



## INTRODUCING ETF TOKEN

A TOKEN REPRESENTING THE BEST OF BLOCKCHAIN

WE ARE INTRODUCING A UNIQUE TOKEN REPRESENTING AN ACTIVELY MANAGED FUND CONTAINING A DIVERSE GROUP OF THE BEST AVAILABLE BLOCKCHAIN TOKENS AND ASSETS. A TOKEN WHICH IS COMMUNITY MANAGED BY A NON-PROFIT ORGANIZATION CONSISTING OF THE TOKEN HOLDERS.

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# ETF TOKEN (DRAFT WHITE PAPER)

## Purpose Statement

The ETF Token Foundation aims to create an actively managed fund of cryptocurrencies that grows proportionally each time an ETF Token is purchased – a 100% asset-backed token representing the best tokens and cryptocurrencies available as determined by the community of token holders and the foundation.

1. ETF token will be fully backed by verifiable blockchain smart contract transactions which will automatically add the exact value of each buy order to the index of currencies.
2. ETF token will aim to provide reduced volatility, suitable for
  - a. long term investment in blockchain based cryptocurrencies,
  - b. short term fund transfers for day traders
  - c. investors looking for a safer alternative currency to hold when not actively trading
3. It is meant to appeal to everyone, from the smallest potential investor in cryptocurrency, to the largest investors, the active day-traders, and the original innovators aiming to reduce their exposure to daily volatility.

This Token decentralizes and transforms the concept of investing in a collection of blockchain assets. It re-humanizes it by not just choosing the top tokens by market cap but the ones with principle and projects that our own community believes in. It de-corporatizes the decision making by enabling the token holders to self-manage, self-govern, and self-develop while providing them with the resources to self-scale. It revalidates the notion that an asset backed token can be established, it can reduce volatility through competent partnerships and associations and it provides value for the token owners. It does this through the transparency of blockchain and the transparency of the community managed foundation we have established to maintain it.

Chief Executive Name

Chief Executive Title

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# ETF TOKEN (DRAFT WHITE PAPER)

## Abstract

ETF Token aims to provide the community with a unique cryptoasset. ETF Tokens provide access and voting rights to manage a “Token Holder’s Foundation”

This Foundation will contribute all of the Ethereum raised from every token sale into the best blockchain projects and tokens the community has to offer. This will establish a Community-Controlled Actively Managed Fund for the foundation of token holders.

Being an ETF Token holder entitles you to a proportional voting interest in the CCAMF. This cryptoasset based fund chooses the best ways to self-manage and self-invest in the best blockchain tokens available. By utilizing smart contracts the ETF Foundation gives value to each ETF Token by tying it to a percentage of this completely scalable fund of blockchain cryptoassets.

The foundation sets forth Decentralization as an important principle. Never to grant ownership of itself to a particular business or individual. To elect its own leaders and team members and to compensate them with a small portion of the Ethereum proceeds from ETF Token purchases. The foundation must always keep this fee for fund management less than 1%. This enables the community to be confident their Ethereum contributions are being managed wisely. Token Holders deserve to have their Ethereum contributions exchanged for tokens representing the most deserving projects as backing assets instead of seeing the proceeds go to a founding company’s annual balance sheet.

The same smart contracts that provide value to the token also provide openness and visibility. These easily auditable contracts require the 99+% of the Ethereum dedicated to the fund from each token purchase to be transferred automatically into the current list and proportions of the backing cryptoassets for that transaction to be processed. By choosing the best projects through community and conversation and by choosing our own competent leaders to manage the fund. We are not forced into a one size fits all collection of blockchain assets but rather the ability as a community to invest in the most worthy blockchain projects. This token will be desired by crypto-exchange participants and by crypto-investors as a less volatile holder of blockchain value than current alternatives by maintaining this fund of the best cryptoassets and making it securely and conveniently available to anyone worldwide.

