



a new era for **SMART** startups





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Whitepaper Disclaimer

IMPORTANT: YOU MUST READ THE FOLLOWING DISCLAIMER IN FULL BEFORE CONTINUING

The sale ("Token Sale") by Smart Startup Ltd. (England and Wales Company Registration Number: 11138923) ("Token Issuer") of the Smart Startup Token ("SMRT Tokens"), the exchange medium for participants of the SMRT Network (as defined in the section entitled "The SMRT Token" of this whitepaper ("Whitepaper")) as detailed in this Whitepaper is only intended for, made to or directed at, only certain persons. Moreover, this Whitepaper is not a prospectus or offer document of any sort and is not intended to constitute an offer of securities of any form, units in a business trust, units in a collective investment scheme or any other form of investment, or a solicitation for any form of investment in any jurisdiction. No regulatory authority has examined or approved of any of the information set out in this Whitepaper. This Whitepaper has not been registered with any regulatory authority in any jurisdiction.

References in this Whitepaper to "we" or "us" refers to the Token Issuer and "our" shall be construed accordingly. "You" refers to any person accessing, perusing or reviewing this Whitepaper and "your" shall be construed accordingly.

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case may be), you represent and warrant to Token Issuer that:

- (a) you are not located in the People's Republic of China and you are not a citizen or resident (tax or otherwise) of, or domiciled in, the People's Republic of China;
- (b) you are not located in the United States of America and you are not a citizen, resident (tax or otherwise) or green card holder of, or domiciled in, the United States of America;
- (c) you are not located in a jurisdiction where the Token Sale is prohibited, restricted or unauthorized in any form or manner whether in full or in part under its laws, regulatory requirements or rules;
- (d) you agree to be bound by the limitations and restrictions described herein; and
- (e) you acknowledge that this Whitepaper has been prepared for delivery to you so as to assist you in making a decision as to whether to purchase the SMRT Tokens.
- (f) you acknowledge that this Whitepaper may be updated as required and the updated version will supersede any prior versions. The latest whitepaper will always be available on <https://smartstartuptoken.tech>.

The information set out in this Whitepaper is for information purposes only and does not constitute any form of financial or other advice and should not be relied on or treated as a substitute for specific advice relevant to particular circumstances and is not intended to be relied upon by you in making (or refraining from making) any specific decisions.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).

Preamble

Trade is going through a digital transformation phase supported by evolving and new technologies such as computing, the internet, blockchain and AI. Credit card companies and established international banking structures support much of the financial system for trade but are now being disrupted by new technologies and decentralised systems. Trade needs systems of trust and ways to transfer value in order to work effectively. Legal systems, agreements, contracts and enforcement, back this trade and provide tried and trusted support. New technologies are emerging that automate much of this and move the requirement from trusting individuals to trusting decentralised technology systems. It is our intention to occupy the space of 'gateway and agreement enforcer' both in startup legals and small business trading.

This is the space we want to own for startups and small businesses. Bigger companies have other issues to solve for which a one size fits all approach is probably not optimal. Our focus is on the enormous niche of startups and small businesses. We are a smart contracts company, launching the internet of agreements to enforce frictionless trade. With the combination of specifically designed smart contract templates and an easy to use interface for editing, our platform will lead the way for startups and small businesses in the next generation of agreements, funding and trading.

The purpose of this Pre-ICO whitepaper is to present the Smart Startup Token (SMRT) to large batch token purchasers before it is available for general release. The overriding strategy for running our ICO is to put SMRT into circulation as an access token for our smart contracts platform, smrt.network. The majority of the funds raised will be for marketing purposes.

Our Mission:
To build trust and value in startups & small businesses

Abstract

Starting a business is a voyage into the unknown, involving many uncertainties with concerns such as: Is my idea the right one at the right time? Am I the right person to make it work? Can I get the right level of funding? How do I get going before somebody steals my idea? What happens if I can't agree a decision with my business partner? How do I enforce my agreements, in particular those that relate to low value trades? There are so many variables making it very difficult to make the right decisions, however you can distil many of them down into a few categories, which now have various platforms, providing solutions to this startup ecosystem:

- a) Business Formation and Shareholder Arrangements
- b) Intellectual Property and Trust
- c) Funding (Equity, Lending, Grants, Gifts and Alternative Finance)
- d) Trading (Buy/Sell agreements with customers and suppliers)

Legal contracts are the main solution to many of the concerns arising from wanting to start a business and its early stage development. Until now, these expensive legal agreements have involved restrictive regulations and time consuming governance to adhere to their terms. However, they haven't properly solved many of the issues such as cross border finance, trade enforcements and a lack of visibility on 'return on investment' or transparency in the chain of events that take place.

The emergence of Blockchain technology changes all of this and allows us to find solutions to many of the issues outlined. The creation of a dedicated suite of smart contracts by industry specialists, partnering with leading startup and small business platforms will drive the next generation of business transparency and contract execution at much lower costs.

The Smart Startup Token (SMRT) Project

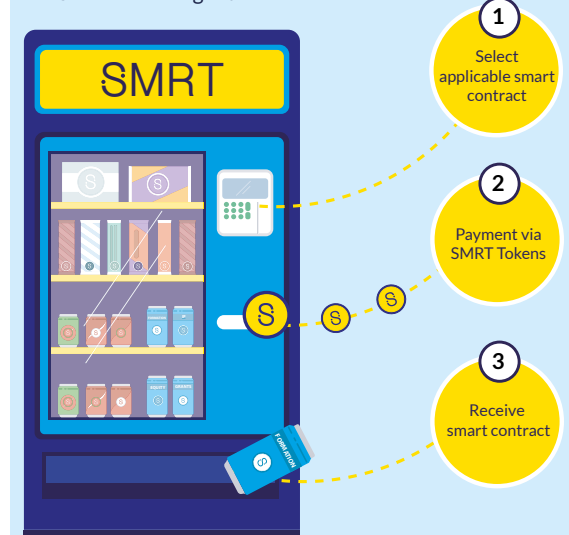
The startup economy is worth trillions of dollars but a large majority of these startups and small businesses do not yet have the resources or access to the technological advancements of blockchain technology and the benefits that smart contracts provide.

The Smart Startup Token (SMRT) aims to solve this by being a gateway to the smart contracts that solve the problems outlined.

Think of a vending machine that dispenses templates of smart contracts with a row for business formation, a row for intellectual property, a row for funding, a row for trading etc. Choose your template, insert your token, and get going on filling in the contract or engaging an expert to help you.

The SMRT project is to create this vending machine and the user interface to turn the templates into executable contracts. We are focused on the clearly defined ecosystem of startups and small businesses, providing automatically enforced contracts that enable them to trade and function. The rows in our vending machine that are likely to utilise the most SMRT tokens will be the finance agreements such as peer to peer lending and equity, also the trading agreements between the seller and buyer. These will be sold in bundles and enable businesses to create automatically enforced agreements in much the same way as centralised and decentralised marketplaces enable trade. Our smart contracts will reduce friction, costs and facilitate enforcement of these agreements and trade.

