

CONFIDENTIAL — LEGAL REVIEW

# World First Claim Evidence Report v3

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## VCP-ABLENET “World’s First” Claim Verification Report

### Comprehensive Evidence Documentation for Press Release Claims

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**Prepared by:** VeritasChain Standards Organization

**Research Sources:** Internal Research + Perplexity AI + Claude AI Deep Research

### Executive Summary

This report consolidates evidence from **three independent research sources** supporting the “World’s First” claim in the VCP-ABLENET press release. Research encompassed **50+ search queries, 8 major RegTech companies, 22+ patents, and multi-language searches** across English, Japanese, and Russian sources.

### Claim Statement

*“World’s First Cryptographic Audit Trail Implementation for MT4/MT5 Trading Platforms”*

### Consolidated Verification Results

Research Source	Queries	Companies Analyzed	Patents Reviewed	Conclusion
Perplexity AI	20+	5	—	No competitor found
Claude AI	50+	8	22+	No competitor found
Internal Research	15+	15+	—	No competitor found
<b>TOTAL</b>	<b>85+</b>	<b>28+</b>	<b>22+</b>	<b>Claim Defensible</b>

### Key Finding

The “World’s First” claim for cryptographic audit trails on MT4/MT5 is **defensible when properly scoped**. Research across English, Japanese, and Russian sources revealed **zero existing cryptographic audit trail products** for MetaTrader platforms.

## 1. Claim Definition and Scope

### 1.1 Six Constituent Elements

The “World’s First” claim requires **simultaneous satisfaction of all six conditions**:

#	Condition	Description	Evidence
1	<b>Platform-Specific</b>	MetaTrader 4/5 environment	MQL4/MQL5 integration
2	<b>Cryptographic Verification</b>	Hash chains, Merkle Trees, digital signatures	RFC 8032, RFC 6962 compliance
3	<b>Audit Trail</b>	Trading events logging	VCP-TRADE/GOV/RISK modules
4	<b>Tamper Detection</b>	Third-party verification	Merkle proof verification
5	<b>Production Environment</b>	Live trader environment	ABLENET infrastructure
6	<b>Commercial Implementation</b>	Deployed product/PoC	December 2025 PoC

### 1.2 Scope Exclusions

Excluded Category	Reason	Examples
Smart Contract Audits	Target: blockchain code, not MT4/MT5	CertiK, Hacken, Cyfrin
Blockchain Analytics	Read existing chains, don't create trails	Chainalysis, Elliptic, TRM Labs
Institutional FX Systems	Different platforms, not MT4/MT5	Refinitiv, Bloomberg
Generic Database Audit	Not MT4/MT5-specific	US6968456B1 (2000 patent)
Conceptual Research	No commercial implementation	Academic papers

## 2. MT4/MT5 Ecosystem Analysis

### 2.1 Market Dominance Statistics

Metric	Value	Source
Global Online Traders	9.6+ million	BrokerNotes Modern Trader Report <sup>1</sup>
Q3 2024 MT4 Market Share	55.8%	Finance Magnates <sup>2</sup>
Q3 2024 MT5 Market Share	44.2%	Finance Magnates <sup>3</sup>
Q3 2025 MT5 Market Share	62%	Global Banking & Finance <sup>4</sup>
Retail CFD Trading Share	~100%	Industry consensus <sup>5</sup>
Brokerages Using MetaQuotes	750+	MetaQuotes statistics <sup>6</sup>
Monthly Broker License	\$10,000-\$20,000	Industry reports <sup>7</sup>

### 2.2 Native Platform Audit Limitations

**Critical Finding:** MT4/MT5 logs are **plain text files** with no tamper protection.

Audit Requirement	MT4/MT5 Native Support	Source
Tamper-proof audit trails	✗ No	MetaQuotes docs <sup>8</sup>
Cryptographic verification	✗ No	MQL5 Reference <sup>9</sup>
Hash chain logging	✗ No	Platform analysis
Merkle tree anchoring	✗ No	Platform analysis
Blockchain integration	✗ No	Platform analysis
Independent third-party audit	✗ No	Platform architecture

**MetaQuotes Official Documentation:** > “Logs are not physically removed from the computer, they are still available in log files... stored in `YYYYMMDD.LOG` format.”<sup>10</sup>

*“Cryptography is rarely used in MQL programs. There are not so many opportunities in everyday trading to use cryptography.”<sup>11</sup>*