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## Existing Environment

The era of daily parabolic growth for cryptocurrencies has passed and the demand for an actively managed fund comprised of the best that this industry represents is higher than ever. Most new tokens being released are weighted with too much of the profits going to the founding team. True Asset backed tokens with reduced volatility exist but are often hard capped and incorporate a high retainage of ICO proceeds via tokens generated. Existing cryptocurrency based index funds incorporate high fees and expenses into their packages. Their customers are limited to the top “20” cryptocurrencies or some other “impressive” new algorithm or metric.

These types of tokens don’t encourage the community of token holders to have input in the fund and pick the tokens with a mission that they believe in. They all hold such a significant portion of the ICO proceeds that new tokens can never be created. This means the community itself can never truly grow. It’s not only the lack of community and collective wisdom, but the investing principle too.

Imagine a wall street Index fund saying they can’t add new customers because they charged the entire fund 13% at the onset and if they created any more shares of their fund they wouldn’t get their 13% cut! These are simply traditional investment selling strategies disguised as intelligent cryptocurrency investments, often with fees that the creators would not pay themselves. That is not to say these funds are all bad, some have made great gains for their investors as the market skyrocketed. But times have changed.

We believe due diligence and association with the best cryptocurrencies available, regardless of size or market cap, will be a wise decision in this exciting new Era. And we believe that the potential token purchasers deserve something better. To demonstrate the value, we would like to outline some weaknesses of other similar tokens and identify room for improvement.

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- **High Fees**

All current cryptocurrencies have one thing in common, the initial team holds an inflated portion of the wealth. It's all the same, whether it is 5%, 20%, or 50% retained for the founding team. The fact is that many times significantly less and even occasionally 0% retained for the founding team can still lead to a successful project. It is important to outline to investors exactly why the teams need the portions that they do, whatever that percentage might be. We simply accept this pillaging of our initial investments. This creates a myriad of problems; founding teams becoming too greedy, forced holding limits on when ICO investors can buy and sell and downright scams and get rich quick schemes meant to benefit only the founders of that particular token. Fortunately, there are many cryptocurrencies available that are not guilty of poor management and actually own something with true value potential. Finding and following these coins can be hard work, it's tough to hear through all the noise, and the news is constantly changing.

### **Lack of Diversified Funds**

In the current cryptocurrency market there is also a lack of diversified asset backed coins and tokens available. The market has shifted from unsustainable growth to daily ups and downs. In order to prevent massive changes in value, current holders must constantly switch coins and pay exchanges fees, while keeping a constant eye on the market. Most cryptocurrency investors and potential cryptocurrency investors are not interested in becoming day traders. Most of these individuals simply want to enjoy the long term robust growth and potential of the cryptocurrency market and witness the exciting future of blockchain applications in general. Missing a single tweet can cost a token holder 30% of their holding's value.

Problems do not only exist for newly interested members of the cryptocurrency community. Even those interested in day trading have a desire for more stable tokens for when they are not watching the charts. Current

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alternatives face regulatory issues and trust issues. They often fail to deliver a true asset backed token, proving to be fake currency with claims to be tethered to a real one. These current asset backed tokens are always owned by one team or one organization, who controls all of the wealth and an unjustly skewed percentage of the profits or takes an unnecessarily large portion at the beginning. Sometimes a team of 5, who has yet to prove themselves, gets 10% of a \$50,000,000 ICO. This may be fair in some circumstances but we believe people want to see a team succeed before they all become millionaires.

- **No Actively Managed Funds --**  
Another missing element is a fair ETF style actively managed fund in the crypto market, allowing investors to purchase a diversified asset class of cryptocurrencies in a single transaction. Certainly companies exist to charge a high percentage at some point in the process for low effort required and simple luck of the market overall results. What's lacking is a truly actively managed fund by an organization attempting to identify the best, not necessarily the biggest, tokens available. Properly managed cryptocurrency funds with fees or founder holdings less than 15% really do not exist. The blockchain community as a whole should not accept this as the only option. Both greed and regulation are to blame.

Attempts in mainstream markets to create such a stabilizing fund are always met with the same resistance that these institutions have to all things cryptocurrency and unfortunate attempts to classify it under existing regulations for other assets, funds, etc. and they are often not compatible. Actively Managed Funds exist but are always ran by a similar company serving the same similar purpose, charging their

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customers 20+ percent annually on their funds or retaining 20% of the tokens ever created for themselves.

