



White Paper

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Director's Responsibility Statement

The Directors of CRYPTALGO (Gibraltar) Limited have issued this White Paper and have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The Directors accept responsibility accordingly.

Summary of Legal Considerations, Risks and Disclaimers

IMPORTANT NOTICE: Please read the entirety of this “Summary of Legal Considerations, Risks and Disclaimers” paper carefully. We recommend you consult a legal, financial, tax or other professional advisor(s) or expert(s) for further guidance prior to participating in the ALGO Token Generation Event outlined in this White Paper. You are strongly advised to take independent legal advice in respect of the legality in your jurisdiction of your participation in the Token Generation Event. You should note that in the Token Sale Terms and Conditions that you will be acknowledging and accepting as part of the process to participate in the ALGO Token Generation Event, you will represent that you have indeed taken independent legal advice.

Please note that this is a summary of the “Legal Considerations, Risks and Disclaimers” document which can be found at <https://www.cryptalgo.com/wp-content/uploads/2018/05/Legal-Considerations-Risks-and-Disclaimer.pdf> and which you must read in full before: (i) making use of this White Paper and any and all information available on CRYPTALGO (Gibraltar) Limited's (the “**Company**” or “**CRYPTALGO**”) website at <http://www.cryptalgo.com/> (the “**Website**”) and/or (ii) participating in the Company's token generation event outlined in this White Paper (the “**Token Generation Event**”). Any undefined capitalised terms below shall have the meaning set out in the “Legal Considerations, Risks and Disclaimer” paper. This summary should not be relied on in place of reading the “Legal Considerations, Risks and Disclaimers” paper in full. The information in this White Paper and all information available on the Website shall hereinafter be referred to as the “**Available Information**”.

The “Legal Considerations, Risks and Disclaimers” paper, the full version of which was mentioned above, applies to the Available Information. The contents of the “Legal Considerations, Risks and Disclaimers” paper outlines the terms and conditions applicable to you in connection with (i) your use of any and all Available Information; and/or (ii) your participation in the Token Generation Event, in each case in addition to any other terms and conditions that we may publish from time to time relating to the Token Generation Event (such terms hereinafter referred to as the “**Terms**”).

This White Paper states the current views of the Company concerning the CRYPTALGO platform and related matters. The Company may from time to time revise this White Paper in any respect without notice. The information entered in this White Paper is indicative only and is not legally binding on the Company or any other party. This document is for informational purposes only and does not constitute and is not intended to be an offer to sell, a solicitation of an offer to buy, or a recommendation of: (i) the Company, (ii) an investment in the CRYPTALGO platform or any project or property of the Company, or (iii) shares or other securities in the Company or any affiliated or associated company in any jurisdiction.

The information set forth in the “Legal Considerations, Risks and Disclaimers” paper may not be exhaustive and does not imply any elements of a contractual relationship. While we make every reasonable effort to ensure that all Available Information is accurate and up to date, such material in no way constitutes professional advice. Individuals intending to participate in the Token Generation Event should seek independent professional advice prior to acting on any of the Available Information.

The Company does not recommend purchasing Tokens for speculative investment purposes. Tokens do not entitle you to any equity, governance, voting or similar right or entitlement in the Company or in any of its affiliated companies. Tokens are sold as digital assets, similar to downloadable software, digital music and the like. The Company does not recommend that you purchase Tokens unless you have prior experience with cryptographic tokens, blockchain-based software and distributed ledger technology and unless you have taken independent professional advice.

Citizens, nationals, residents (tax or otherwise), green card holders and/or Restricted Persons of any Restricted Jurisdiction shall not process the Available Information and

are prohibited from participating in the Token Generation Event or the purchase of Tokens or any such similar activity.

In no event shall the Company or any current or former Company Representatives be liable for the Excluded Liability Matters.

The Company does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in the Available Information.

You should carefully consider and evaluate each of the risk factors and all other information contained in the Terms before deciding to participate in the Token Generation Event.

This White Paper may be translated to different languages but in the event of a conflict between documents, the English version of the White Paper will prevail.

Abstract

In January 2018, the global market value of cryptocurrencies exploded to a record high exceeding \$800 billion¹. In comparison, mutual funds, exchange-traded funds (ETFs) and institutional funds worldwide, manage approximately \$40 trillion worth of non-crypto assets². Many of these financial institutions alone manage more than the entire crypto market value today. By allocating a small fraction of their managed funds to this new cryptocurrency asset class, financial institutions can introduce a seismic change that may increase global cryptocurrencies market value and trading activity to new highs.

For this to happen, however, institutional governance standards and regulations must prevail. Best practices, combined with high-end trading tools and investment products such as algorithmic trading, sophisticated financial vehicles and services tailored to the high standards of these investors must be set in place, in tandem with unprecedented cyber-security measures to safeguard information and prevent hacking and wallet breaches.

About CRYPTALGO

CRYPTALGO is a Swiss-based fintech company developing crypto brokerage, investment and white-label solutions for financial institutions.

Spearheaded by a management team with 250+ years of combined experience in creating value for institutional investors, CRYPTALGO is building, what it intends to be, a best-in-class global cryptocurrency trading platform. This platform will aggregate liquidity from most crypto exchanges around the world to provide a total view of the global market with actionable information and super-fast trade execution, a high-end algo-trading product and advanced financial tools; all built to the exacting requirements and standards of institutional investors.

¹ CoinMarketCap, Global Charts

² ICI, 2017 Investment Company Fact Book

Services, Products and Instruments to private banks and financial institutions

From real-time quotes to high-quality trade execution, CRYPTALGO will allow financial institutions to choose the path that suits them. The offering will start with a single product or a broad range of solutions.

CRYPTALGO will provide financial institutions with a swift entry into cryptocurrencies without the need to invest capital for development of their own secured and efficient platforms.

CRYPTALGO is developing brokerage and investment services as well as white-label or branded cryptocurrency Trading Gateway and products such as structures, ALGOTRADER, ETNs, ETFs.

High-End Investment and Trading Gateway

Our secure gateway is being developed to feature:

- high-quality actionable information & execution;
- institutional-grade crypto-liquidity;
- hyper-fast, efficient and real-time view of the global crypto market;
- ultra-low latency server and network topology;
- specialized web sockets and customized exchange APIs;
- unified Total Market View of the global, aggregated crypto order book; and
- ultra-high-speed refresh rate.

Access to CRYPTALGO services and products such as ALGOTRADER will be allowed only to ALGO token holders, or to non-holders that allocate a minimum of \$1M to the platform (suitable for family offices, private banks and institutional investors).

Only a limited amount of 175 million ALGO tokens will be offered to the public during the TGE period and will NEVER be issued again.

Individual User Opportunities with CRYPTALGO

Computer algorithms and super-fast global exchange connectivity offer institutional investors new kinds of **trading information** - a different view of capital markets than that available to individual investors. This enhanced Total Market View is a fundamental difference between institutional and individual trading.

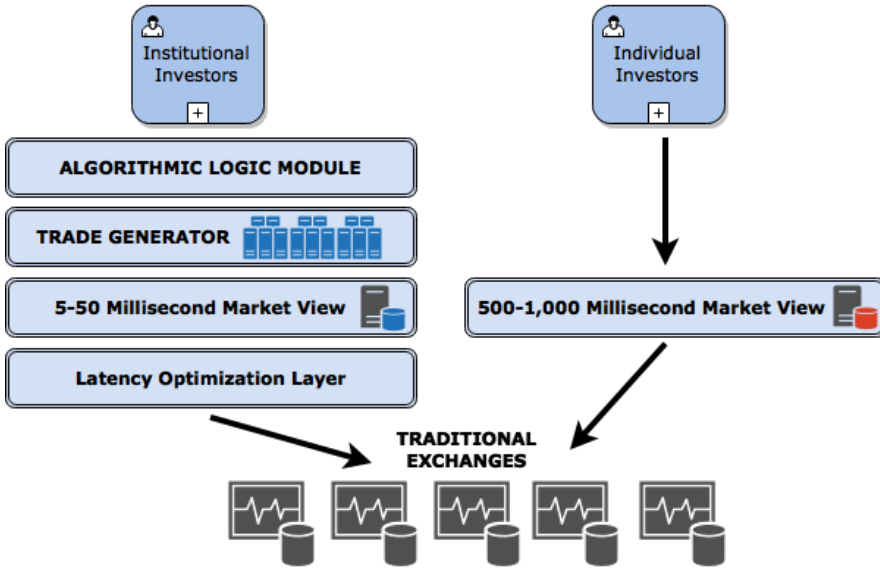
In any asset class, individual investors' potential for trading success decreases dramatically without access to (a) significant capital and (b) actionable information that is available **ONLY** to institutions as a result of proprietary super-fast exchange connectivity. Individual investors base their trading decisions on data, which they believe to be real-time. However, they are unaware that this does not genuinely depict the actual market view, which is used by institutional algo-trading machines to capture the most profitable trading opportunities before individuals even see them. We expect this will hold true in the cryptocurrency market as well.