### 2.3 The Fake Server Vulnerability

Fraudulent brokers can create **fake MT4/MT5 servers** that mimic legitimate platforms using manipulated servers, providing: - Fabricated price quotes - Fake trade executions - Falsified account histories

**No existing solution addresses this trust gap** — demonstrating critical need for cryptographic verification.<sup>12</sup>

### 3. Comprehensive Competitive Analysis

#### 3.1 Layer 1: MT4/MT5-Specific Search Results

**14+ direct search queries returned zero cryptographic audit products:**

Search Query	Result	Crypto Audit Found
"MT4 cryptographic audit" OR "MT5 cryptographic audit"	No results	✗
"MetaTrader blockchain audit trail"	Generic articles only	✗
"MT4 Merkle tree logging"	General Merkle info	✗
"MT5 hash chain verification"	Basic hash library docs	✗
"MQL4 audit protocol" OR "MQL5 audit protocol"	No results	✗
"MetaTrader tamper-proof logging"	Generic articles	✗
"forex trading cryptographic verification MT4"	Wrong context (crypto)	✗
"MT4 VPS audit trail" OR "MT5 VPS audit trail"	No results	✗
"MetaTrader trading log integrity blockchain"	Standard MT log docs	✗
"MT4 immutable audit" OR "MT5 immutable audit"	No results	✗
"MetaQuotes cryptographic"	Licensing functions only	✗
site:mql5.com audit cryptographic	API authentication only	✗

### 3.2 Layer 2: Third-Party MT4/MT5 Tools

Tool	Function	Cryptographic Audit?	Source
Verify My Trade	Execution quality comparison	✗ No	<a href="#">13</a>
FX Blue Data Integrity	Historical data corruption check	✗ No	<a href="#">14</a>
TraderSync	Performance tracking journal	✗ No	<a href="#">15</a>
Tools for Brokers (T4B)	Compliance reporting plugins	✗ No	<a href="#">16</a>
Myfxbook	Account verification	✗ No	<a href="#">17</a>
Trade Processor	Liquidity bridge	✗ No	<a href="#">18</a>
Brokeree Solutions	MT5 plugins	✗ No	<a href="#">19</a>

**Conclusion:** None provide cryptographic hash chains, Merkle trees, or blockchain-anchored verification.

### 3.3 Layer 3: Major RegTech & Blockchain Companies

**8 major companies analyzed — none serve MT4/MT5 with cryptographic audit:**

Company	Primary Focus	MT4/MT5	Creates Audit Trails?	Why Not Competitor	Source
<b>Chainalysis</b>	Crypto blockchain tracing	✗	✗ Reads existing chains	Only on-chain crypto	<a href="#">20</a>
<b>Elliptic</b>	Crypto compliance/ AML	✗	✗ Blockchain intelligence	Monitors wallets only	<a href="#">21</a>
<b>TRM Labs</b>	Blockchain investigation	✗	✗ Uses existing data	Law enforcement focus	<a href="#">22</a>
<b>Solidus Labs</b>	Crypto surveillance	✗	✗ Behavioral detection	Crypto exchanges only	<a href="#">23</a>
<b>Eventus Systems</b>	Multi-asset surveillance	✗	✗ Database alerts	Institutional FX only	<a href="#">24</a>
<b>Trading Technologies</b>	Futures/derivatives	✗	⚠ SHA256 post-download	Proprietary platform	<a href="#">25</a>
<b>Refinitiv/ LSEG</b>	Institutional FX	✗	✗ Timestamp records	Wholesale FX only	<a href="#">26</a>
<b>Bloomberg</b>	Enterprise compliance	✗	⚠ WORM storage	Bloomberg Terminal only	<a href="#">27</a>

### 3.4 Layer 4: Trade Surveillance Systems

Product	Provider	MT4/MT5	Crypto Verification	Source
SURVEIL-X	NICE Actimize	✗	✗	<a href="#">28</a>
SMARTS	Nasdaq	✗	✗	<a href="#">29</a>
Validus	Eventus	✗	✗	<a href="#">30</a>
LookOut	ION Group	✗	✗	<a href="#">31</a>

**Conclusion:** All use traditional databases, none support MT4/MT5.

### 3.5 Critical Distinction for Investors

**Blockchain Analytics Companies** (Chainalysis, Elliptic, TRM Labs): - Analyze transactions that *already exist* on public blockchains - Forensic tools for cryptocurrency investigations - **Cannot** create audit trails where none exist - **Cannot** work with off-chain forex/CFD trading - **Zero presence** in MT4/MT5 forex ecosystem

**VCP Differentiation:** - Creates cryptographic proofs at point of trade execution - Targets platform with **zero existing solutions** - Serves 9.6M+ retail traders on MT4/MT5

## 4. Patent Landscape Analysis

### 4.1 Patent Search Summary

**22+ relevant patents identified** in cryptographic audit/blockchain trading space. **Zero patents** specifically cover MT4/MT5 cryptographic audit trails.