Part of the problem with these funds, is not just the fact that a, yet-to-succeed team may be getting a little too heavily compensated, it also complicates the fund. It forces you to take one big pot of investment at the beginning, divvy it up and then create the right number of coins proportionally, with investors and founders grabbing percentages for themselves. They all say no additional tokens can ever be created; we believe a fund and tokens that are scalable without diminishing their value is needed.

However many of these current funds, managed by for-profit companies are legally “grey” to invest in, as they act like an entire brokerage firm and security selling company. This applies in most major economies, unless you are an institutional investor. They also get tied up in all of the regulation, Know-Your-Customer requirements and oversight because they are a company, not a token! They are surely set up first to make profit for themselves regardless of if they, second, make money for the token holders. That’s not the only way to structure these projects.



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## Solution

Introducing ETF token, a cryptocurrency that is 100% Asset backed by an actively managed portfolio of the best blockchain tokens available.

Each ETF Token will represent a percentage of this completely asset backed fund.

1. As new units of ETF Tokens are issued, new shares of the backing cryptocurrencies will be purchased.
  2. The blockchain transactions for the coin will serve as both the ETF ledger and also act as a smart contract proof of work system for the asset fund to ensure additional backing coins are purchased and held as required. This information and blockchain will be public and verifiable by anyone.
  3. The ETF Cryptocurrency will establish the initial fund by retaining the entirety of all ICO investment in a fund linked to the coin. And will continue the same practice post-ICO. The breakdown will be as follows: Token Holders 100% of fund, founding team 0% of fund. This is a key difference between ETF Token and other company owned Tokens. It enables ETF Token to be infinitely scalable, without diluting the token's value. This enables anyone to purchase a token without paying a premium on its associated value to the backing fund.
  4. This coin will then act as a managed fund in which the individual coin holders can vote, based on their holdings, on decisions including which coins to invest the funds into, ETF foundation board members, foundation employees, token generating protocols and other decisions related to the betterment of the fund.
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## Mission

1. ETF Token offers better stability and diversification by maintaining 100% backing via a diverse set of crypto assets. ETF Token is an actual token. It is not a business, it is not an investment fund. This statement is profound. Every other version of a diversified crypto portfolio fails to pass that simple test. That simple test is why there are no cryptocurrency ETFs on the major exchanges yet and why none of those diversified portfolios currently being offered is available in the US (many are also unavailable in the EU, China, and Singapore, Japan, and Korea). They are unregulated investments, they are considered too risky and untrustworthy for the mainstream. ETF Token is not a business, it is not an investment fund. It is a blockchain token.

2. The concept is simple, when you exchange a “unit” of Ethereum for ETF Tokens, that same “unit” is divided up into the specific fund holdings and added to the backing fund. This token is purchased via a smart contract on a proof of stake system. The value of the token at any given moment is the combined sum

of an index of cryptocurrencies divided by the number of tokens in the market. It can be bought and sold at any time for that amount plus a small transaction fee established always to remain <1%. The token will be created when purchased and the fractional percentage of tokens which compose the backing index at the time are instantaneously added. This makes ETF Token infinitely scalable.

3. ETF Token will be exchange friendly. ETF Token is safe for high volume clients. ETF token is immune to market manipulation by high volume clients. A buy and sell wall can never exist. No one would sell a token for less than the value of the fund divided by total number of tokens and no one will ever have to pay more than that same established value to purchase one. They will be easy to acquire at fair value through the foundation. ETF Token Foundation’s asset fund is well diversified. It is safe enough to hold “hodl” through market ups and downs. It is also a stable holder of value for traders to move their funds to when they are not actively watching the market.

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4. ETF token holders can be assured they are backed by a very intelligent team: themselves. ETF token holders have the right to binding vote on major policy directives. This is profound. Other crypto index funds are not tokens, your votes are “considered” by the owners or companies or investment managers not mandatory. Each ETF Token is a vote. The token holders are the voice of the direction of the fund. The token holders make the decisions when it is time to vote on key policies and even on board members to represent their interests. The necessary paid positions will exist for those who manage the platform and investments full time for the community. They can be hired to manage the fund year round and paid by utilizing the small transaction fees. They can be paid in tokens via smart contracts for their work. And if they fail the community, the community has a right to remove them; they are simply members of the token holders’ organization elected to represent the people. Regular employees

will not be needed because ETF Token is not a company.