The SMRT "Vending Machine"

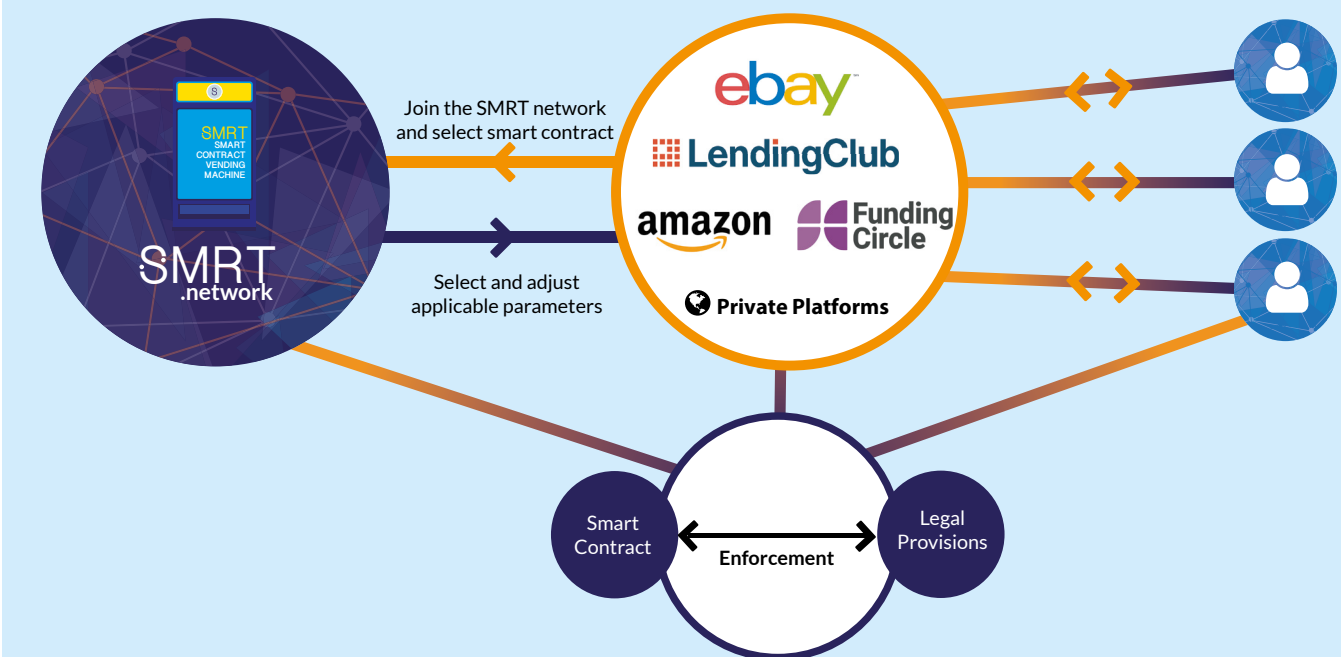


The SMRT Marketplace

Most trade on the internet takes place in marketplaces. There are centralised ones like Amazon who control all the trading between parties, decentralised ones like eBay who allow peer to peer trading, and there are private marketplaces such as your own website where you arrange the whole process, banking and enforcement of the trade.

We are building interfaces for centralised, decentralised and private marketplaces, allowing our smart contracts to be used on those that accept it or your own private website. All of these marketplaces can be made to be more efficient with less 3rd party costs such as banking, by using smart contracts. The opportunity for SMRT is to encourage more marketplaces as the smart contract carries out many of the functions that are barriers to entry such as managing the transfer of the asset and money and enforcing the trade.

Illustrative example:



Once the contract is agreed and written to the blockchain, the terms are automatically enforced. There is no need for an intermediary bank or 3rd party to be involved in the financial transaction thus removing cost and friction.

“

The technology offers some very exciting opportunities but as legislators internationally, we must also make sure that consumers have trust in it. Blockchain and smart contracts will be a game changer for startups.

Syed Kamall, Member of the European Parliament
Regulatory Advisor to the SMRT Project

The SMRT Token

The Smart Startup Token (SMRT) is an ERC20 Token based on Ethereum technology: an open-source, public, blockchain-based distributed computing platform featuring smart contract functionality. The SMRT token itself will come in two flavours. These utility tokens are for 'slotting into our vending machine' for purchasing our smart contract templates. The flavour being used for the Pre-ICO and Crowdsale are the same and will have a limited supply. The Pre-ICO token will be on offer with an additional token bonus for bulk purchases.

The other flavour will be purchased at our list price (currently estimated to be approximately equivalent to 2USD). Both tokens can be used to purchase any of our smart contract templates. The Pre-ICO/Crowdsale token known as SMRT will be the only one traded on crypto exchanges.

The SMRT Platform

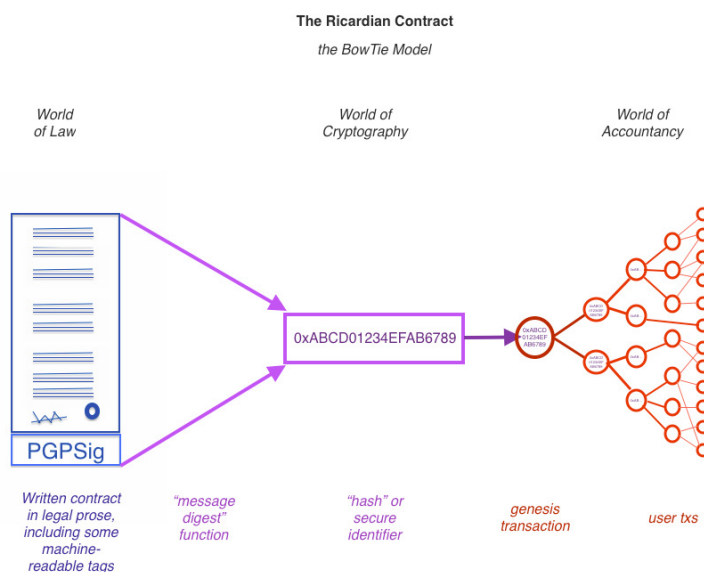
Our strategy is to build a prototype of the platform from the Pre-ICO funds. This will serve the purpose of explaining our technology and process for the SMRT platform and the associated smart contracts. It will also show how the SMRT token can be utilised.

On the SMRT Platform (smrt.network), customers will be able to purchase the tokens if they don't have any and use them in our 'token vending machine' to obtain the smart contract templates. They will be able to modify the templates using our specially designed interface or utilise a service provider to help them. Platform providers and service providers will have their own area to integrate the smart contract capabilities with their own platforms and businesses. There are exciting innovations we are considering on the platform.

SMRT Smart Contracts

These automate the enforcement of commercial agreements by transferring digital assets such as digital money, updating accounts and recording key evidence or transactions on a blockchain. This means that the parties specified do not need to trust each other to carry out the agreement, the smart contract automates it.

The type of smart contract we will be offering are Ricardian contracts which combine smart software contract code with a natural language contract so that interpretation and ambiguous situations such as human errors, unanticipated circumstances and cross border disputes can be resolved. Many of our smart contracts will additionally be supported by a separate dispute resolution contract, involving arbitration which is recognised internationally and enforced in national or state courts.