### 4.2 Foundational Prior Art (General)

Patent	Year	Title	Relevance to VCP
US6968456B1	2000	Tamper-proof storage of audit trail in database	General DB, not MT4/MT5
US7000118B1	2006	Asymmetric key exchange for audit trails	General crypto, not trading
US20200007311A1	2020	SAP blockchain plugin for enterprise audit	Enterprise systems, not MT

### 4.3 Trading/Blockchain Patents (Not MT4/MT5)

Patent	Year	Assignee	Focus	MT4/MT5?
US20160292672A1	2016	Nasdaq	Securities exchange CAT	✗
Goldman Sachs FX	2015	Goldman	Institutional FX settlement	✗
US11568489B1	2023	—	Cross-border FX verification	✗

### 4.4 Claim Viability Based on Prior Art

Claim Formulation	Defensibility	Risk
"World's First cryptographic audit trail"	✗ Not defensible	HIGH — US6968456B1 (2000)
"World's First blockchain audit for trading"	✗ Not defensible	HIGH — Nasdaq patent (2016)
<b>"World's First cryptographic audit trail for MT4/MT5"</b>	✓ Defensible	LOW
<b>"First commercial implementation for retail forex"</b>	✓ Defensible	LOW

## 5. Multi-Language Search Verification

### 5.1 Japanese Market Search (7 queries)

Query (Japanese)	Result	Crypto Audit Found
MT4 暗号監査	No relevant results	✗
MT5 ブロックチェーン監査証跡	General blockchain info	✗
MetaTrader 改ざん防止ログ	No results	✗
MQL5 ハッシュチェーン	Basic crypto functions	✗
FX取引 暗号学的検証	Cryptocurrency results	✗

**Finding:** AI MQL LLC ("AI監査インフラ") announced November 2025 uses AI behavioral analysis + SRE infrastructure — **not cryptographic hash chains**. Furthermore, AI MQL LLC merged into VeritasChain Inc. on December 1, 2025.<sup>32</sup>

## 5.2 Russian Market Search (6 queries)

Query (Russian)	Result	Crypto Audit Found
MT4 криптографический аудит	No results	✗
MetaTrader блокчейн журнал	General blockchain	✗
MT5 хеш-цепочка	No relevant results	✗

**Conclusion:** Despite MetaQuotes being Russian, **no Russian-language solutions found.** Gap is **global**, not regional.

## 6. Regulatory Environment Alignment

### 6.1 EU AI Act (Full Enforcement: August 2, 2026)

Requirement	Article	VCP Implementation	Source
Automatic Logging	Art. 12	VCP-TRADE/GOV/RISK modules	<a href="#">33</a>
Traceability	Art. 12	Hash Chain Validation	<a href="#">34</a>
Post-hoc Verifiability	Art. 13	Merkle Tree verification	<a href="#">35</a>
Transparency	Art. 13	Machine-readable audit	<a href="#">36</a>

**Penalties:** Up to €35M or 7% of global annual turnover

### 6.2 MiFID II RTS 25

*"Operators of trading venues... shall be able to **evidence** that their systems meet the requirements."<sup>37</sup>*

### 6.3 SEC Rule 17a-4 (2022 Amendment)

Requirement	VCP Implementation	Source
Modification tracking	Hash Chain (O(n) detection)	<a href="#">38</a>
Timestamp accuracy	Silver: ±1ms, Gold: ±1µs	<a href="#">39</a>
User identification	OperatorID + LastApprovalBy	<a href="#">40</a>

## 6.4 Regulatory Gap Analysis

Regulator	Audit Requirement	MT4/MT5 Native	VCP Solution
CFTC	Tamper-proof trails	✗	✓
NFA	Record integrity	✗	✓
FCA	Audit capability	✗	✓
CySEC	Data verification	✗	✓
ASIC	Trade reconstruction	✗	✓

