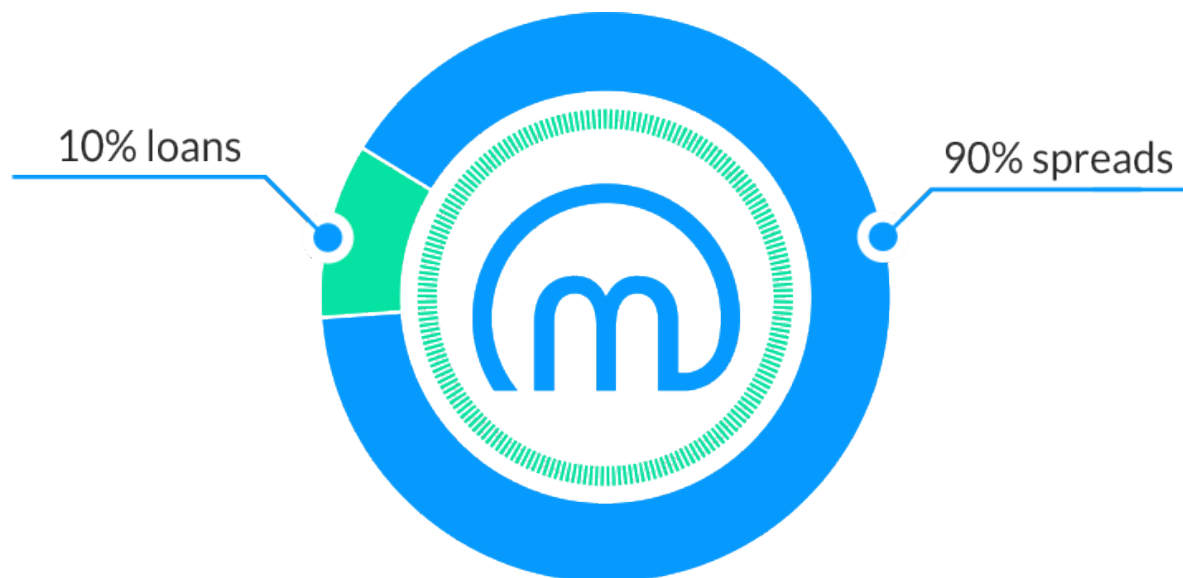
Innovative IT and security specialist and co-Founder and CTO of Coinfirm, a global leader in blockchain regulatory technology and analytics.



Roman Pogorzelski

Former American Express TRS Senior Level Executive with over 25 years of proven track records in international markets.

Business model and strategy



Mobilum follows a simple and transparent business model that opens up several streams of revenue for the company. When exchanging one crypto or fiat currency for another within a single day, Mobilum creates a spread between the two exchange rates which constitutes Mobilum's **first major source of revenue**.

When lending fiat currency to the user (with crypto as collateral), Mobilum claims an interest of 10% monthly; Mobilum's **second major source of revenue**. The interest is subject to change according to the market conditions.

In detail, the Mobilum business model assumes the following major and minor revenue streams:

- Earnings on price differences (sale price versus purchase price) for particular cryptocurrencies (spread)
- Fiat lending with crypto as collateral
- License fees for white-labelling the Mobilum solution for exchanges
- Listing fees for tokens and cryptocurrencies on the Mobilum Platform.

We expect to have a net operating margin equivalent of no less than 0.35% of the turnover on exchanging the assets, and no less than 10% monthly on fiat lending for more than a day. The interest is subject to change according to the market conditions.

Mobilum's business strategy will rely on partnerships with renowned payment providing companies, as well as reputable crypto and fiat exchanges. Relationships with these fiat exchanges will not only contribute to expanding Mobilum's user base but these exchanges may also license Mobilum's solution and therefore directly constitute another source of revenue (see previous section).

Currently, we are establishing a partnership with a top tier payment processor, one of the major API providers in the industry, crypto-exchanges, and brokers. Others are in the early stages of negotiations.