Algo-trading firms keep their operations discreet and rarely disclose information, making it difficult to gauge their success. We predict that institutional investors will continue to enjoy dramatically reduced trading fees, and trade large amounts of capital using algorithms based on proprietary super-fast connections to cryptocurrency exchanges and total view trading, extracting lucrative returns while minimizing risk and leaving individual investors behind.

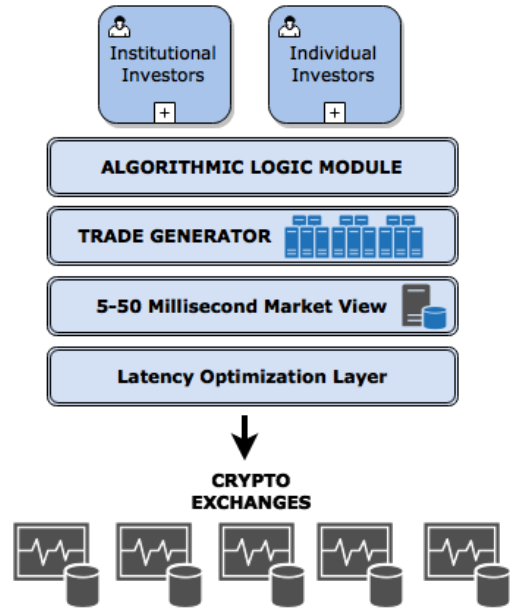
We envision a rebalanced cryptocurrency world, leveling the playing field between institutions with vast resources, and individuals lacking those means. CRYPTALGO will utilize a model in which the ALGO token serves as the preferred cryptocurrency for discounted fee payments within the CRYPTALGO ecosystem and is required as proof of membership to access trading tools and products.

This token model will effectively enable all users -- regardless of their capital base -- to obtain the same value from the set of sophisticated global cryptocurrency trading and investment platform and products.

Old World of Trading, Stocks, Options, Currencies



cryptALGO's Democratization



Team

Our team of global finance industry leaders has more than 250 years of combined experience in creating value for sophisticated institutional investors through developing and utilizing highly advanced trading systems, strategies, instruments, products, structured products and execution. Additional members of our team rank among the world's elite cyber-security experts, who have defining, planning and executing cyber-security platforms and operations for the Israel Defense Forces.

Tobias Straessle, *Chairman of the Board of Directors*

Mr. Straessle served as CIO & COO of Saxo Bank Group, and Chairman and interim-CEO of Saxo Bank (Switzerland). Saxo Bank³ is a leading online trading and investment specialty bank, offering private investors and institutional clients a complete set of tools for trading and investment strategies. More than 100 financial institutions globally service their end clients with Saxo Bank's platforms on White Label basis. Saxo has offices in London, Paris, Zurich, Dubai, Singapore and Tokyo, clients in 180 countries and an average daily turnover of approximately \$12 billion. Prior to that, Mr. Straessle held a wide range of key positions over 15 years at UBS, a global investment bank, where he was instrumental in building Capital Markets trading and processing IT platforms as Global CIO Production, Infrastructure & Architecture; Global CIO, Equities; Regional Head, Switzerland and EMEA; and Head of Application Development. Previously, Mr. Straessle worked at Andersen Consulting (now Accenture) where he was instrumental in building the world's first fully electronic derivatives exchange with integrated clearing.

Francisco Portillejo Hoyos, *Member of the Board of Directors, Chief Executive Officer*

Mr. Portillejo Hoyos previously worked at UBS O'Connor New York as Head of Derivatives Distribution for Latin America, and has also served as Senior Derivative Marketer at Swiss Bank Corporation/UBS for Europe and Middle East, Managing

³ Saxo Bank, <https://www.home.saxo/about-us>

Director Europe Structured Products at Zurich Capital Markets in London, Head of the engineering group at Reuters Zurich, Business Development Manager Europe at Devon Systems (a derivatives specialist), and Senior Derivative Trader Citibank Paris. In recent years, Mr. Portillejo Hoyos has provided consultancy to alternative asset managers on product structuring and distribution.

Shai Novik, *Vice Chairman of the Board of Directors*

Mr. Novik is a seasoned entrepreneur with 25 years of startup experience and shareholder value creation. Mr. Novik founded PROLOR Biotech in 2005 and has served as its President through its 2013 acquisition. PROLOR Biotech was listed for trading on NYSE in 2010 and was acquired by specialty pharma OPKO Health in 2013 for \$480 million⁴. Mr. Novik previously served as Chief Operating Officer of THCG, a venture capital merchant bank in NYC, and as Chief Operating Officer at RogersCasey, an institutional investment advisory company in CT., USA.

Michael Huttman, *Chairman of the Advisory Board*

Mr. Huttman is the Founder and Executive Chairman of Millennium Global Investments. Millennium Global Investments⁵ is a London-based specialist currency investment manager with more than \$18 billion under management and offers a comprehensive range of currency investment solutions to meet the requirements of institutional investors globally — including passive and active hedging, active currency overlay, and currency alpha. Previously, he worked for Goldman Sachs Asset Management, as Chairman of Asset Allocation Committee and Chief Portfolio Manager; and for J.P. Morgan Asset Management as Head of the Active Currency Overlay team.

John Winter, *Chief Advisor, Global Financial Services*

Mr. Winter is the former Global CEO Of Barclays Corporate Banking⁶, European Head of Investment Banking for Barclays and European Head of Debt Capital Markets at

⁴ <http://investor.opko.com/news-releases/news-release-details/opko-health-acquire-prolor-biotech>

⁵ <https://www.millenniumglobal.com/>

⁶ <https://www.barclayscorporate.com/>

Deutsche Bank. He is a 31year track record of successfully building and running corporate and investment banking businesses in most geographies around the world, as well as running retail banking in several developing countries. He is a licensed broker in both the US and UK and is an active investor in early stage Fin Tech and Sustainable Technology companies.

Ed Mount, Chief Advisor, Trading Technologies

Mr. Mount is Co-Founder of Elysium Technology Group⁷, a market leader in FX risk management and post-trade processing systems designed for financial institutions. Previously, he held senior positions with several of the world's largest investment banks, including Managing Director and Global Head of Electronic FX Trading at both Nomura and Royal Bank of Scotland, and Global Head of Commodities and Precious Metals for UBS and Swiss Bank Corporation. He also was a co-founding partner and portfolio manager with Elysium Capital Group. His specialties include automated database technologies, including distributed ledgers/blockchain and their application to foreign exchange, futures and cryptocurrency trading, risk management and workflow processing. Ed holds a B.Sc. in Mechanical Engineering from MIT and attended the Graduate School of Business at the University of Chicago.

Jean-Marc Spitalier, Chief Advisor, Fund Management Products

Mr. Spitalier was the Global Head of Fund and Equity Derivatives at UniCredit Group⁸, one of the largest financial institutions in the world with over \$1 trillion in assets and 117,000 employees. He was also the Chairman of Structured Invest, the asset management subsidiary of UniCredit. Mr. Spitalier previously served as Global Head of Fixed Income at Lehman Brothers; as Executive Director of Equities and Equity Derivatives Structuring at BNP Paribas.