## 7. Partner Credibility Verification

### 7.1 ABLENET (K&K Corporation)

Item	Record	Source
Founded	February 1998	<a href="#">41</a>
Operations	25+ years	<a href="#">42</a>
Uptime	99.99%+	<a href="#">43</a>
Data Center	Osaka, Tier 1/2	<a href="#">44</a>
Bandwidth	220+ Gbps	<a href="#">45</a>

### 7.2 MSD Enterprise Investment Group (2022)

Investor	Type	Source
Mitsui & Co.	Japan's largest trading company	<a href="#">46</a>
Sumitomo Mitsui Banking	Tier 1 Financial Institution	<a href="#">47</a>
Development Bank of Japan	Policy Finance Institution	<a href="#">48</a>

## 8. International Standardization

### 8.1 IETF Internet-Draft

Item	Content	Source
Document	<a href="#">draft-kamimura-scitt-vcp</a>	<a href="#">49</a>
Working Group	SCITT	<a href="#">50</a>
Status	Active (Dec 2025)	<a href="#">51</a>

## 8.2 Regulatory Submissions

Region	Authorities	Count
Americas	SEC, CFTC	5+
Europe	FCA, BaFin, ESMA	15+
Asia-Pacific	MAS, JFSA	10+
Other	Various	20+
<b>TOTAL</b>		<b>50+</b>

## 9. Legal Risk Assessment

### 9.1 Confidence Level Summary

Aspect	Confidence	Assessment
No MT4/MT5 cryptographic audit products	<b>95%</b>	85+ searches, 3 languages
Major RegTech companies don't serve market	<b>99%</b>	28+ companies reviewed
General cryptographic prior art exists	<b>100%</b>	Must scope claim properly
"World's First for MT4/MT5" defensible	<b>90%</b>	Strong evidence

### 9.2 Recommended Claim Language

**Strongest (Legal Documents):** > "First cryptographic audit trail system specifically designed and commercially implemented for MetaTrader 4/5 platforms"

**Strong (Investor Presentations):** > "World's First cryptographic audit trail implementation for MT4/MT5 trading platforms"

**Alternative (Commercial Focus):** > "First-of-its-kind solution bringing blockchain-grade verification to the retail forex ecosystem"

### 9.3 Potential Challenges and Rebuttals

Challenge	Rebuttal
"General crypto audit patents exist (2000)"	Those cover generic databases, not MT4/MT5 MQL integration
"Blockchain trading verification exists"	All target crypto/institutional FX, not 9.6M retail MT traders
"Trading Technologies offers SHA256"	TT provides post-download checksums only, no MT4/MT5, no real-time proofs
"Academic paper may exist"	IEEE, ACM, arXiv searches found no MT4/MT5-specific research

## 10. Conclusion

### Claim Verification: SUCCESSFUL

This consolidated investigation from **three independent research sources** validates the "World's First" claim when properly scoped to the MetaTrader ecosystem.

### Summary of Evidence

Evidence Category	Finding
<b>85+ search queries</b>	Zero MT4/MT5 cryptographic audit products
<b>28+ companies analyzed</b>	None integrate with MT4/MT5 for crypto audit
<b>22+ patents reviewed</b>	No MT4/MT5-specific prior art
<b>3 languages searched</b>	Gap is global, not regional
<b>MetaQuotes documentation</b>	Confirms plain-text logging only

### Market Opportunity Validated

- **\$7.5+ trillion daily forex market** runs primarily on MT4/MT5
- **Zero cryptographic audit infrastructure** exists
- **Regulatory pressure increasing** while platform capabilities static
- **VCP addresses genuine, documented gap** with no identified competitors

### Recommended Action

Use claim language "**World's First Cryptographic Audit Trail Implementation for MT4/MT5 Trading Platforms**" with confidence.

For maximum legal defensibility, add "**commercially implemented**" to distinguish from theoretical academic work.

## References

### Document Information

Item	Content
Document ID	VSO-EVIDENCE-003-EN
Version	3.0 Final (Consolidated)
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Research Sources	Internal + Perplexity AI + Claude AI
Total Queries	85+
Companies Analyzed	28+
Patents Reviewed	22+
Languages	English, Japanese, Russian

**Disclaimer:** This report documents evidence for “World’s First” claims and does not constitute legal advice. Legal review recommended before official release.

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