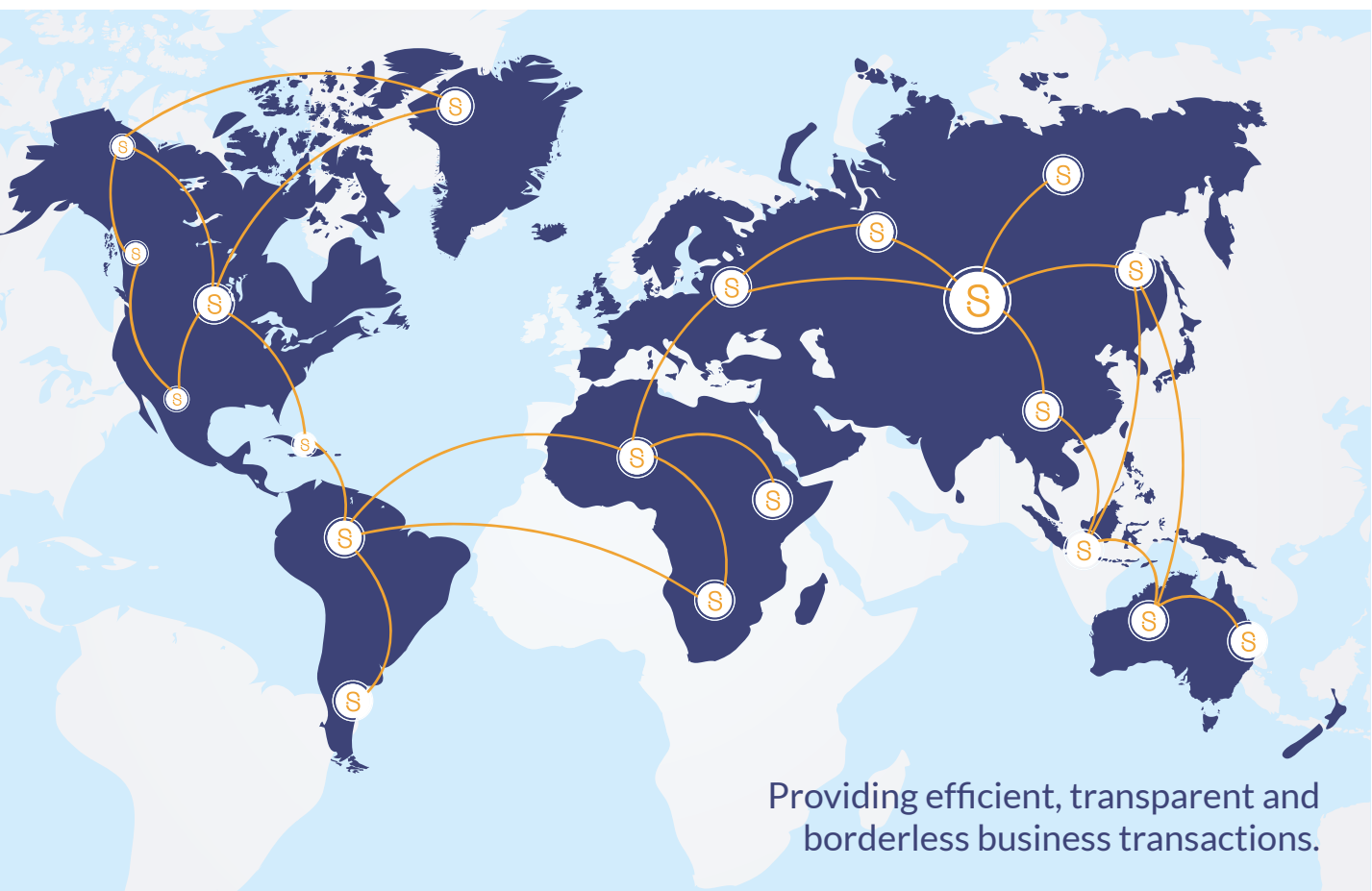
Source: <https://commons.wikimedia.org/wiki/File:RC-bow-tie.png> Author: Artied

A New Era for Startups

Through the smoke of ICOs, regulation, the “Bitcoin bubble”, volatile gains and falls, there is actually incredible technology making way for innovators. The SMRT team are industry experts within the startup world with experience of platform creation, legal contracts, blockchain development, regulation and building innovative businesses. The internet, blockchain and AI are going to drive the next wave of startups that will lead our economy. It has never been easier to innovate and start a business. **This is our passion.**

Real World Solution

Speculation and volatility within the cryptocurrency industry is rife. Signs of a bubble are apparent, with people going through an investing frenzy without actually understanding or looking at the product, the company or reasons for price jumps/ hikes. One comment by an “influencer” can cause a market to lose up to 30% or more within moments. Once the bubble “pops” it will mainly be the tokens with scalable real world solutions and tangible business models that will survive and have value. We have a real world solution, that needs a token and is linked to economic activity. Our two flavours cover a forward ordered token and one that is purchased at the time of use. The structure of the Pre-ICO and Crowdsale is about bringing the SMRT token into circulation, creating demand for our smart contracts with a business plan that has its primary strategy relating to marketing and customer acquisition.



The Team

The Smart Startup Company and SMRT token team are highly skilled and experienced in running successful businesses. They have a wide variety of talent, connections and expertise in blockchain, AI, entrepreneurship, funding, intellectual property, government and regulation. Giving SMRT a very solid base.

Some team members are working in an advisory capacity, while holding down high profile jobs in industry, government and academia. Others are working full time to build the infrastructure of a world leading company. Upon completion of the ICO, the team will be expanding to bring onboard in-house software developers, lawyers and finance specialists, building an internal infrastructure and one to manage our partners.



Simon Krystman
[Entrepreneur and Founder](#)

Simon is a passionate entrepreneur who has successfully set up a number of businesses in the digital and innovation space over the past twenty years; most recently launching a suite of products for startups and early stage companies. These revolve around intellectual property, crowdfunding and network building. He is a Cryptocurrency enthusiast with early investments in Bitcoin and is evangelical about the potential of blockchain to revolutionise the way we interact and build trust.



Prof Alan Barrell
[Alternative Finance, Formerly Entrepreneur in Residence Judge Business School](#)

Alan has worked as Chairman and Chief Executive of large multi-national companies and smaller technology start-ups. He teaches in Universities in the UK, Europe, North America and Asia with Professorships in European and Chinese Universities. He has raised and managed a Venture Capital Fund and, is a Business Angel Investor and Trustee of charities. His current work is focussed heavily on the development of UK-China Trade and Relationships including cross-continental investment. Most recently appointed Chairman of a 3billion RMB Chinese Technology Venture Fund. Alan promotes the vision of “A World Without Borders”.



Dr Syed Kamall, MEP
[Government and Regulation](#)

Syed is a Member of the European Parliament and a Blockchain and cryptocurrency enthusiast. He has hosted international Blockchain events such as: The Virtual Currencies and Blockchain Exhibition held at the European Parliament, which was attended by the World Bank, IMF, OECD, Bank for International Settlements, Europol, and the United Nations (UNICRI). Syed is a keen advocate of the right type of regulation in the space. He recently spoke about Blockchain and cryptocurrencies at Innov8 Europe 2017, where he gave his thoughts on appropriate regulatory framework for this emerging technology.



Prof Glen Parry

Blockchain and ICO

Glen is the Professor of Strategy and Operations Management at Bristol Business School. As a leader of the 9 million Euro European Integrated Logistics for Innovative Product Technologies project (ILIPT), Glen is well versed in managing innovation. He has become increasingly well versed with the disruptive nature of blockchains, cryptocurrencies and ICO's.



Kelsey Paulding

ICO and Regulation

Kelsey is an APA at the European Parliament. With both a commercial and academic background in finance and her close positioning to European regulators, Kelsey brings a unique blend to the teams strategic focus of working within the regulatory framework. The balance between the current and future ICO regulations is an area SMRT is highly focused on, in order to deliver investor confidence.



Flint Sperber

Economic Model

Flint is a highly respected and experienced derivatives trader who was Head of Energy Options at Credit Agricole and Head of the Commodity Trading Desk at Mitsubishi UFJ Securities. Flint is a cryptocurrencies sceptic so is ideally placed to help us develop our economic model and views of the marketplace.