⁷ <http://www.elysiumtechgroup.com/>

⁸ <https://www.unicreditgroup.eu/en.html>

Zohar Rozenberg, Chief Advisor, Cyber Security

Mr. Rozenberg served as Head of the Cyber Unit of the Israel Defense Forces (ranking Colonel), where he oversaw innovative technological research, development and special cyber-related operations, as well as for cyber-intelligence research, analysis and ongoing threat assessment. In this capacity Mr. Rozenberg was also responsible for forging and maintaining relationships between Israel's military and government agencies in North America and in Europe in the cyber defense arena. In 2008, Mr. Rozenberg received the Israel Defense Award, Israel's most prestigious recognition for technological innovation and contribution to national security.

Jon Matonis, Advisor, Cryptocurrency Market Intelligence

Mr. Matonis is the founding Director of the Bitcoin Foundation. Former Editorial Board Member at Coindesk. He held senior influential posts at VISA International, VeriSign, Sumitomo Bank, and Hushmail. Mr. Matonis is an independent board director to companies in the Bitcoin, the Blockchain, mobile payments, and gaming sectors, and has been a featured guest on CNN, Bloomberg, NPR, Al Jazeera, RT,

Virgin Radio, and numerous podcasts. He advocates worldwide for Bitcoin and its disruptive economic implications to a wide variety of audiences, including members of the Federal Reserve, Bank of England, ECB, SWIFT, IRS, DOJ, retail payment networks, major financial institutions, financial regulatory bodies, mobile money issuers, iGaming operators, information security firms, hedge funds, gold investors, and family offices.

Matthias Lennkh, Chief Investment Officer

Mr. Lennkh has more than 25 years of experience in exotic and fund derivatives, and in systematic trading strategies algorithms designed to benefit from anomalies or statistical bias in capital markets. Mr. Lennkh was the Founding Partner of Clear Alpha Limited⁹, an independent systematic trading research and asset management company based in London. Previously, he was Senior Managing Director, Head of

⁹ <http://www.clear-a.com/?var1=http://www.clear-a.com/Team.html>

Fund Derivatives, Europe & Asia at Bear Stearns International Limited, through its acquisition by J.P. Morgan where he oversaw approximately \$15 billion in hedge fund assets. He also served as Managing Director, Co-head of Global Exotics Trading, Equity Derivatives for Bear Stearns, where he was responsible for the global trading desks in New-York, London, and Tokyo. Prior to that, Mr. Lennkh was Head of Equity Derivatives Structured Products, Trading and Structuring in Europe for Banque Paribas (BNP Paribas) in London and served as Exotics and Structured Products trader on JPY interest rates for Banque Paribas in Tokyo.

Guy Bookay, *Chief Trading Officer*

Mr. Bookay has more than 17 years of experience in algo-trading. He was Chief Trading Officer of Eisenberg Inc., one of the largest proprietary trading shops in Israel, and was directly responsible for more than \$10 billion annual trading volume in stocks, interest rates, FX, derivatives, commodities and futures. Mr. Bookay had primary responsibility for the trading team, risk management, back-office systems and compliance, design and development of algo-trading systems, and exchange connectivity systems.

Ram Shaffir, *Chief Technology Officer*

Mr. Shaffir has over 25 years of experience in software development expertise, building a specialized software company focusing on financial and actuarial systems for large insurance companies. During the past 5 years Mr. Shaffir focused on developing customized algo-trading systems for stocks and futures on standard exchanges, and on cryptocurrency trading systems infrastructure.

Sam Behar C.P.A., *Chief Financial Officer*

Mr. Behar has over 20 years of experience in financial strategy consulting and various CFO positions in software, medical devices and technology companies. He served as VP Finance & Operations for Microsoft Israel; CFO of Babylon Software; Acting CEO of IFP -- a provider of real-time FX data to FX traders; CFO of InspireMD -- NYSE-traded medical device company; acting CEO of YouTradeFX -- an FX and financial derivatives trading company.

Hillik Nissani, Chief Marketing Officer

Mr. Nissani is a seasoned senior executive and advisor with a 25 years track record in growing B2B and B2C companies. He serves as a board and advisory board member in several EU and Israeli high-tech and Blockchain companies (such as STOX). His working experience includes Vice President at 888.com¹⁰, managing the High Liquidity business unit with revenues of approx. \$100M, and Chief Marketing Officer of Easy-Forex. Mr. Nissani also spent 5 years in venture capital and private equity with Poalim Capital Markets, one of largest investment groups in Israel.

Dan Goldman, Vice President, Business Development, Exchange Partnerships

Mr. Goldman is a serial entrepreneur with more than 20 years of startup experience in a wide range of fields. Over the past two decades, Mr. Goldman co-founded companies in diverse fields such as Internet Service Provision (ISP), clean-tech and social games. Since 2013, Mr. Goldman has been active in the Blockchain space, from core technologies, to coin development, and supporting infrastructure deployment.

Alex Baltusch, Chief Advisor, Institutional Risk Management

Mr. Baltusch is the Senior Vice President & Chief Risk Officer at CAL Israel Credit Cards Ltd.¹¹-- a leading credit card corporation serving Visa, Mastercard and Diners, and more than 2.4 million clients -- where he oversees the company's overall risk management, compliance and fraud risk operations. Previously, Mr. Baltusch served as Senior Vice President and Head of Credit Risk Management for Bank Hapoalim, Israel's largest bank with assets exceeding \$115 billion, where he was responsible for credit risk management and analysis, credit portfolio management and Basel II.

Zvi Gabbay J.D., Chief Advisor, Global Financial Regulation

Mr. Gabbay is a partner at leading Israeli law firm Barnea & Co. and has more than 18 years of experience in financial regulation and enforcement. Mr. Gabbay previously worked for Skadden Arps, Slate, Meagher & Flom—described by Forbes as Wall Street's most powerful law firm, specializing in financial and securities

¹⁰ <http://www.888.com/>

¹¹ <https://www.cal-online.co.il/>

regulation. Mr. Gabbay was also member of the Board of the Israeli Securities Authority (ISA) and served as Head of the ISA's enforcement arm.

Daniel Teh Yen Tu, *Chief Advisor, Asian Markets Business Development*

Mr. Teh Yen Tu was the Chief Innovation Officer of Ping An Group — the largest insurance company in the world by market cap, and ranked 41 on the Global Fortune 500 list — where he is Responsible for identifying financial and disruptive technology, and innovation for the group's 28 subsidiary companies. Previously, Mr. Teh Yen Tu was Executive Vice President of Chinatrust Banking Corporation, Taiwan's largest commercial banking group, where he was responsible for technology and innovation research and development.

Elie Galam, *Advisor, Financial Products and Digital Assets*

A mathematician and alternative investments expert, Mr. Galam founded Panorama Partners in 2011, a New York-based hedge fund that uses algorithms to find arbitrage opportunities in financial derivatives. Prior to that, he was a Portfolio Manager for

Two Sigma Investments¹², a \$40 billion quantitative hedge fund. Mr. Galam holds a M.Sc. in Applied Mathematics from Harvard University and a M.Sc. in Engineering from Ecole Centrale Paris. Mr. Galam is a crypto influencer and active investor in the field, as well as advisor to Bancor Protocol™.

Bong jun Ko, *Advisor, Artificial Intelligence & Advanced Algorithms*

Mr. Ko is Master Inventor at the Distributed Cognitive Systems Department at IBM's T.J. Watson Research Center in New York. In his capacity as Technical Area Lead and Project Champion in the DAIS research program (2016-2021) conducted by an international consortium of 15+ industry, academia, and government research institutes, Mr. Ko leads the consortium research efforts to develop theories and algorithms for distributed analytics in dynamic network environments. Additionally,

he is researching Cognitive IoT and edge computing. Mr. Ko was Technical Program Committee Member for IEEE INFOCOM 2009–2017, CNSM 2012, ICUFN 2011, ICST BROADNET 2010, ICST QShine 2009, MASS 2008, and serves as Patent Disclosure Reviewer in IBM’s distributed cognitive systems technical area since 2016. Mr. Ko was granted the IBM Outstanding Technical Achievement Award in 2014 and the IBM Invention Achievement Award in 2017. Mr. Ko received his B.Sc. and M.Sc. in Control and Instrumentation Engineering from the Seoul National University, Seoul, Korea; he holds a Ph.D. in Electrical Engineering from Columbia University, New York.