These relationships are only made possible thanks to our founders', advisors' and team members' deep involvement in the payment industry in recent decades. Forging similar partnerships is therefore a major barrier to entry for new players in the payments industry.

Technology

Mobilum's extensive history and technical inside in payment business enables it to use the modern infrastructure to provide swift and smooth user experience.

Direct payment gateways

A payment gateway is a merchant service provided by an e-commerce application service provider that authorizes credit card or direct payments processing typically for e-businesses, online retailers, bricks and clicks, or traditional brick and mortar.

A payment gateway facilitates a payment transaction by the transfer of information between a payment portal, such as a website, mobile phone or interactive voice response service, and the front end processor or acquiring bank.

Mobilum connects to the major gateways to provide near instant transactions to its users. For Visa cards, OCT (Original Credit Transaction) is an innovative payment system for fast and convenient fund transfers to eligible Visa cards.¹ For MasterCard and Maestro Mobilum uses Money Send™ and will be used too.²

Internalizer - matching engine

Internalizer is the matching engine that matches the best fiat prices for users that are converting currency.

The matching engine is one of the fastest and the most robust matching engine technology for the retail forex and cryptocurrency market. Forex providers and exchange operators of all sizes can connect to the matching engine technology using several ways i.e. FIX API and proprietary developed bridges.

We will use risk management tools which will calculate, check, control, filter and update all system parameters constantly as trades are matched.

¹ The Original Credit Transaction (OCT) method credits (pushes) funds to a recipient's Visa account; optionally it is possible to debit (pull) those funds from a sender's Visa account via Account Funding Transaction (AFT).*

Visa: (<https://developer.visa.com/legacy/products/vpp/documents/json/oct.html>)

² Money Send facilitates the delivery of funds quickly and securely, domestically and cross-border.

MasterCard: <https://www.mastercard.us/en-us/issuers/products-and-solutions/customer-needs/consumer-solutions/mastercardsend.html>

Connection to exchanges

Exchanges are another essential part of the cryptocurrency ecosystem, matching buyers and sellers of the digital assets. The rising number of cryptocurrency exchanges intensifies the rivalry among them, and the struggle to keep and attract customers.

Mobilum instant loan backed by crypto is specifically designed to provide partnering digital asset exchanges with additional leverage and liquidity in order to support their margin lending activities, enabling them to reach higher capital efficiencies.

Data feeds for the price

Access to comprehensive price discovery is vital to accurately value the cryptocurrency market. Mobilum will use access to stream real-time and historical data for the most actively traded digital currencies.

Mobilum will offer multi-asset and multi-venue data from several cryptocurrency trading venues, markets, and exchanges globally.

Security audits and considerations

The security and privacy of users' funds and data are the top priority in the Mobilum ecosystem. To ensure platform security and early detection of vulnerabilities, the Mobilum platform will be reviewed by two independent security reviewers before deployment, and regularly twice a year after deployment.

Management, processing and storage of user data at Mobilum will be subject to GDPR-compliant policies. A data protection officer will be named as responsible authority for all data protection and privacy issues and first contact for user inquiries. Further information/documents about GDPR compliance of Mobilum are available upon request.

Legal

Company

Mobilum Limited is based in Gibraltar.

Required business licenses

In some jurisdictions, reception of fiat in the wallet is treated as a taxable event. Due to the fact that Mobilum tops up the card in advance to the consumer's purchase, the event would be considered as a quick loan in most jurisdictions. Mobilum recognizes this and will apply for a DLT provider license in Gibraltar, its registered seat, and is preparing a payment processor and money lender license application in Lithuania, while at the same time evaluating other options.

Electronic money institution license

Mobilum is considering applying for Electronic money (eMoney) institution license with the Bank of Lithuania. An electronic money institution is a market participant licensed by the Bank of Lithuania, which has the right to issue electronic money. Electronic money is pre-paid monetary value issued into circulation by an electronic money institution, held on electronic devices, which can be used for payment purposes. Obtaining that license also allows its holders to perform money remittances, enables them to process payment transactions, provides the opportunity to engage in cash deposit, withdrawal services or to perform direct debit or credit transfers, etc³.