John Nevard

Intellectual Property

John has been working in Intellectual Property for nearly 30 years and has experience in all major aspects of IP – freedom to operate risk assessment, strategies for protection, IP transfer from licensing to M&A, multi jurisdictional enforcement & defence, knowledge management and culture change. John's experience will be invaluable in creating our smart contract templates.



Maria Kolitsida

Artificial Intelligence

Maria is highly experienced in strategy and innovation, based on emerging technologies and scientific trends. She leverages the combination of science and technology to create new methods and tools to deliver business value to organisations. Her work focuses on the application of cognitive neuroscience and artificial intelligence solutions in organisational behaviour. She leads innovative and multidisciplinary research programmes in the fields of cognitive computing, social neuroscience, neurolinguistics and behavioural analytics.



David Blair

Legal, Compliance and Regulation Advisor

David has held senior roles in legal firms, heading financial regulation, advising the UK Crowdfunding Association and other European Crowdfunding Networks, before setting up his own practice to focus on the alternative investment markets.



Anne Cantelo

PR and Communications

Anne is founder of Onyx Media and Communications and co-founder of the Global Collective, a network of boutique PR agencies. She has more than 30 years' experience of communications for UK, other European and American based organisations. Her previous roles include policy adviser in the Cabinet Office. Onyx has supported startups to international pharmaceuticals and challenger banks. However Onyx focus primarily on tech, business services and the public sector. Anne has ghost written many articles on blockchain for the UK media.

Partners

The core of our company is the marriage of legal agreements with blockchain software code, supported by data science and AI. Our key partners represent this core and employ leading practitioners in their respective domains.

Blockchain, financial software development and emerging technology.



DataArt

We are partnering with DataArt to deliver our technical architecture and our suite of SMRT smart contracts.

www.dataart.com

Legal, commercial, intellectual property and technology.



Shoosmiths

We are partnering with Shoosmiths to deliver the legal agreements and contracts side of our smart contracts.

www.shoosmiths.co.uk

Artificial Intelligence and Data Science.



Brainpool

We are partnering with these leading AI and Data Science specialists and engineers to deliver true innovation to smart contracts.

www.brainpool.ai

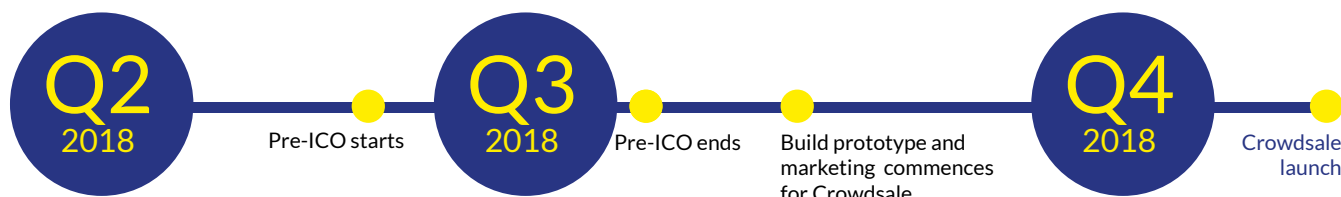
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In difficult markets and uncertain times, entrepreneurial ideas thrive. Usually highly ingenious at identifying new opportunities, entrepreneurs are extremely adept at sowing successful seeds in the otherwise rockiest of grounds.

Professor Alan Barrell
Best selling author, *Show Me the Money*

Roadmap

Upon completion of the Pre-ICO, we will continue with the development of the SMRT network platform and create the full prototype. We will also focus wholly on the structure for the upcoming Crowdsale.



- ✓ Crowdsale completion
- ✓ SMRT platform development
- ✓ Primary SMRT smart contracts development
- ✓ SMRT Blockchain Explorer v.1
- ✓ SMRT token exchange listings - ongoing



- ✓ SMRT network API development
- ✓ Additional SMRT smart contracts
- ✓ The SMRT wallet v.1
- ✓ Blockchain events, partnership building and strategic networking – ongoing



- ✓ Platform release with integrated smart contracts - Smart Vending Machine
- ✓ Delivery and integration of SMRT token and contracts to committed platforms
- ✓ Whitelabel SMRT wallet – for integration with third party platforms
- ✓ Additional whitelabel smart contracts



- ✓ Recruit new platforms and marketplaces as providers of SMRT smart contracts
- ✓ Establish network of customisation specialists to service platforms
- ✓ Marketing/promotional global strategy and implementation

Token Sale Summary

Name: Smart Startup Token (SMRT)

Token Standard: ERC20

Blockchain: Ethereum

Pre-ICO Hardcap: 90 million SMRT

Crowdsale Hardcap: 210 million SMRT

Pre-ICO Start: Saturday 24th March 2018 2pm UTC

Pre-ICO End: Saturday 21st April 2018 2pm UTC

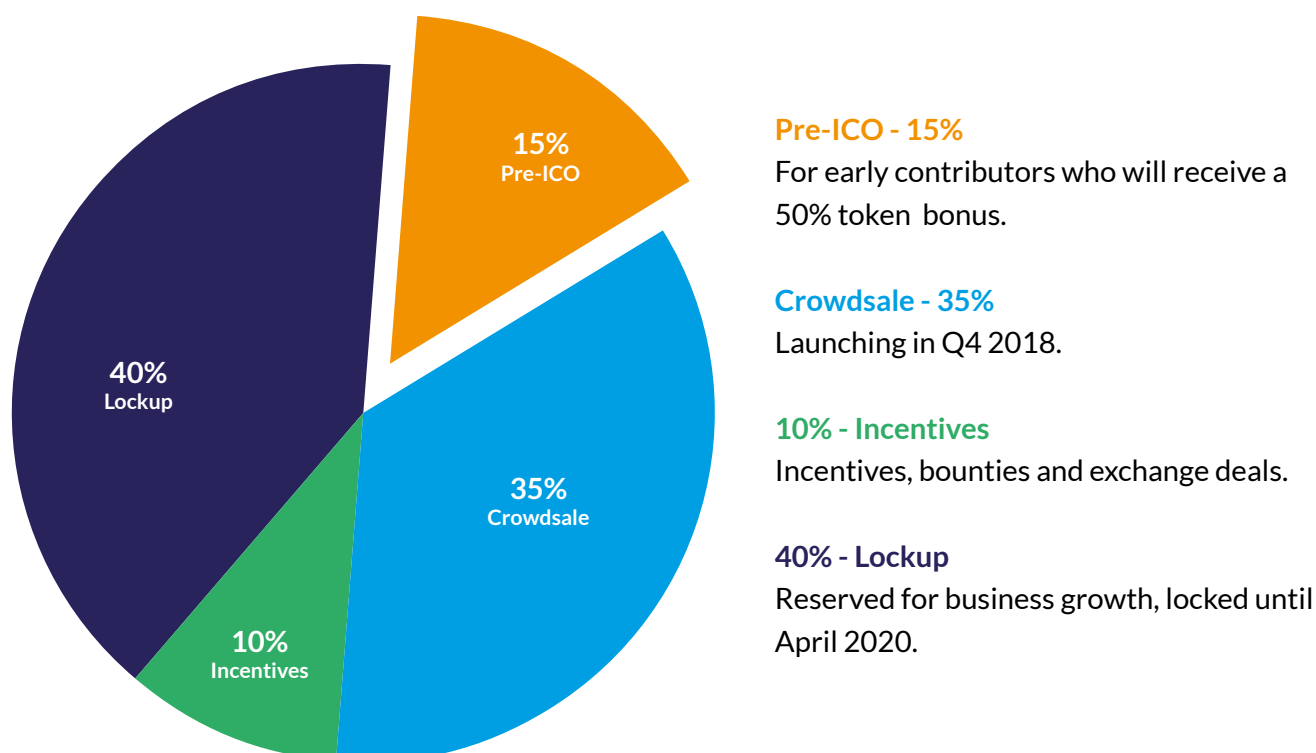
Contribution Details: available on <https://smartstartuptoken.tech>

Accepted Currencies:



Fiat Bank Transfers for the Pre-ICO are also accepted.