Sangwoo Lee, Advisor, Korean Market Business Opportunities

Mr. Lee is a Executive Director of the Investment Department & Head of U.S. Branch at Korea Investment Partners Co. Ltd., the largest Venture Capital fund in Korea. He is responsible for sourcing & evaluation of start-up companies, investment and participation in business development and growth expansion of the fund’s investments in the U.S. and Europe. Previously, Mr. Lee was General Manager of the MSC Department at Samsung Electronics, responsible for strategic and business planning; and Vice president, CTO & Foreign Marketing Group Leader at Polidigm Co. Ltd.

¹² <https://www.twosigma.com/>

Unique Services & Products

CRYPTALGO will provide four main services to individual and institutional clients, subject to obtaining regulatory certifications and designations in various jurisdictions: (a) cryptocurrency asset management (b) cryptocurrency brokerage services, (c) crypto advisory services, advanced and (d) cryptocurrency financial products and instruments -- all of which to be delivered on proprietary super-fast connections to cryptocurrency exchanges and a unique total-market view of the global cryptocurrency order book, refreshed at unprecedented speed.

Cryptocurrency Asset Management

CRYPTALGO will license its technology to asset management organizations around the globe who have proper asset management designations and certifications in their respective jurisdictions – offering investment products based on the Algotrader product (see below).

Cryptocurrency Brokerage Services

CRYPTALGO will provide institutional and qualified users with sophisticated brokerage services, including:

1. access to an unprecedented aggregated crypto-market order book containing actionable information and refreshed at intervals of milliseconds
2. open-market and dark-pool liquidity
3. optimized price and speed of execution
4. advanced trading tools, including VWAP and volatility-based complex trades

Individual users will have access to all CRYPTALGO institutional brokerage services, other than dark-pool trading. However, most individual users will likely benefit most from the actionable information, open-market liquidity, optimized price and execution speed, rather than the advanced trading tools, which are typically more advantageous for very large-order traders.

Cryptocurrency Advisory Services

CRYPTALGO will provide institutional and qualified users with advisory services on best practices for Digital investments and trading; Selecting, monitoring and connecting to digital currency exchanges for efficient digital trade execution; Cyber-security and Digital currency solutions.

Cryptocurrency Financial Products & Instruments

CRYPTALGO will offer institutional users, as well as individuals who own at least a single ALGO token, a suite of financial products and instruments, catering to their needs. These products and instruments will form the intelligent layer built on top of CRYPTALGO's core trading backbone (COPEX). The first product offered to institutional clients and ALGO token holders, is the ALGOTRADER.

The ALGOTRADER

The ALGOTRADER product is a standalone investment vehicle, designated to both individual ALGO token holders as well as institutional users. It identifies crypto-trading market inefficiencies and captures arbitrage opportunities and similar trades with inherently low risk. Its competitive advantages are threefold:

1. algorithmic sophistication;
2. aggregated, pooled funds of all users, which provide economies of scale; and
3. hyper-fast, efficient and real-time view of the global crypto market based on lowest latency server and network topology connecting to multiple exchanges on a global scale, specialized web sockets and customized exchange APIs. These provide an unprecedented inside view of the combined cryptocurrency market order book at a refresh-rate frequency of milliseconds, allowing for execution of low-risk/high-profit trades through CRYPTALGO's proprietary trading systems.

ALGOTRADER: A Centralized Application with a Decentralized Asset

Algorithmic trading is a highly complex science that requires careful, expert development, and even more careful deployment, monitoring, maintenance and adaptation to rapidly changing market conditions.

In order to gain the highest profit margins and maintain a strong market advantage, trading algorithms must remain proprietary. If a trading algorithm is public and used by many different market participants, the efficiency (and therefore profitability) of that trading strategy is severely limited. This partly explains why platforms providing a “bot/strategy market” in which people develop a strategy and give other users individual access to it, are not very practical in the long run. Additionally, a decentralized design simply cannot provide all users with an algo-trading advantage, both for security as well as financial complexity reasons.

CRYPTALGO’s ALGOTRADER itself is a centralized operation. It is better-by design for the task. While decentralization typically has significant value, it is not always the right choice for a specific purpose.

ALGOTRADER will utilize proprietary trading algorithms based on strategies designed by the company’s expert team to take advantage and make use of the large pool of crypto-capital and liquidity from all its users, effectively turning them into one pool that uses the advantages of CRYPTALGO’s infrastructure to generate algo-trading arbitrage profits for all participants.

Additional Financial Product Pipeline

- **CRYPSTAT: *Statistical arbitrage***
Statistical arbitrage is a computationally-intensive approach to algorithmic trading of financial market assets. It involves the simultaneous buying and selling of assets according to predefined or adaptive statistical models.

- **CRYPREDICT: Predictive trading algorithms**

Predictive trading algorithms are supervised learning models with associated learning algorithms that analyze data and recognize patterns, used for classification and regression analysis.

Financial Instruments

CRYPTALGO, subject to obtaining relevant regulatory approval, and any other relevant conditions, intends to offer its clients a suite of financial instruments, for which CRYPTALGO will also serve as a market-maker and trader for clients with CRYPTALGO's CRYPTEX and ICCMS liquidity pools (see High-Level Architecture) as well as other exchanges, when trading of such instruments becomes available in accordance with local regulation and laws:

- cryptocurrency derivatives (options, forwards, swaps, futures);
- exchange-traded funds (ETFs);
- tracking funds; and
- margin accounts.

High-Level Architecture

CRYPTALGO's system is built of several layers and components, detailed below, that will allow users to receive the best prices and fastest execution, which we believe will position CRYPTALGO as one of the most reliable and sophisticated cryptocurrency brokers. The same infrastructure will be utilized by CRYPTALGO financial products for optimized execution of various trading strategies.

Layer 1: Client Interaction, including components for interface and security.

Layer 2: Trading Engine, including components for order rules and management, trading execution, exchange connectivity, real-time aggregated order book, compliance, back-office and account management.

Layer 3: Liquidity Pools.

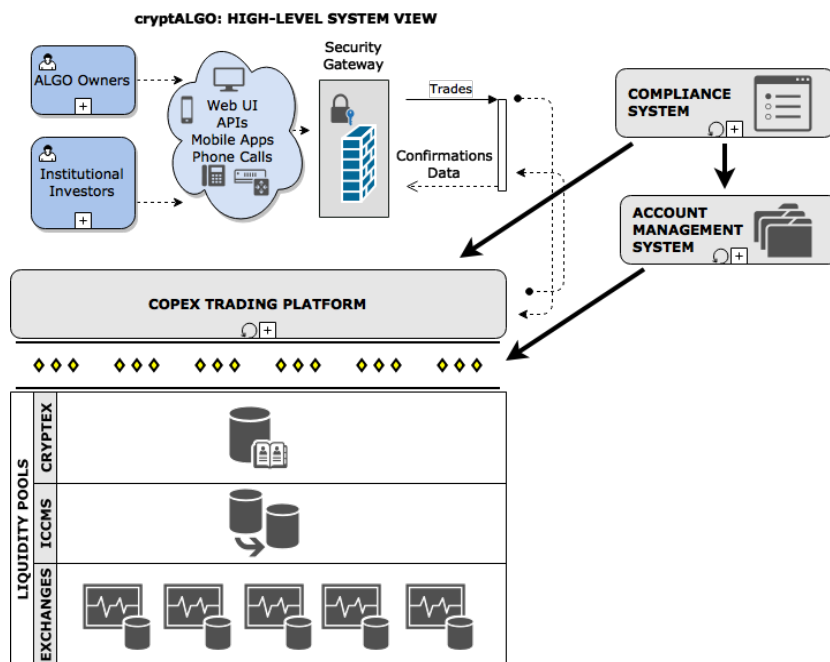
Order Execution & Liquidity

There are three main sources of liquidity and trade routing components within the system. These are:

1. **ICCMS** (Institutional Cryptocurrencies Cross Matching System) is a fundamental liquidity component of the system. It will enable certain client orders to get dark-pool liquidity without information leakage. This means that orders and order books within ICCMS will be hidden from all other market participants. Dark pools enable would-be buyers and sellers of large orders to avoid revealing pre-trade information and signaling their intentions to the rest of the market, and is often a feature required by institutional users;
2. **CRYPTEX** is an exchange-like open order book of CRYPTALGO and is the foundational liquidity component of the system. It will route all public trade orders that have not been designated for execution solely into the ICCMS dark pool by CRYPTALGO's clients; and
3. **External cryptocurrency exchanges**, each connected to CRYPTALGO via customized low latency connectivity and specific sets of transactional protocols.