5. ETF Token will be auditable. This is also profound. There will always be a 1:1 Ratio between the value of the fund and the value of the entire supply of tokens. ETF Tokens can be redeemable. Unlike some “asset” or “dollar” backed cryptocurrencies. This fund is legitimate; there is no reason any token holder should not be able to cash in their shares for their percentage of the fund. No ICO investors or buyers will ever be forced to hold their tokens for a predetermined amount of time, which essentially establishes a future possible “apocalypse” date. ETF token doesn’t offer fake sales or discounts to early investors. Each coin is asset backed, the price already represents the true value of the assets by definition, no gimmicks are necessary.

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## Concept

- Initial tokens and all tokens issued in perpetuity would be 100% backed by other coins (or other investments to be determined by the token holders' votes).
  - The ETF foundation will issue tokens as demand increases and use the proceeds to increase the size of the asset fund so that each ETF Coin would be backed by ETF foundation's portfolio of blockchain tokens.
  - Downloadable digital wallets, herein referred to as "wallets" and purchase capabilities would be available on the website.
  - ETF Tokens is not be created by mining but rather "awarded" to the transaction processor via a small portion of the fee associated with each buy and sell transaction made through the ETF web application. This establishes a less expensive transaction fee than many other types of managed funds or assets that our token holders relate to. This prevents our token processing requirements from rewarding large mining/processing hubs, full of power hungry equipment, with access to resources unavailable to the other members of the community. These are not the type of transaction processors we want to award community tokens or proceeds to.
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## Platform

Acquiring an ETF Token is meant to be easy. The first step is to log into the website and set up an account. All you need is an email address and to set up a two-step verification method to secure your account. The sign-up process will never include uploading personal information, identification, bank account, or credit card information.

You're in. Next you check the current rate for a token based on the current value of the funds underlying assets. Remember this token can only be "purchased" with Ethereum, so the price you see for the token will be in Ethereum. This token cannot be traded for USD or any other currency.

The Platform is a web based wallet allowing for an owner of Ethereum to safely transfer their Ethereum to the wallet and then use that Ethereum to acquire ETF Tokens. The wallet is deposited with the tokens as they are processed.

This process will continue from the start of the ICO forward. To exchange your tokens back in for Ethereum, or future exchangeable tokens, the process is simply reversed. This simple user friendly dual wallet enables ETF Token to appeal to more users, as anyone with access to Ethereum is easily able to follow the steps from there.

ETF Token foundation continually invests in the community, management, team, and development of the product to maintain safety and ease of investment. Later releases will likely include mobile wallets and other additional capabilities.

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### Fund:

By intention, the most valuable aspect of the ETF Token is the blockchain entities and tokens which it chooses to include in the fund. The fund is the overall, best, effort of the community to invest in the most worthy projects and tokens that blockchain has to offer. The goal of the actively managed fund is not to day-trade for our customers. We aim to use your input and the same meticulous screening the team put into picking the tokens for the initial fund into all projects we choose to invest in. We believe it also helps reduce volatility without reducing upward momentum.