Overall Token Allocation

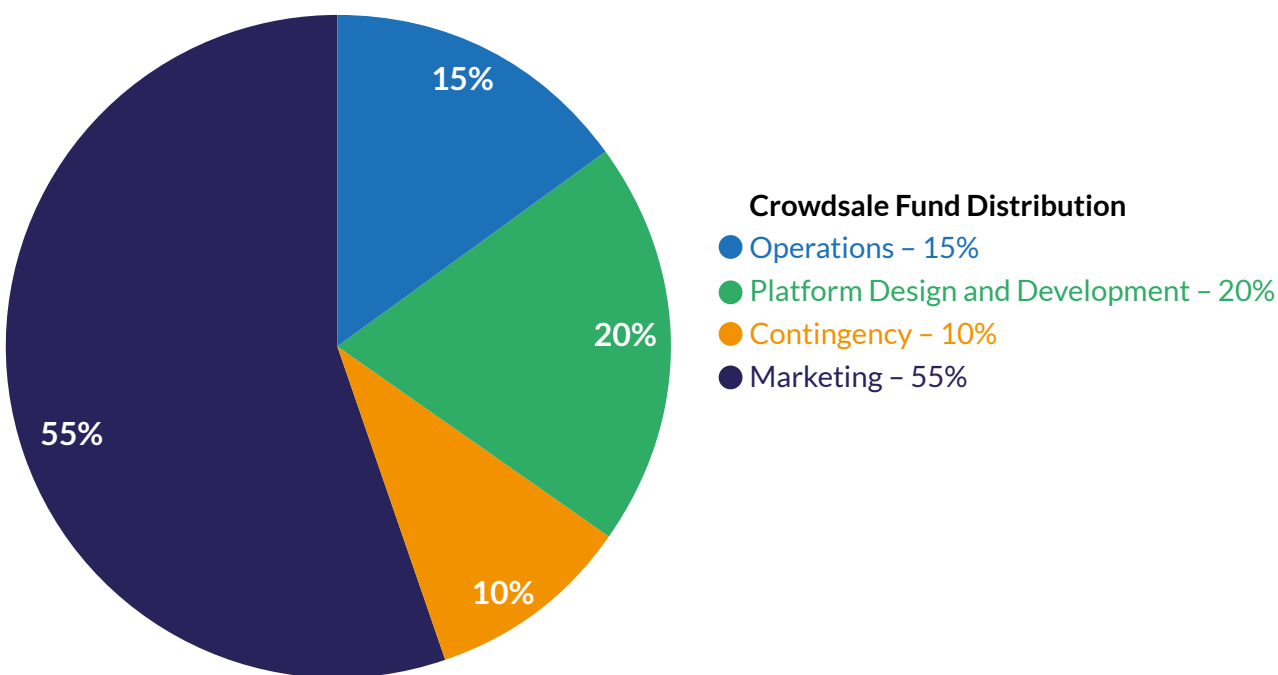
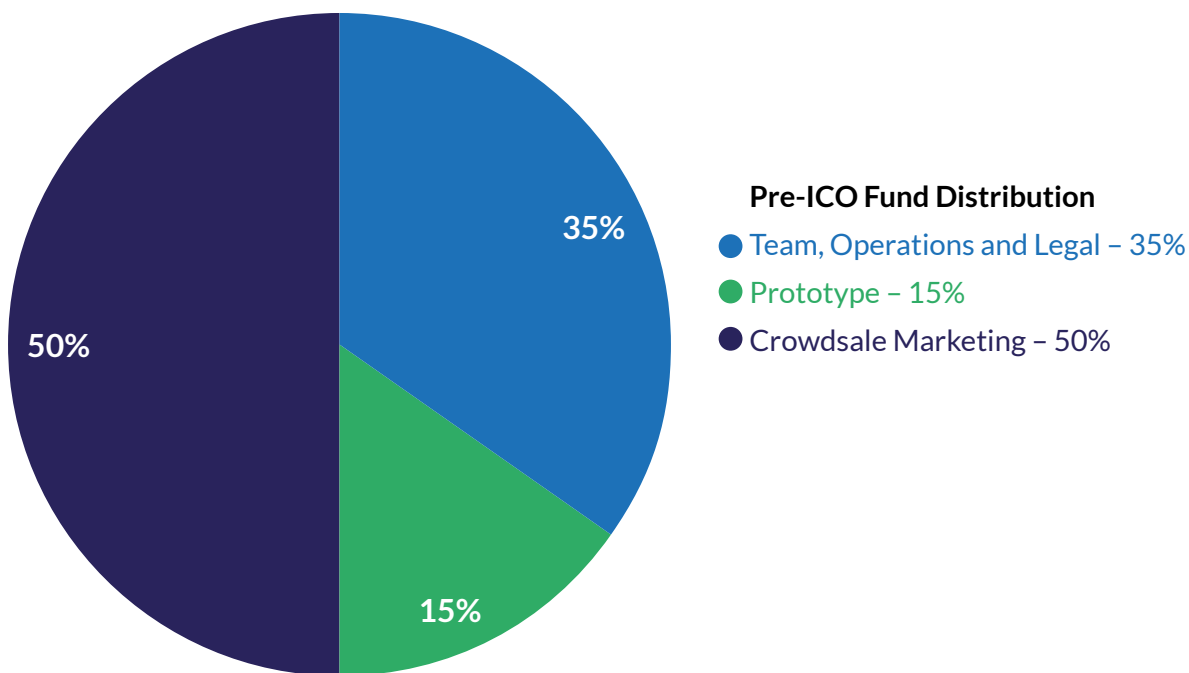


What happens if the hardcaps are not achieved?

Our ICO is structured to ensure that the allocated percentages are reached by the end of the token sale regardless of the number of tokens purchased. This guarantees there are no excess additional tokens in circulation. It also ensures that the Pre-ICO and Crowdsale contributors will retain an overall 50% of the tokens regardless of the outcome of the hardcaps.

ICO Fund Distribution

The opportunity is to become the market-leader in a trillion-dollar market and hence the overriding strategy is to produce the best smart contracts platform supported by an infrastructure to deliver and execute the contracts. Underlying all of this is our customer acquisition strategy which will be by far our largest expenditure and challenge. Our financial summary below, showing the distribution of funds, supports this strategy.



Bonus Structure



50%
Pre-ICO

Pre-ICO contributors will receive an additional 50% token bonus

Start: 24th March 2018 - 2pm UTC

End: 21st April 2018 - 2pm UTC

Crowdsale token bonuses. Crowdsale to commence in Q4 2018.
Week 1 Bonus - **10%** | Week 2 Bonus - **5%** | Final Weeks Bonus - **0%**

Pre-ICO Completion

If the Hardcap of 90 Million SMRT tokens is reached before the end of the Pre-ICO, the Pre-ICO will end and no further contributions will be accepted.