Cryptocurrency Optimization of Pricing & Execution (COPEX) System

COPEX is the foundational layer of CRYPTALGO's capabilities and offers liquidity-based execution by simultaneously accessing multiple sources of liquidity, including CRYPTEX, ICCMS and various exchanges. COPEX intelligently works an order in the market at the selected urgency level. If the COPEX algorithm detects the presence of dark liquidity within the ICCMS, it will dynamically adapt to this opportunity while taking into account the trader's overall execution goal. The trader has a variety of parameters by which to control the algorithm's behavior: Urgency, Completion Price, Volume Limit, Price Limit, Start Time, and End Time. Sophisticated trade execution will be supported, including limit-based Sweep, ICEberg, Hidden (must match price and/or volume), VWAP, Volatility dependent, "If- Then", Pegged, and more.



Account Management System

Institutional clients will have the benefit of trading through a convenient hierarchy of accounts: Master Account, Manager Account, and Client Account. These clients will gain access to a unique multi-layered account management system that will enable them to monitor and manage the accounts and associated routing buying power. This enhances their ability to execute trades in manager accounts and split execution to their own clients' accounts accordingly.

CRYPTALGO will also provide the unique advantage of the ability to open one primary account per client with a desired amount of buying power. Clients will be able to apply their buying power to all sub accounts in any desired cryptocurrency without having to open multiple accounts with multiple exchanges. This is a strong example of a typical institutional investor requirement that is not commonly found in the crypto-trading world today.

Compliance & Back-Office System

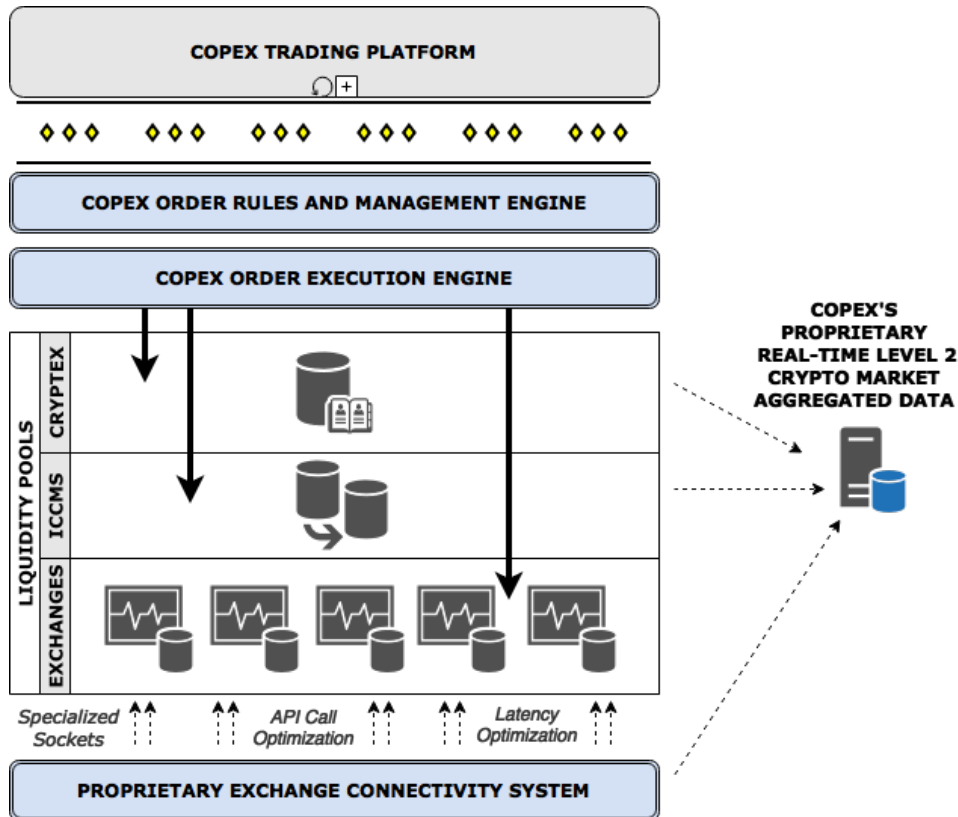
The compliance component handles storage of legal documentation, opening of new accounts including KYC, trading limits per account, required authorizations for certain order executions, as well as taxation documentation. The back-office

component handles clearing of fiat currencies and cryptocurrencies through various channels, bank accounts, trust accounts and secured crypto-wallets, transactions and execution controls, management of fees and refunds, and ALGO token fee discount redemption. The system will handle settlement as well as trade repository.

Cryptocurrency Exchange Sampling and Routing

Cryptocurrency exchanges are not interconnected by physical networks, nor do they offer colocation services. Each exchange has different trading volumes and coin listings. Some exchanges offer only exchange trading and some only pair trading, along with other various constraints and limitations.

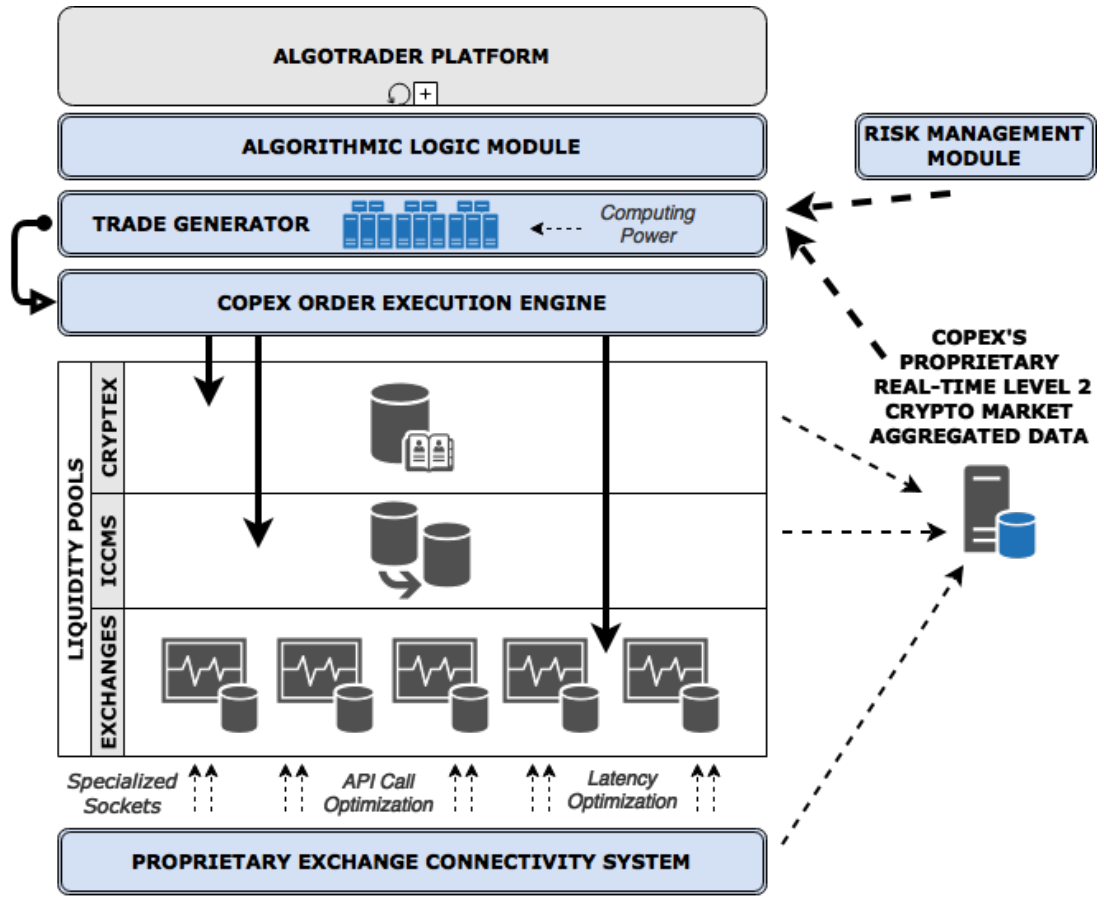
COPEX will be connected optimally to the exchanges under the most efficient access protocol suitable for each specific exchange. If trade execution cannot be resolved optimally within the CRYPTEX or ICCMS liquidity pools, COPEX will execute the orders on the selected number of exchanges that are suitable for the trade. COPEX will have the lowest latency possible as well as optimized API interfaces with the exchanges, allowing it to obtain a real-time combined market order book for best execution.