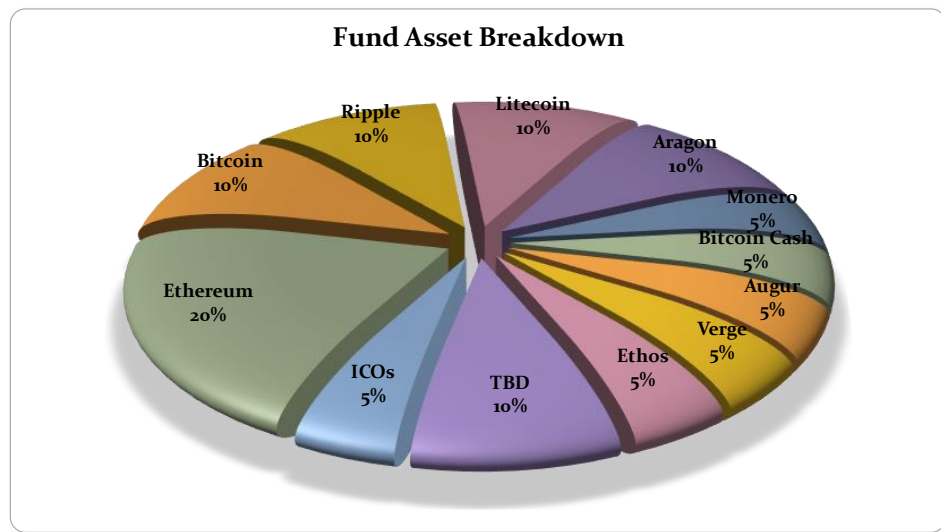
ETF Token's fund will contain proven and established blockchain tokens such as Ethereum and Bitcoin and Litecoin. They have proven themselves to be secure holders of value. ETF Token invests in other top tokens, not necessarily based on their position in the top 20, 50 or 100, but rather based on the merit, value, honesty and transparency put forth by their project and their team in delivering a token with value or value potential. Some of these projects include Aragon, Ethos, and Augur. The Foundation feels that these kinds of projects, and many others, are providing the world with something of real value. These are the kind of tokens that the Foundation is looking to include in this fund. Blockchain entities outside of existing tokens, specifically the best upcoming ICOs based on merit, principle, deliverables, and value available. The "Best" for this Foundation is not necessarily the biggest or the most valuable based on a chart or paragraph in a white paper, but a true intention and an even better plan of action executed by an even better team. Those are the types of blockchain project tokens that this foundation intends to hold.

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Potential Fund Breakdown (Conceptual Subject to Change)

Asset Type	Amount
Ethereum	\$ 20
Bitcoin	\$ 10
Ripple	\$ 10
Litecoin	\$ 10
Aragon	\$ 10
Monero	\$ 5
Bitcoin Cash	\$ 5
Augur	\$ 5
Verge	\$ 5
Ethos	\$ 5
TBD	\$ 10
ICOs	\$ 5
Total	\$ 100



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### Pre-Sale

This coin is unique because it appeals to large institutional investors who are familiar with making similar investments. It appeals to current large holders of various blockchain tokens who are interested in unloading some of their reserves in these specific tokens to gain shares of the larger diversified fund of tokens managed by this foundation. This helps to foster a successful Pre-sale. It is easy to become an ETF Token holder.

Even more important than appealing to some of these larger initial investors is the appeal that this token has to small investors who are more risk adverse. The untapped market of potential investors that are currently concerned with cryptocurrency volatility will have interest in a coin that is representative of a community managed decision on the best of the current blockchain tokens available. The people interested in ETF Token, include people that are concerned with other tokens, they simply do not want to risk massive price swings when a single coin experiences high volatility or sharp declines.

ETF Token's Pre-sale incentives do not devalue the tokens nor do they offer tokens at a discount. This enables every token purchased to be sure their token is always backed by the appropriate cryptoassets. This requires every token purchased to be backed by the same proportional value as the fund itself. Incentives for the pre-sale are limited to reduced fees. All tokens are acquired with Ethereum, at this juncture, allowing anyone with a fiat-to-Ethereum provider to acquire the Ethereum necessary to acquire ETF Tokens.

During the pre-sale all contributions will be held in Ethereum until sufficient time has passed for completion of the other objectives and sufficient funding has been raised to establish the fund. Investor will be protected by retaining 99.625% of their investment in completely redeemable and transferable Ethereum until a functional token is delivered. This is a new form of protection, unique to ETF token, and not found in any other type of token pre-sale.

The pre-sale is useful to the fund because it establishes a large Ethereum holding for the foundation to use to acquire the backing cryptoasset fund. It also provides a small amount of startup funding for the team via the small 0.375% fee charged. This will go towards costs associated with a successful tokenization process.