Funds Received

We have factored into account the recent events of wallet theft in token sales. This will be mitigated by circulating the currency between multiple addresses and converting an amount of the ICO to fiat for business development as required and as a precautionary route. If you are concerned with any issues, please contact us directly via contact@smartstartuptoken.tech. Please note <https://smartstartuptoken.tech> is our only official ICO site and we do not ask for any private information.

Token Exchanges for SMRT

The purpose of the SMRT token is to be used as an access token to our smart contracts. The Pre-ICO and Crowdsale are primarily to put the token into circulation and encourage its use within our platform. The use of funds collected back this strategy.

However, if SMRT token holders wish to exchange the token for other currencies or exchange other currencies from SMRT post Crowdsale then we will enable this through 3rd party exchanges which must adhere to the required levels of KYC/AML for compliance and regulatory purposes.

Our approach will be to list SMRT with multiple exchanges, both centralised and decentralised.

Decentralised Exchanges (DEX) do not rely on third party services to hold customer funds. Trades occur in a peer-to-peer manner, directly between users through an automated process. Centralised Exchanges list tokens according to their own specific requirements. Commonly these include user demand, market capitalisation and token design parameters.

Some example centralised and decentralised exchanges that support ERC20 Tokens:



Service Providers

We are working with a range of service providers to help ensure the security of our token offering and platform.

KYC/AML

IdentityMind[™]
Digital Identities You Can **Trust**

IdentityMind

IdentityMind build trusted digital identities to streamline compliance and enhance fraud prevention.

www.identitymindglobal.com

What are SMRT tokens?

SMRT tokens are ERC-20 tokens distributed on the Ethereum blockchain.

I don't have any Ethereum, can I contribute with any other cryptocurrency?

Yes, you can also contribute with Bitcoin (BTC), Bitcoin Cash (BCH), Litecoin (LTC) and via Bank Transfer.

How many SMRT tokens will I receive?

You can use the calculator on smartstartuptoken.tech to view how many SMRT tokens you will receive, depending on your currency selection and amount.

If I contribute with Litecoin will I receive SMRT to my Litecoin address?

No, you will have to add your ERC20 compatible wallet once you have registered and logged in. The SMRT Tokens will then be sent to that address.

Can I send ETH funds from exchanges such as Coinbase or Poloniex?

No, please do not do this as you will not receive your SMRT tokens. You have to send ETH funds from your personal Ethereum wallets like MyEtherWallet, Metamask, Parity, Mist or Ledger (hardware wallet).

How will I receive my SMRT tokens once I contribute?

Your SMRT tokens will be attached to your Ethereum address. Please ensure you have a ERC20 compatible wallet. You can find more guides and information at smartstartuptoken.tech.

Will there ever be any more tokens created?

No, based on our smart contract, the tokens created within the ICO will be the fixed amount with a maximum supply of 600 Million.

What happens if the Hardcap is reached before the Pre-ICO end date?

The token sale will end and no further contributions will be accepted for the Pre-ICO.

Why have the SMRT token and not just use Ethereum or Bitcoin?

SMRT is a utility token designed to fit our particular type of smart contracts. It will be used within the SMRT platform as the gateway to our smart contracts. Other cryptocurrencies would not allow us to interface with our smart contract templates as seamlessly. Also, creating our own token allows us to ensure the growth and focus is directly correlated with our services and business model and not based on external factors relating to another coin/token.

What exchanges will list SMRT tokens?

At present, we are unable to post a guaranteed list of all the exchanges we will work with, as multiple contacts are in progress right now. The exact number of exchanges we are going to be listed on is yet to be confirmed.

Why can't U.S. or Chinese citizens, residents or entities purchase SMRT tokens?

Please note that you are not eligible and you are not to purchase any tokens in the token sale if:

- (a) you are located in the People's Republic of China or if you are a citizen or resident (tax or otherwise) of, or domiciled in, the People's Republic of China;
- (b) you are located in the United States of America or if you are a citizen, resident (tax or otherwise) or green card holder of, or domiciled in, the United States of America; or
- (c) such token sale is prohibited, restricted or unauthorized in any form or manner whether in full or in part under the laws, regulatory requirements or rules in the jurisdiction in which you are located, at the time of your intended purchase or purchase of the SMRT tokens in the token sale.

I still have questions, can I speak to someone?

Sure, you can reach us at contact@smartstartuptoken.tech, contact us via our social media channels, or contact us via smartstartuptoken.tech.

Risk Factors

RISKS RELATING TO PARTICIPATION IN THE TOKEN SALE

Investments in startups such as the Token Issuer and its affiliates involve a high degree of risk. Financial and operating risks confronting startups are significant and the Token Issuer and its affiliates are not immune to these. Startups often experience unexpected problems in the areas of product development, marketing, financing, and general management, among others, which frequently cannot be solved.

The Token Issuer and/or its affiliates may be forced to cease operations.

It is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of cryptographic and fiat currencies, the inability by the Token Issuer and/or its affiliates to establish the SMRT Network or the SMRT Tokens' utility, the failure of commercial relationships, or intellectual property ownership challenges, the Token Issuer and/or its affiliates may no longer be viable to operate and Token Issuer and/or its affiliates may dissolve or take actions that result in a dissolution of Token Issuer and/or its affiliates.

The tax treatment of the Token Sale Terms, the purchase rights contained therein and the Token Sale is uncertain and there may be adverse tax consequences for purchasers upon certain future events.

The tax characterisation of the Token Sale Terms and the SMRT Tokens is uncertain, and each purchaser must seek its own tax advice in connection with an investment in the SMRT Tokens. An investment pursuant to the Token Sale Terms and the purchase of SMRT Tokens pursuant thereto may result in adverse tax consequences to the purchaser, including withholding taxes, income taxes and tax reporting requirements. Each purchaser should consult with and must rely upon the advice of its own professional tax advisors with respect tax treatment of an investment in the SMRT Tokens pursuant to the Token Sale Terms.

There is no prior market for SMRT Tokens and the Token Sale may not result in an active or liquid market for the Tokens

Prior to the Token Sale, there has been no public market for the SMRT Tokens. In the event that the SMRT Tokens are traded on a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the SMRT Tokens will develop or if developed, be sustained after the SMRT Tokens have been made available for trading on such cryptocurrency exchange. There is also no assurance that the market price of the SMRT Tokens will not decline below the consideration at which the purchaser acquired the SMRT Tokens at. Such purchase consideration may not be indicative of the market price of the SMRT Tokens after they have been made available for trading on a cryptocurrency exchange.

SMRT Token is not a currency issued by any central bank or national, supranational or quasi-national organisation, nor is it backed by any hard assets or other credit. The Token Issuer is not responsible for nor does it pursue the circulation and trading of SMRT Tokens on the market. Trading of SMRT Tokens merely depends on the consensus on its value between the relevant market participants, and no one is obliged to purchase any SMRT Token from any holder of the SMRT Token, nor does anyone guarantee the liquidity or market price of SMRT Tokens to any extent at any time. Accordingly, the Token Issuer cannot ensure that there will be any demand or market for SMRT Tokens, or that the purchase consideration is indicative of the market price of SMRT Tokens after they have been made available for trading on a cryptocurrency exchange.