The ALGOTRADER Platform

The ALGOTRADER product contains several layers that enable 24/7 seeking, locating and executing arbitrage opportunities that exist for milliseconds. The two main components of ALGOTRADER are:

1. **The Algorithmic Logic Module:** the “brain” of the product, encompassing the sets of arbitrage rules and algorithms that review the proprietary COPEX real-time aggregated crypto market data, identifying opportunities and transferring trade construction responsibility to the Trade Generator component; and
2. **The Trade Generator:** translates each specific arbitrage opportunity identified by the Algorithmic Logic Module into an actionable set of trading orders, to be executed by the COPEX layer.

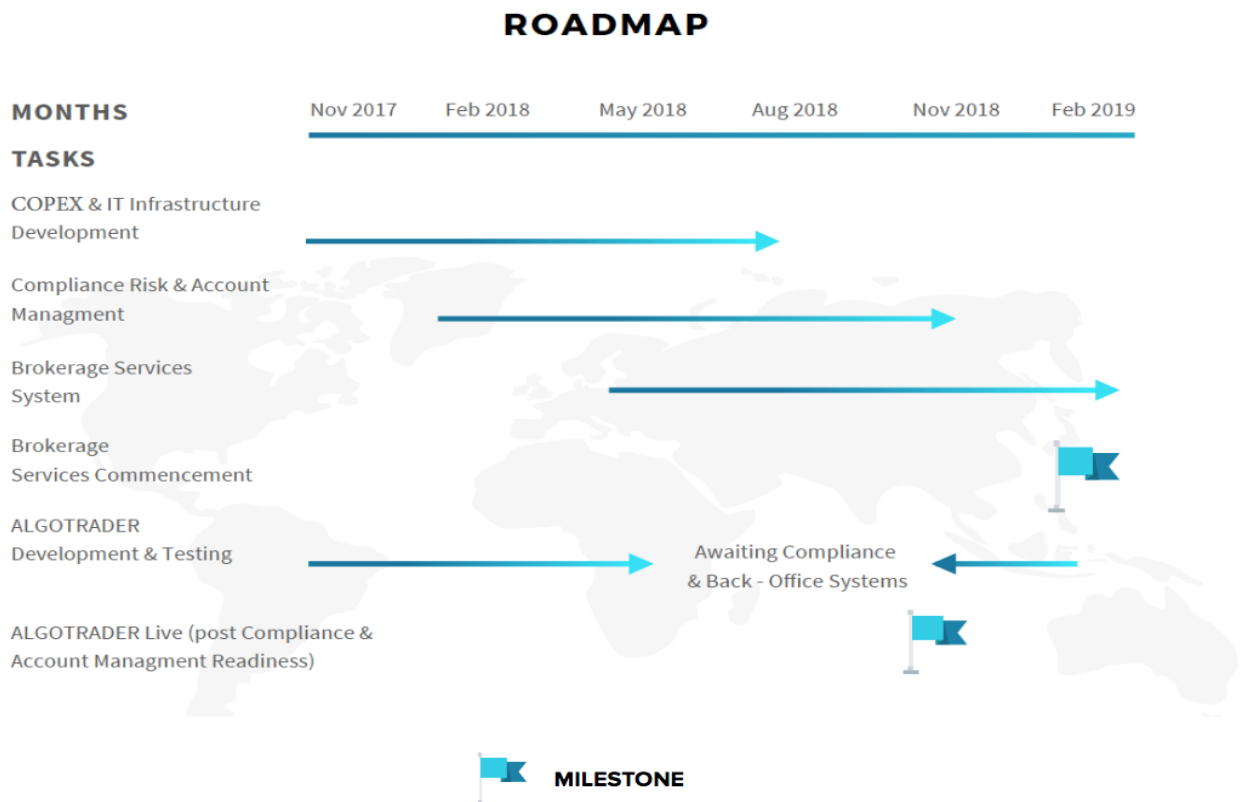


Development Roadmap

CRYPTALGO has completed Phase I of the development of COPEX. Phase I included:

1. establishing connectivity through public API calls with the top 15 cryptocurrency exchanges;
2. identifying the preferred protocol and location for each exchange interaction for optimization of latency with each exchange;
3. passing of market data in real-time into a consolidated order book regardless of the specific API used for each exchange, enabling a comprehensive data source for trading anomalies; and
4. enabling the execution of standard buy/sell and pair trading orders

Continued Development Activities



COPEX & IT Infrastructure – 9 months from November 2017

- Deploy complete hardware infrastructure
- Complete setup of co-location connections between CRYPTALGO's servers and each cryptocurrency exchange
- Develop CRYPTEX component logic and ICCMS component logic
- Introduce secure account management, compliance system & back-office system
- Complete COPEX development, overlaying CRYPTEX, ICCMS, and all external exchange systems
- Implement recording system: record all live data of incoming and outgoing streams

Compliance, Risk & Account Management Systems – 10 months from January 2018

- Development of institutional/individual support systems

Brokerage Services – 9 months from May 2018

- Development of institutional/individual brokerage system

ALGOTRADER Trading Strategies Testing – 6 months from November 2017

- Set up testing and ultra-realistic simulation platform
- Complete data mining and research efforts to identify patterns with predictive values across ALL available assets within and between the connected exchanges

Commence ALGOTRADER Operations – 9 months from May 2017

- Small scale testing
- Optimization of systems and strategies following trading feedback
- Trading system automation 24/7

Token Model

The ALGO token, upon its issuance, will serve as a utility token which is an integral part of the CRYPTALGO trading ecosystem, serving two major functions: a) proof of membership and access to trading tools, services and financial products, and b) payment of fees within the ecosystem.

The ALGO tokens will be accepted as a form of fee payment by the CRYPTALGO platform based on their market value at time of payment. We intend to establish ALGO as the preferred method of payment within the CRYPTALGO trading ecosystem, over all other cryptocurrencies or even fiat money. To achieve that goal, ALGO tokens will enjoy an added substantial discount rate on top of their market value, as a fee payment method.

As the ecosystem fills with more trading participants, both individuals and later on institutional users with sizable fees, we anticipate that ALGO tokens will be sought in order to pay fees and capture their inherent discount value, thus providing constant demand and liquidity for the ALGO token, especially in an environment of increasing trading and investment volumes.

The CRYPTALGO Ecosystem Token Economics Design

There are 3 distinct phases that will combine to establish the CRYPTALGO ecosystem, within which the ALGO token will be used as proof of membership and an access mechanism to premium trading tools, financial services and investment products, as well as utilized for fee payments:

1. **Individual Members Only Phase:** Individual users and crypto-traders will hold ALGO tokens as proof of membership and access to CRYPTALGO's high-end trading tools, financial services, and to ALGOTRADER, our premiere investment product. They will be able to use the ALGO tokens to pay any kind of fee within the ecosystem, with substantial discounts over other means of payment.