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### Tokenization

After the pre-sale there will be no ICO. ETF Token foundation will finalize its blockchain and web development and then ETF Token will issue its working product. From this point forward, purchases in Ethereum on the website will be blocked together and the smart contracts will automatically transfer the Ethereum into the individual tokens comprising the backing index of cryptocurrencies. Users will be able to log into their accounts on the ETF Token Foundation's website, transfer their Ether and receive their tokens in a matter of minutes.

The no-ICO concept will be different from previous most previous token releases because individual token purchasers will not have to wait until completion of the ICO to acquire their tokens. The purchase process will involve a deliverable token for anyone who participates after the pre-sale.

The token will be fully functional providing access to the community and providing associated voting rights. It will be scaled in association with the fund to maintain its value. And positions itself to be a popular token choice for long term holders and short term holders alike.

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### Voting

Another major appeal of ETF token is the voting rights. The staking mechanism is directly tied to token holdings. Each ETF token has an associated voting right for major decisions regarding the fund, including voting on a board of directors to manage the fund at least once annually, or as determined by the community.

The voting rights and board allow the token to adapt as necessary, remove old or less popular tokens/ and coins from the holding portfolio and move to newer coins, or to move into safer more risk adverse options as the community sees fit. It's unlikely that all members will choose to vote, many newer less involved members of the cryptocurrency community will appreciate the competently managed fund.

The voting mechanisms help enforce one of the most important aspects of this token. The investments act in the best interest of the token holders, if the board of directors or team members fail to deliver for the community, the community has the right to replace them. This is one of the main differentiators between ETF token and signing up for an existing cryptocurrency based investment fund owned and controlled by a company.

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## **Public/Private Determination**

ETF Token intends on becoming a publicly available blockchain. Decentralized, as opposed to private, seems to be the current best method for creating this type of cryptocurrency index style token. This eliminates the fear that token holders may have regarding verification that the backing assets are actually purchased. It is simple transparency, unlike other tokens which are “allegedly” tied or tethered to a US Dollar, or other fiat currency or other asset, but make no efforts to verify that to the token holders.

## **Fees**

ETF Token with a fee structure that is set at 0.75% (after the pre-sale) for buys and sells through the platform so an investor in ETF token spends roughly 1/40th of the average cost of setting up a managed fund elsewhere in the cryptocurrency market. Other managed funds charge percentages from 15-25% depending on a variety of factors. These funds do not have the consumer's best interest in mind. This is an integral part of the plan and the only way to guarantee the continued success of the token. These fees are comparable with the lowest of any managed asset backed fund in any market, crypto, fiat, stock or other exchange. This will help differentiate ETF Token as a managed fund that truly cares about the returns given to the individual token holders investing in the fund.

Because of ETF Token's scalability we will break the small fee down into several “units” to cover anticipated expenses. As this token grows these tiny percentages will add up allowing ETF Token to grow their team to scale and make sure they are able to attract top talent to manage all aspects of the fund.

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## TEAM BREAKDOWN

The initial team will consist of the following “units” to see us through the ICO and first year of operations. This foundation is still accepting applicants for most positions. The best team is not likely to be a single group of friends in one location but instead the best talent available, spread throughout the world. This foundation will establish a team of specialized talent who believe in the principles of this foundation. Team members will be compensated according to the following initial breakdown. The foundation can later adjust these numbers by vote if needed.