Future sales of the SMRT Tokens could materially and adversely affect the market price of SMRT Tokens

Any future sale of the SMRT Tokens (which were not available for sale in the Token Sale) would increase the supply of SMRT Tokens in the market and this may result in a downward price pressure on the SMRT Token. The sale or distribution of a significant number of SMRT Tokens outside of the Token Sale, or the perception that such further sales or issuance may occur, could adversely affect the trading price of the SMRT Tokens.

Negative publicity may materially and adversely affect the price of SMRT Tokens.

There is no assurance of any success of SMRT Network

The value of, and demand for, the SMRT Tokens hinges heavily on the performance of the SMRT Network. There is no assurance that the SMRT Network will gain traction after its launch and achieve any commercial success.

The SMRT Network has not been fully developed, finalised and integrated and is subject to further changes, updates and adjustments prior to its launch. Such changes may result in unexpected and unforeseen effects on its projected appeal to users, and hence impact its success.

While the Token Issuer has made every effort to provide a realistic estimate, there is also no assurance that the cryptocurrencies raised in the Token Sale will be sufficient for the development and integration of the SMRT Network. For the foregoing or any other reason, the development and integration of the SMRT Network may not be completed and there is no assurance that it will be launched at all. As such, distributed SMRT Tokens may hold little worth or value, and this would impact its trading price.

The trading price of the SMRT Tokens may fluctuate following the Token Sale

The prices of cryptographic tokens in general tend to be relatively volatile, and can fluctuate significantly over short periods of time. The demand for, and corresponding the market price of, the SMRT Tokens may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the control of the Token Issuer and/or its affiliates:

- (a) new technical innovations;
- (b) analysts' speculations, recommendations, perceptions or estimates of the SMRT Token's market price or the Token Issuer's and/or its affiliates financial and business performance;

- (c) changes in market valuations and token prices of entities with operations similar to that of the Token Issuer and/or its affiliates that may be made available for sale and purchase on the same cryptocurrency exchanges as the SMRT Tokens;
- (d) announcements by the Token Issuer and/or its affiliates of significant events, for example partnerships, sponsorships, new product developments;
- (e) fluctuations in market prices and trading volume of cryptocurrencies on cryptocurrency exchanges;
- (f) additions or departures of key personnel of the Token Issuer and/or its affiliates;
- (g) success or failure of the management of the Token Issuer and/or its affiliates in implementing business and growth strategies; and
- (h) changes in conditions affecting the blockchain or financial technology industry, the general economic conditions or market sentiments, or other events or factors.

RISKS RELATING TO THE WALLET

The loss or compromise of information relating to your Wallet (as defined below) may affect your access and possession of the SMRT Tokens

For purposes of receipt of your SMRT Tokens, you are to establish and maintain access to a cryptocurrency wallet ("Wallet"). Your access to the SMRT Tokens in the Wallet depends on, among other things, the safeguards to the information to such Wallet, including but not limited to the user account information, address, private key and password. In the event that any of the foregoing is lost or compromised, your access to the Wallet may be curtailed and thereby adversely affecting your access and possession to the SMRT Tokens, including such SMRT Tokens being unrecoverable and permanently lost.

The Wallet or Wallet service provider may not be technically compatible with the SMRT Tokens

The Wallet or Wallet service provider may not be technically compatible with the SMRT Tokens which may result in the delivery of SMRT Tokens being unsuccessful or affect your access to such SMRT Tokens.

RISKS RELATING TO THE TOKEN ISSUER AND ITS AFFILIATES

The SMRT Network is intended to be developed, operated and maintained by the Token Issuer and its affiliates. Any events or circumstances which adversely affect the Token Issuer and/or its affiliates may have a corresponding adverse effect on the Token Issuer and/or its affiliates if such events or circumstances affect the Token Issuer's and/or its affiliates' ability to maintain the SMRT Network. This would correspondingly have an impact the trading price of the SMRT Tokens.

The Token Issuer and/or its affiliates may be materially and adversely affected if they fail to effectively manage its operations as their business develops and evolves, which would have a direct impact on their ability to maintain the SMRT Network and consequently the trading price of the SMRT Tokens.

The financial technology and cryptocurrency industries and the markets in which the Token Issuer and its affiliates compete have grown rapidly and continue to grow rapidly, and continue to evolve in response to new technological advances, changing business models and other factors.

As a result of this constantly changing environment, the Token Issuer and/or its affiliates may face operational difficulties in adjusting to the changes, and the sustainability of the Token Issuer and its affiliates will depend on their ability to manage their respective operations, adapt to technological advances and market trends and ensure that they hire qualified and competent employees, and provide proper training for their personnel.

As their respective business evolves, the Token Issuer and its affiliates must also expand and adapt its operational infrastructure. The Token Issuer's and its affiliates' respective businesses rely on blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology, and to manage technical support infrastructure for the SMRT Network effectively, the Token Issuer and its affiliates will need to continue to upgrade and improve their data systems and other operational systems, procedures and controls. These upgrades and improvements will require a dedication of resources, are likely to be complex and increasingly rely on hosted computer services from third parties that the Token Issuer and/or its affiliates do not control. If the Token Issuer and/or its affiliates are unable to adapt their respective systems and organisation in a timely, efficient and cost-effective manner to accommodate changing circumstances, its business, financial condition and results of operations may be adversely affected. If the third parties whom the Token Issuer and/or its affiliates rely on are subject to a security breach or otherwise suffer disruptions that impact the respective services the Token Issuer and/or its affiliates utilise, the integrity and availability of their respective internal information could be compromised, which may consequently cause the loss of confidential or proprietary information, and economic loss. The loss of financial, labour or other resources, and any other adverse effect on the Token Issuer's and/or its affiliates' respective business, financial condition and operations, would have a direct adverse effect on the Token Issuer's and its affiliates' ability to maintain the SMRT Network. As the SMRT Network is the main product to which the SMRT Tokens relate, this may adversely impact the trading price of the SMRT Tokens.

The Token Issuer and/or its affiliates may experience system failures, unplanned interruptions in its network or services, hardware or software defects, security breaches or other causes that could adversely affect the Token Issuer's and/or its affiliates' infrastructure network, and/or the SMRT Network

The Token Issuer and its affiliates are unable to anticipate when there would be occurrences of hacks, cyber-attacks, mining attacks (including but not limited to double-spend attacks, majority mining power attacks and "selfish-mining" attacks), distributed denials of service or errors, vulnerabilities or defects in the SMRT Network, the SMRT Tokens, the Wallet or any technology (including but not limited to smart contract technology) on which the Token Issuer and/or its affiliates, the SMRT Network, the SMRT Tokens and the Wallet relies or on the Ethereum blockchain or any other blockchain. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. The Token Issuer and/or its affiliates may not be able to detect such hacks, mining attacks (including but not limited to double-spend attacks, majority mining power attacks and "selfish-mining" attacks), cyber-attacks, distributed denials of service errors vulnerabilities or defects in a timely manner, and may not have sufficient resources to efficiently cope with multiple service incidents happening simultaneously or in rapid succession.

The Token Issuer's and/or its affiliates' respective network or services, which would include the SMRT Network, could be disrupted by numerous events, including natural disasters, equipment breakdown, network connectivity downtime, power losses, or even intentional disruptions of their respective services, such as disruptions caused by software viruses or attacks by unauthorised users, some of which are beyond the Token Issuer's and/or its affiliates' control.