Money Lender license

Mobilum will be able to provide loans backed by collateral cryptocurrency once it obtains a Money Lender License. It is authorized by the Gibraltar Financial Services Commission, which regulates how the entities engaged in that kind of financial activities should operate. Being supervised in this fashion brings transparency and allows for the company to be controlled by the Commission.

Distributed Ledger Technology Regulatory Framework (DLT Framework)

Since 1st January 2018, Distributed Ledger Technology (DLT) Provider license is required for entities which are engaged in activities such as storing and transmitting value belonging to others - the DLT activities. It is authorised by the Gibraltar Financial Services Commission (GFSC). In order to obtain and comply with the requirements, Mobilum must:⁴

- Conduct its business with honesty and integrity.
- Pay due regard to the interests and needs of each and all its customers and must communicate with its customers in a way which is fair, clear and not misleading.
- Maintain adequate financial and non-financial resources.

³ <https://www.lb.lt/en/fs-electronic-money-institutions>

⁴ <http://www.gfsc.gi/dlt>

- Must manage and control its business effectively, and conduct its business with due skill, care and diligence; including having proper regard to risks to its business and customers.
- Have effective arrangements in place for the protection of client assets and money when it is responsible for them.
- Have effective corporate governance arrangements.
- Ensure that all systems and security access protocols are maintained to appropriate high standards.
- Have systems in place to prevent, detect and disclose financial crime risks such as money laundering and terrorist financing.
- Be resilient and must develop contingency plans for the orderly and solvent wind down of its business.

Policies regarding financial regulation

The financial nature of operations executed by means of the Mobilum App/Platform requires a lot of regulatory oversight and demand for transparency. As stated above, Mobilum will carefully select the licenses that will be essential to provide services described in this whitepaper. Applying to obtain any of them involves a deep screening process and compliance with different terms, conditions, regulations, reporting.

It is Mobilum's policy to consider the risk, compliance and operational issues associated with the proposed activities, as well as document and implement them, e.g. the KYC procedure that Mobilum has set along with a designation of Anti Money Laundering Officer fully addresses AML concerns.

Mobilum will carry out its business in reliance upon its licences. Mobilum will not provide any services which are out of the scope of the issued licence to any person where the provision of such services would be illegal under the applicable law.

Mobilum is required to satisfy the GFSC requirements, one of them being obliged to notify the institution about any event that might be of its interest. Mobilum is making arrangements to directly exercise appropriate controls and step-in rights as required for regulatory purposes at any given time.

Mobilum needs to constantly be able to demonstrate that it is able to safeguard relevant funds and that any risks associated with relevant funds are being proactively managed. Which in turn does not compromise its financial position nor disadvantage its customers. The firm must en-

sure that, regardless of where the funds are received, it is always in compliance with the safeguarding of funds requirements.

Banking relationships

Mobilum will open bank accounts in all main destinations where it is going to operate to ensure low fees and instant bank transfers. Fiat liquidity pools will be provided in main bank accounts to support lending.

Collateral valuation risks

In order to receive a credit, a customer needs to deposit an equivalent value of the crypto currency that will be increased by the risk-cover ratio (usually 20%) and used as a collateral. Depending on market conditions, the collateral value may change (as the current crypto to fiat value or risk-cover ratio may change). If the collateral value needed to secure the credit will depreciate in value, Mobilum may ask the debtor to complete the security. Mobilum reserves the right to close the granted loan by liquidating the collateral if the debtor fails to complete this request. Managing the risk-cover ratio and margin calls will be done by high frequency low latency algorithms. However Mobilum may encounter the situation when the particular loan will not be secure enough and/or settling the collateral will not guarantee full repayment of the loan. In order to address that risk, above-mentioned algorithms will calculate a loans portfolio risks in real time, adjusting risk-cover ratio to the fault tolerance accordingly.