DESCRIPTION		
<b>Chief Executive Officer</b>	<b>(0.05%)</b>	1 Person
<b>Chief Operations Officer</b>	<b>(0.05%)</b>	1 Person
<b>Chief Technology Officer</b>	<b>(0.05%)</b>	1 Person
<b>Chief Financial Officer</b>	<b>(0.05%)</b>	1 Person
<b>Community Chair</b>	<b>(0.025%)</b>	1 Person
<b>Community Unit</b>	<b>(0.025%)</b>	Team
<b>Management Unit</b>	<b>(0.025%)</b>	Fund for Contract Work
<b>Operations Unit</b>	<b>(0.025%)</b>	Fund for Contract Work
<b>Media/Advertising Unit</b>	<b>(0.025%)</b>	Fund for Advertising
<b>Network Security Unit</b>	<b>(0.025%)</b>	Fund for Contract work
<b>Blockchain Development Unit</b>	<b>(0.025%)</b>	Person or Team
<b>Technology Development Unit</b>	<b>(0.025%)</b>	Fund for Contract Work
<b>Web Unit</b>	<b>(0.025%)</b>	Person or Team
<b>Transaction Processing Unit</b>	<b>(0.025%)</b>	Fund for Transaction Processing
<b>Financial Accounting Unit</b>	<b>(0.025%)</b>	Fund for Contract Work
<b>Trading Unit</b>	<b>(0.025%)</b>	Team
<b>Legal Unit 1</b>	<b>(0.05%)</b>	Person or Team
<b>Legal Unit 2</b>	<b>(0.05%)</b>	Person or Team
<b>Auditing Unit</b>	<b>(0.05%)</b>	Fund for Auditing Services
<b>Operation Fund</b>	<b>(0.1%)</b>	Fund for all miscellaneous needs
<b>Total:</b>	<b>(0.75%)</b>	

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## A POTENTIAL BREAKDOWN OF LEVEL OF FUNDING PER UNIT AS THE FUND GROWS

### ALL AMOUNTS SHOWN IN ETHEREUM

	ICO	1st Quarter Goal				2nd Quarter Goal		Yr 1 goal: Billion \$		2nd Yr Goal: Longer Term		Top 20 and beyond	
Total Trades in Ethereum	10,000.00	20,000.00	50,000.00	75,000.00	100,000.00	250,000.00	500,000.00	1,000,000.00	2,000,000.00	10,000,000.00	100,000,000.00	1,000,000,000.00	
Chief Executive Officer (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Chief Operations Officer (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Chief Technology Officer (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Chief Financial Officer (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Legal Unit (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Legal Unit 2 (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Accounting / Auditing Unit (0.05%)	5.00	10.00	25.00	37.50	50.00	125.00	250.00	500.00	1,000.00	5,000.00	50,000.00	500,000.00	
Community Chair (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Community Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Management Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Operations Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Media/Advertising Unit (0.025)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Network Security Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Blockchain Development Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Technology Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Web Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Transaction Processing Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Financial Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Trading Unit (0.025%)	2.50	5.00	12.50	18.75	25.00	62.50	125.00	250.00	500.00	2,500.00	25,000.00	250,000.00	
Operation Fund (0.01%)	10.00	20.00	50.00	75.00	100.00	250.00	500.00	1,000.00	2,000.00	10,000.00	100,000.00	1,000,000.00	
Total:	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	

As you can see the values above provide a better understanding of how the fund will continue to maintain a growing team of the best available talent throughout the various industries that will make up this type of blockchain organization. For example by the time we reach our current year one goal of 500,000 Ethereum contributed to the fund, in exchanges, our transaction processing unit which will involve token creation and blockchain verification related costs will reach 125 Ethereum. If the fund hypothetically exceeds expectations and meets the two year goal in year 1 the fund would instead have 500 Ethereum to spend on these activities. This demonstrates that not only is the token scalable but so is the team. This supplies the fund with the additional tokens it will utilize for internal growth and development, in a shorter timeframe. This enables ETF Token to scale in house development according to demand. The reverse is also true if the fund only does 20,000 Ethereum in token sales in the first year, then we will not need 125 Ethereum to process the required transactions, and would be able to get through the entire year with limited costs.

# ETF TOKEN (DRAFT WHITE PAPER)

## DECENTRALIZED TEAM

### DEFINING THE PRE-SALE TEAM UNITS AND THEIR ROLES

#### **Chief Executive Officer (0.025%)**

Compose whitepaper. Lay the strategic planning document for the team. And reach out to potential team members and community members to establish the initial operation. Delegate Tasks to the appropriate teams and see the pre-process through. Also emphasis on token release, planning, and engagement, and continued leadership of the community. Actively build community on social media. Establish team member contracts and compensation. Reach out to potential backing fund tokens establish relationships with other teams. Solicit high quality advisors. Manages management unit budget.