Although the Token Issuer and its affiliates will be taking steps against malicious attacks on their respective appliances or infrastructure, which are critical for the maintenance of the SMRT Network and their respective other services, there can be no assurance that cyberattacks, such as distributed denials of service, will not be attempted in the future, and that any of the Token Issuer's and its affiliates' intended enhanced security measures will be effective. The Token Issuer and its affiliates may also be prone to attacks on their respective infrastructure intended to steal information about their respective technology, financial data or user information or take other actions that would be damaging to the Token Issuer, its affiliates and users of the SMRT Network. Any significant breach of the Token Issuer's and/or its affiliates' intended security measures or other disruptions resulting in a compromise of the usability, stability and security of the Token Issuer's and/or its affiliates' network or services (including the SMRT Network) may adversely affect the trading price of the SMRT Tokens.

The Token Issuer and its affiliates are dependent in part on the location and data centre facilities of third parties

The Token Issuer's and its affiliates' infrastructure network will be in part established through servers that which they respectively own and house at the location facilities of third parties, and servers that they respectively rent at data centre facilities of third parties. If the Token Issuer and/or its affiliates are unable to renew their respective data facility lease on commercially reasonable terms or at all, the Token Issuer and/or its affiliates may be required to transfer their respective servers to a new data centre facility, and may incur significant costs and possible service interruption in connection with the relocation. These facilities are also vulnerable to damage or interruption from, among others, natural disasters, arson, terrorist attacks, power losses, and telecommunication failures. Additionally, the third party providers of such facilities may suffer a breach of security as a result of third party action, employee error, malfeasance or otherwise and a third party may obtain unauthorised access to the data in such servers. As techniques used to obtain unauthorised access to, or to sabotage systems change frequently and generally are not recognised until launched against a target, the Token Issuer, its affiliates and the providers of such facilities may be unable to anticipate these techniques or to implement adequate preventive measures. Any such security breaches or damages which occur which impact upon the Token Issuer's and/or its affiliates' infrastructure network and/or the SMRT Network may adversely impact the price of the SMRT Tokens.

General global market and economic conditions may have an adverse impact on the Token Issuer's and/or its affiliate's operating performance, results of operations and cash flows

The Token Issuer and/or its affiliates could be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time, contributed, and may continue to contribute, to slowdowns in the information technology industry at large. Weakness in the economy could have a negative effect on the Token Issuer's and/or its affiliates' respective business, operations and financial condition, including decreases in revenue and operating cash flows. Additionally, in a down-cycle economic environment, the Token Issuer and/or its affiliates may experience the negative effects of increased competitive pricing pressure and a slowdown in commerce and usage of the SMRT Network. Suppliers on which the Token Issuer and/or its affiliates rely for servers, bandwidth, location and other services could also be negatively impacted by economic conditions that, in turn, could have a negative impact on the Token Issuer's and/or its affiliates' respective operations or expenses.

There can be no assurance, therefore, that current economic conditions or worsening economic conditions or a prolonged or recurring recession will not have a significant adverse impact on the Token Issuer's and/or its affiliates' respective business, financial condition and results of operations and hence the SMRT Network, which would correspondingly impact the trading price of the SMRT Tokens.

The Token Issuer, its affiliates and/or the SMRT Tokens may be affected by newly implemented regulations

Cryptocurrency trading is generally unregulated worldwide, but numerous regulatory authorities across jurisdictions have been outspoken about considering the implementation of regulatory regimes which govern cryptocurrency or cryptocurrency markets. The Token Issuer, its affiliates and/or the SMRT Tokens may be affected by newly implemented regulations relating to cryptocurrencies or cryptocurrency markets, including having to take measures to comply with such regulations, or having to deal with queries, notices, requests or enforcement actions by regulatory authorities, which may come at a substantial cost and may also require substantial modifications to the SMRT Tokens and/or the SMRT Network. This may impact the appeal of the SMRT Tokens and/or the SMRT Network for users and result in decreased usage of the SMRT Tokens and/or the SMRT Network. Further, should the costs (financial or otherwise) of complying with such newly implemented regulations exceed a certain threshold, maintaining the SMRT Tokens and/or the SMRT Network may no longer be commercially viable and the Token Issuer and/or its affiliates may opt to discontinue the SMRT Tokens and/or the SMRT Network.

Further, it is difficult to predict how or whether governments or regulatory authorities may implement any changes to laws and regulations affecting distributed ledger technology and its applications, including the SMRT Tokens and the SMRT Network. The Token Issuer and/or its affiliates may also have to cease their respective operations in a jurisdiction that makes it illegal to operate in such jurisdiction, or make it commercially unviable or undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. In scenarios such as the foregoing, the trading price of SMRT Tokens will be adversely affected or SMRT Tokens may cease to be traded.

The regulatory regime governing the blockchain technologies, cryptocurrencies, tokens and token offerings such as Token Sale, the SMRT Network and the SMRT Tokens is uncertain, and regulations or policies may materially adversely affect the development of the SMRT Network and the utility of the SMRT Tokens

Regulation of tokens (including the SMRT Tokens) and token offerings such as the Token Sale, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development and growth of the SMRT Network and the adoption and utility of the SMRT Tokens. Failure by the Token Issuer, its affiliates or users of the SMRT Network to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

Blockchain networks also face an uncertain regulatory landscape in many foreign jurisdictions such as the European Union, China, South Korea and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the SMRT Network. Such laws, regulations or directives may directly and negatively impact the Token Issuer's and/or its affiliates' respective business. The effect of any future regulatory change is impossible to predict, but such change could be substantial and materially adverse to the development and growth of the SMRT Network and the adoption and utility of the Tokens.

New or changing laws and regulations or interpretations of existing laws and regulations may materially and adversely impact the value of the currency in which the SMRT Tokens may be sold, the value of the distributions that may be made by the Token Issuer, the liquidity of the SMRT Tokens, the ability to access marketplaces or exchanges on which to trade the SMRT Tokens, and the structure, rights and transferability of SMRT Tokens.

SMRT Token holders will have no control on the Token Issuer or its affiliates

The holders of SMRT Tokens are not and will not be entitled, to vote or receive dividends or be deemed the holder of capital stock of the Token Issuer or its affiliates for any purpose, nor will anything be construed to confer on the purchasers any of the rights of a stockholder of the Token Issuer or its affiliates or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise.

Purchasers may lack information for monitoring their investment

The purchasers of SMRT Tokens may not be able to obtain all information it would want regarding the Token Issuer, its affiliates, the SMRT Tokens, or the SMRT Network, on a timely basis or at all. It is possible that purchasers may not be aware on a timely basis of material adverse changes that have occurred. While the Token Issuer has made efforts to use open-source development for SMRT Tokens, this information may be highly technical by nature. As a result of these difficulties, as well as other uncertainties, Purchasers may not have accurate or accessible information about the SMRT Network.

There may be unanticipated risks arising from the SMRT Tokens

Cryptographic tokens such as the SMRT Tokens are a relatively new and dynamic technology. In addition to the risks included in this section, there are other risks associated with the purchase, holding and use of the SMRT Tokens, including those that the Token Issuer and its affiliates cannot anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks discussed in this Whitepaper. The financial technology and cryptocurrency industries and the markets in which the Token Issuer and its affiliates compete have grown rapidly and continue to grow rapidly, and continue to evolve in response to new technological advances, changing business models and other factors. As a result of this constantly changing environment, the Token Issuer and/or its affiliates may face operational difficulties in adjusting to the changes, and the sustainability of the Token Issuer and its affiliates will depend on their ability to manage their respective operations, adapt to technological advances and market trends and ensure that they hire qualified and competent employees, and provide proper training for their personnel.

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