Disclaimers

As of the date of publication of this Whitepaper, MBM Tokens have no known or potential future uses (other than on the Mobilum Platform which is to be developed) and cannot be sold or otherwise traded on third-party exchanges. This Whitepaper does not constitute advice or a recommendation by Mobilum, its officers, directors, managers, employees, agents, advisors, consultants, or any other person to any recipient of this document on the merits of participating in the Token Sale.

Participation in the Token Sale carries substantial risk and may involve special risks that could lead to a loss of all or a substantial portion of your contribution. Further information about the

risks of participating in the Token Sale is set out in the contribution terms. Please ensure that you have read, understood and are prepared to accept the risks of participating in the token sale before making a contribution.

MBM Tokens should not be acquired for speculative or investment purposes with the expectation of making a profit on immediate resale. No promises of future performance or value are or will be made with respect to MBM Tokens, including no promise of inherent value, no promise of continuing payments, and no guarantee that MBM Tokens will hold any particular value. Unless prospective contributors fully understand and accept the nature of Mobilum's intended business and the potential risks associated with the acquisition, storage and transfer of MBM Tokens, they should not participate in the Token Sale.

MBM Tokens are not being structured or sold as securities. MBM Tokens hold no rights and confer no interests in the equity of Mobilum or any other entity. MBM Tokens are sold with an intended future use on Mobilum's platform and all proceeds received during the Token Sale may be spent freely by Mobilum on the development of its business and the underlying technological infrastructure.

This Whitepaper is not a prospectus or disclosure document and is not an offer to sell, nor the solicitation of any offer to buy any investment or financial instrument in any jurisdiction and should not be treated or relied upon as such.

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pleteness of included information. Although the data are believed to be reliable, Mobilum has not independently verified any of the data from third party sources referred to in this Whitepaper or ascertained the underlying assumptions relied upon by such sources.

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The Token Sale and/or MBM Tokens could be impacted by regulatory action, including potential restrictions on the ownership, use, or possession of such tokens. Regulators or other circumstances may demand that the mechanics of the Token Sale and/or the functionality of MBM Tokens be altered, all or in part. Mobilum may therefore revise mechanics to comply with regulatory requirements or other governmental or business obligations. Nevertheless, Mobilum believe they are taking all commercially reasonable steps to ensure that its planned mechanics are proper and in compliance with currently considered regulations.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This whitepaper contains forward-looking statements or information (collectively “forward-looking statements”) that relate to Mobilum’s current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as “may”, “will”, “expect”, “anticipate”, “aim”, “estimate”, “intend”, “plan”, “seek”, “believe”, “potential”, “continue”, “is/are likely to” or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Mobilum has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, financial needs, the results of the Token Sale or the value or price stability of MBM Tokens.

All information here that is forward-looking is speculative in nature and may change in response to numerous outside forces, including technological innovations, regulatory factors, and/or currency fluctuations, including but not limited to the market value of cryptocurrencies.

In addition to statements relating to the matters set out here, this Whitepaper contains forward-looking statements relating to Mobilum’s proposed operating model. The model speaks to Mobilum’s objectives only, and is not a forecast, projection or prediction of future results of operations.

Forward-looking statements are based on certain assumptions and analysis made by Mobilum in light of its experience and perception of historical trends, current conditions and expected future developments with other factors it believes are appropriate being subject to risks and uncertainties. Although the forward-looking statements contained in this Whitepaper are based

upon what Mobilum believes are reasonable assumptions, there are risks, uncertainties, assumptions, and other factors that could cause Mobilum's actual results, performance, achievements, and experience to differ materially from its expectations expressed, implied, or perceived in forward-looking statements. Given such risks, prospective contributors should not place undue reliance on these forward-looking statements. Risks and uncertainties include, but are not limited to those identified in the contribution terms applicable to participation in the Token Sale. These are not a definitive list of all risk factors associated with a making a contribution to Mobilum, in connection with its intended future operations.

Mobilum undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this Whitepaper.