2. **Institutional Users Phase:** Once institutional users begin using the CRYPTALGO platform and financial products, they too will be able to pay their significantly larger fees with ALGO tokens and will be strongly incentivized to do so to gain the discounts provided by the ALGO tokens.

3. **3rd Party Financial Services Phase:** As a platform that will be designed to give financial institutions the best possible access, pricing and speed of execution to the global crypto-trading market, CRYPTALGO will position itself to enable 3rd party financial institutions to create new, innovative financial products that they could then market within this ecosystem, using the ALGO token for payment of fees, exclusive access, and as means for customer acquisition through new network effect mechanisms.

Many companies keep large reserves of their tokens in order to “facilitate” the market at later stages and generate additional tokens over time. CRYPTALGO takes a different approach: generate a relatively small, finite quantity of tokens, about half of which will be sold in the ICO as the seeding of the economy. Our model thereafter strives to preserve the benefits and proliferation of the tokens held by the ICO participants as the CRYPTALGO ecosystem builds and expands.

THE ALGO TOKEN

ACCESSING ALGOTRADER INVESTMENT PRODUCT

A minimum of 1 ALGO token will be required to LOCK within an ALGOTRADER Contract in order to access and use the ALGOTRADER investment product.

Each ALGO token is limited to the amount it allows its owner to use the ALGOTRADER product. Initially, this limit will be set to 5x the token’s TGE base purchase price.

ALGO TOKEN – ACCESSING THE TRADING PLATFORM

A minimum balance of 1 ALGO token will be required initially to access the advanced trading platform, which will provide a Total Market View and best execution of trades, as well as trading tools such as margin accounts, options and others.

The minimum requirement may change periodically in order to maintain a reasonable entry cost to the system as token value may increase over time.

ALGO TOKEN – FEE PAYMENTS & DISCOUNTS SCHEDULE

We intend to establish a robust microeconomy within the CRYPTALGO trading ecosystem, so that it can later expand with 3rd party services from financial institutions that will use the platform as their source for global crypto-market access. To achieve that, we are establishing the ALGO token as the preferred means of payment within the CRYPTALGO ecosystem, always accepted at its market price; in addition, we are adding a fee discount schedule which is granted exclusively on top of the market price of the ALGO token- and not to any other means of payment.

The fee discount schedule is intended to help our microeconomy grow strong and expand initially and stabilize for the long tail.

The fee discount schedule is as follows:

YEAR	DISCOUNT RATE
1	30%
2	25%
3	20%
4 and onwards	15%

ALGO Token Access and Use Mechanics - Elaborated

The ALGO access token (Ethereum ERC20) serves as perpetual proof of membership and grants individual access and usage rights to the CRYPTALGO trading platform and the ALGOTRADER product.

How ALGO Access Tokens Are Used

ALGO access tokens are used as the access and “at will” usage mechanism of the CRYPTALGO trading system and its financial products, via their Ethereum Smart Contract (the “ALGOTRADER Access Contract”).

In order to access and use a CRYPTALGO product or system, the ALGO access token owner uses their ALGO Wallet to define various parameters and activate an ALGO Access Contract, which in turn allows them to deposit funds for the intended use.

The ALGO access token provides access to:

- the CRYPTALGO trading platform and its various trading tools; and
- the ALGOTRADER as a standalone investment product

To access and use the CRYPTALGO trading platform, users must have a minimum of 1 ALGO access token, either available in their ALGO Wallet, or already locked in a smart contract for other purposes. As part of the access process, the ALGO access token is locked in a smart contract, after which users can access the trading functionalities offered by the platform, and deposit unlimited funds via the ALGO Contract for use within the platform.

To access and use the standalone ALGOTRADER investment product, the user must have a minimum amount of ALGO tokens, either available in their ALGO Wallet, or already locked in a smart contract for other purposes.

Initiating an ALGOTRADER Access Contract also locks the ALGO access token for a selected period of time (the “ALGOTRADER Contract Duration”); once the user funds

the contract, the system adds the funds to the pooled ALGOTRADER (the “ALGOTRADER Contract Funds”).

The amount of funds per ALGO token that can be deposited into the standalone ALGOTRADER investment product is limited, as described in the ALGOTRADER Funding Limits section below.

Upon the expiration of an ALGOTRADER contract, the locked ALGO access tokens are released in full back to their owner and the ALGOTRADER contract funds are returned, including any net profits.

The ALGO access token is NEVER consumed by any contract and allows further, perpetual use of the CRYPTALGO trading system and its financial products at will. The owner may, however, use the ALGO token to pay the ALGOTRADER fees and receive the fee discounts, instead of paying these directly from profits without a discount.

ALGOTRADER Funding Limits

Each ALGO access token has a funding limit which restricts the maximum amount of capital its owner may deposit and use in the standalone ALGOTRADER product; this serves to govern the amount of capital in the collective ALGOTRADER pool and maintains investment proportionality between all ALGO access token owners in relation to the market. In other words: the ALGO access token allows its holder to deposit trading funds into the ALGOTRADER product up to a certain limit (the “ALGOTRADER Funding Limit”).

The ALGOTRADER Funding Limit will be set to 5X its initial crowd-sale BTC purchase price per token - or equivalent in other cryptocurrencies. This means that, for example, a user who purchased 0.2 BTC worth of tokens will be able to deposit up to 1 BTC into the ALGOTRADER product, which pools all the users’ funds together and trades as one large pool. This limit is always relative to the number of tokens locked into the ALGOTRADER Access Contract;

ALGOTRADER Funding Limit Expansion

In order to achieve our goal of establishing ALGOTRADER as the largest, most efficient and profitable automated trading machine in the global crypto market, the capital managed by the system must be allowed to grow from time to time, without flooding the market and reducing the system's efficiency and returns.

Based on a combination of market indicators, such as overall token utilization within the ALGOTRADER product, global market trading volumes and market values, CRYPTALGO may on occasion, irreversibly increase the ALGO access tokens' ALGOTRADER funding limit. This will allow all ALGO access token holders to increase their personal use of the ALGOTRADER, or to sell excess ALGOTRADER funding limits (token fractions) they do not need.

Legal Classification

The ALGO access token is a utility token that derives its entire value from the services provided by the CRYPTALGO platform in exchange for holding, using or redeeming the tokens, as detailed above. They are not intended for speculation and hold no claim to intellectual or other property or to cash flows. They grant no right to participation in the company, and no claim in decision-making pertaining to company assets, strategy or policy. There is no promise of value or claim on revenue associated with ALGO tokens other than that derived from platform usage.

ALGO – Token Economics

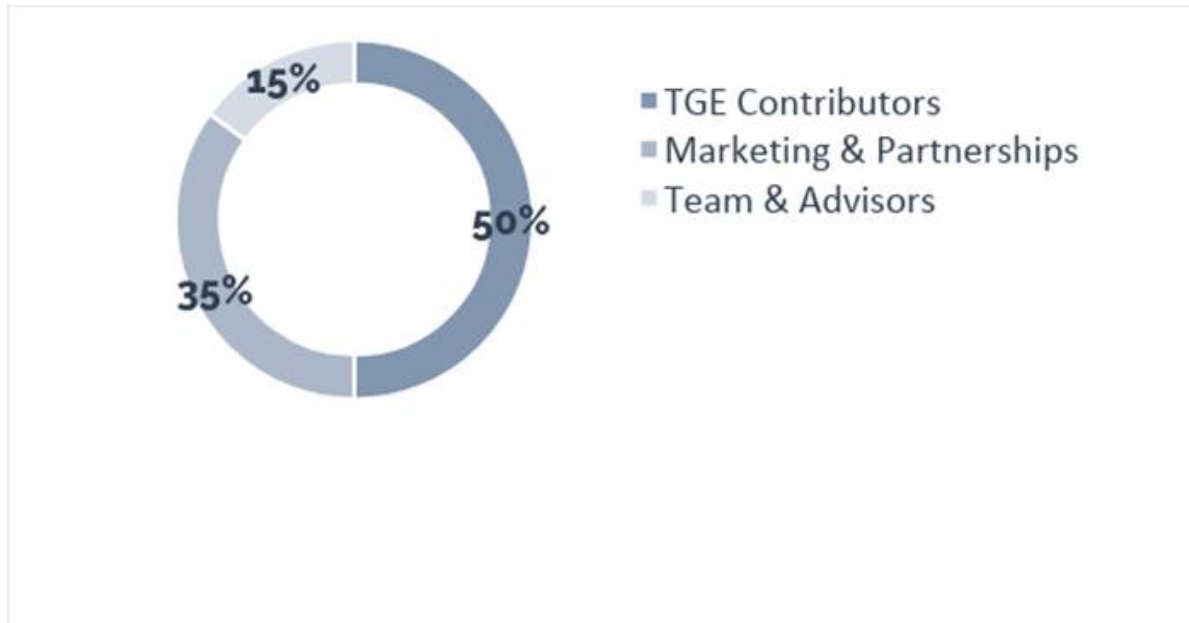
There will be a finite quantity of ALGO tokens. No further ALGO tokens will ever be created (no inflation). The maximum total token supply (hard-cap) is 350 million tokens. Any tokens not allocated during the token sale, will be burned (or otherwise not created). The token sale is limited by a hard cap of \$38 million USD and the base token price for the TGE is \$0.33 USD