#### **Chief Operations Officer (0.025%)**

Known C –leveled or otherwise qualified community leader with special emphasis on blockchain experience. Assist with white paper and strategic planning document creation. Team vetting. Market Research. Contract language. Translate fund goals into list of deliverables by team. Point of contact for in house-legal. Manage Operation's unit budget.

#### **Chief Technology Officer (0.025%)**

C- leveled or otherwise qualified blockchain/ fintech leader. Assist with whitepaper creation and strategic planning document. Lead web and technology teams to oversee construction of platform, web presence, actual blockchain infrastructure, assist with development of distributed ledger system, and smart contract creation. Looking for hands on leader with skills to manage the largest most important teams in the process. Develop infrastructure scalability plan. Security and back end ICO infrastructure. Will facilitate token distribution and creation of the distributed ledger technology.

#### **Chief Financial Officer (0.025%)**

C –leveled financial or crypto background, heavy emphasis on investment strategies. Lead in development of fund and strategy to ensure favorable gains for customers. Negotiate buy and sell fees with exchanges. Develop post-ICO fund active management strategy and delegate

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# ETF TOKEN (DRAFT WHITE PAPER)

tasks/ compensation to financial team. Outreach to major banking institutions. Delegate accounting and cryptocurrency tax related matters.

## **Legal Unit (0.025%)**

Set up initial contracts for team, Revise white paper language and disclaimers to ensure legality. Engage with legal clerk/ other legal unit on legal issues that arise. Manage uncommitted portions of legal fund.

## **Legal Unit 2 (0.025%)**

Fund for additional legal counsel for specialized situations and for other legal related costs, staff clerks, etc.

## **Accounting / Auditing Unit (0.025%)**

Responsible for traditional accounting and auditing methods to verify open blockchain protocols are functioning properly. Responsible for making public reports on total status of fund and associated token value.

## **Community Chair (0.0125%)**

Will assist with White paper creation and strategic planning document. Will facilitate early community building, emphasis on social media and blockchain gatherings/ meetups. Oversee media division, purchase buys and sells, maintain good relationship with press. Active in post ICO engagement, and nurturing the community post-ICO. Find an establish language consultants and international media connections for multi-national outreach. Attends blockchain events and publicly represents the community as a whole. Manages Community Unit budget and media/advertising unit budget. Builds brand and community.

## **Community Unit (0.0125%)**

Budget for community chair to hire freelance and contract services for brand/token promotion. Translation services of community media and publications.

## **Management Unit (0.0125%)**

Management budget for in house expenses related to managing the fund and organization.

## **Operations Unit (0.0125%)**

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# ETF TOKEN (DRAFT WHITE PAPER)

Budget for in-house team coordination and organization related expenses.

## **Media/Advertising Unit (0.0125)**

Budget for advertising costs.

## **Network Security Unit (0.0125%)**

Budget for bounties or other means of securing website, user accounts, and the blockchain itself.

## **Blockchain Development Unit (0.0125%)**

Develop actual blockchain smart contracts to verify and audit each ETF Token purchase and ensure funds are deposited into the backing tokens.

## **Technology Unit (0.0125%)**

Fund, team or individual established to assist the CTO and other Technology related teams in the completion of their tasks.

## **Web Unit (0.0125%)**

Develop website for pre-sale, accounts, Ethereum wallets and eventually ETF wallets. Content and UI/logo/image creation. Develop web portal and user friendly interface. Create add content and media. Assist community team with social media development. Maintain and implement security protocols with network security unit. Set up user accounts and password protection and other necessary secure log-in protocols. Integrate dual wallet and financial report capabilities as developed by other technical and the financial teams respectively. Eventually implement IOS and Android mobile applications and wallets as well.

## **Transaction Processing Unit (0.0125%)**

Unit to fund each physical block's transaction processing, potentially in the form of a fee paid to Aragon or other potential token foundation platforms, or to pay for our own token creation capabilities.

## **Financial Unit (0.0125%)**

Fund or team to carry out CFO objectives and responsibilities.

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# ETF TOKEN (DRAFT WHITE PAPER)

## **Trading Unit (0.0125%)**

Fund to compensate active fund managers.

## **Operation Fund (0.05%)**

Fund for unforeseen expenses and charitable giving.