ALGO – Token Sale Allocation

50% of ALGOs will be sold in the TGE.

15% for the team and advisors.

35% for Community, Bounties, Marketing, Business Development, Partnerships with crypto exchanges, partnerships with financial institutions etc.



ALGOTRADER Profit Split Schedule

ALGOTRADER smart contracts DO NOT charge any fixed fees. Fees are charged only if the ALGOTRADER generated profits for the duration of the smart contract. In these cases, profits are split, as per the schedule below, between CRYPTALGO and the ALGO access token holder who invested cryptocurrencies into the ALGOTRADER product and owns the ALGOTRADER smart contract (the “ALGO Contract Owner”).

To clarify - ownership of ALGO tokens is not an investment in the ALGOTRADER. Owning the token provides access to the ALGOTRADER product (type of “membership”) and the user must choose if and how much cryptocurrency to use with the ALGOTRADER product, as one of the products and services offered by CRYPTALGO to its user-base of ALGO Token owners.

The profit split begins at 80/20 as follows: 80% of profits are automatically delivered to the user via their ALGOTRADER smart contract, and 20% of profits are paid to CRYPTALGO. This profit split is progressive: the better the ALGOTRADER will perform, the higher the total return earned by the owner, and the higher percentage of profits earned by CRYPTALGO. This creates a win-win situation for the platform and its users.

To demonstrate how this mechanism works, let’s take a hypothetical ALGOTRADER smart contract funded with 1 BTC for a duration of 12 months, during which ALGOTRADER generates a 100% return. The first 50% of the return (0.5 BTC) is split 80/20 (0.4 BTC to the ALGO Contract Owner, 0.1 BTC to CRYPTALGO). The next 50% of the return (0.5 BTC) is split at 72.5/27.5 (0.362 BTC to the ALGO Contract owner, and 0.137 BTC to CRYPTALGO). Therefore, the total BTC profit distributed to the ALGO Contract Owner will be 0.762 BTC, or a total return of 76.2% on the 1 BTC. This actually represents approximately 380% of the original ALGO token purchase price for the 12-month duration.

ALGO tokens can be used to pay the fees; doing so grants a substantial discount on such fees, thus reducing CRYPTALGO’s share and substantially increasing the user share even further.

The table below details the ALGOTRADER progressive profit split brackets:

ALGOTRADER Annual Return	CRYPTALGO Profit Share	ALGO Owner Profit Share (%) of ALGOTRADER Annual Return	ALGO Contract Owner Cumulative Net Return (%)	Example: Annual Profits on 5 BTC Invested In ALGOTRADER
up to	for the bracket	for the bracket	up to	up to
50%	20%	80%	40%	2.00 BTC
80%	25%	75%	63%	3.13 BTC
120%	30%	70%	91%	4.53 BTC
160%	35%	65%	117%	5.83 BTC
250%	45%	55%	166%	8.30 BTC
250+%	50%	50%	>166%	>8.30 BTC

Note: The table does not reflect the application of ALGO Fee Discount, which can be applied up to a maximum 30% discount. This would effectively reduce the lowest fee bracket to ~14%, the highest fee bracket from 50% to 35%, and the median fee to ~23%.

Use of Funds

CRYPTALGO requires funding for several distinct uses:

- continued COPEX development and launch;
- continued ALGOTRADER development and launch;
- ALGOTRADER capital seeding;
- operational expenses (development phase + ongoing);
- legal and regulatory expenses, obtaining broker/dealer licenses and other designations in required jurisdictions;
- exchange partnerships;
- marketing to institutional users; and
- strategic acquisitions.

Continued Development

Development of the initial platform release is the beginning of the CRYPTALGO journey. We expect to be able to iterate on the artificial intelligence algorithms and enhance them as market data accumulates, and further increase the platform's trading efficiency over time. This will require ongoing resources and a detailed development roadmap.

Operational Expenses

As development progress and usage grows, we expect operational expenses to increase. The expansion of exchange partnerships, which in turn enable infrastructure expansion, shall also contribute to this increase.

ALGOTRADER Capital Seeding

The more seed capital we are able to put to work in the CRYPTALGO trading pool, the higher the expected return for our users. due to economies of scale. These funds will allow the system to trade efficiently from day one, fill unexpected trade-funding gaps, and serve as required floating capital.

Legal and Regulatory Expenses

Legal and regulatory expenses are budgeted for obtaining broker/dealer designations in all relevant jurisdictions. CRYPTALGO will seek to operate within regulatory guidelines and acquire required licenses essential to every aspect of its operations and offerings to institutional users as well as individuals, in multiple jurisdictions and territories on a global scale.

Exchange Partnerships

Exchange partnerships are an important element in positioning CRYPTALGO as a global leader in algorithmic crypto-trading. CRYPTALGO will utilize available funds to facilitate such partnerships and joint ventures in order to improve trading profitability.

Marketing

Marketing efforts will be funded in order to onboard institutional users to the CRYPTALGO platform. Additionally, the company may engage in marketing campaigns during ALGOTRADER Funding Limit Expansion times in order to support our token holders potentially selling their excess limits. The company will ensure that all the marketing campaigns are compliant with local regulatory authorities of each jurisdiction the Company will operate in. Such campaigns will use a wide array of known and authorized marketing channels, including Telegram, Twitter, Medium, Bitcointalk, reddit, steamit, etc.

Acquisitions

The company will utilize part of the funds to increase COPEX efficiency by acquisition of companies that can provide additional strategic value such as exchanges and algorithmic technologies. CRYPTALGO's executive team is well-positioned to identify, negotiate and execute such deals.

Competitive Analysis

Feature	CRYPTALGO	Rialto	Omega 1	Enigma (Catalyst)	Bots (Gunbot, Crypto Trader)
Cryptocurrency brokerage services	+	-	+	-	-
Meeting institutional user requirements	+	-	+	-	-
Algo-trading product, funded with > \$10mm to capture arbitrage on multiple exchanges	+	-	-	-	-
Dark-pool liquidity	+	-	+	-	-
Combined global cryptocurrency order book, milliseconds refresh rate	+	-	-	-	-
Leadership/management team with a track record of creating billions in wealth for institutional users	+	-	+	-	-
Token holder ability to gain significant returns from investing into an algo-trading product	+	+	-	-	-

As CRYPTALGO will provide its community of users with multiple value channels, our competitive landscape analysis compares CRYPTALGO with several different types of offerings.

Algorithmic Trading: The ALGOTRADER

There are several companies offering algo-trading tools for cryptocurrencies. However, CRYPTALGO's model offers vastly superior economic opportunities for CRYPTALGO token holders.

To clarify the differences that make CRYPTALGO stand apart from other companies, we return to the fundamentals for which we created CRYPTALGO:

1. without super-fast connectivity to the various cryptocurrency exchanges, years of algo-trading experience, specialized hardware, and a minimum \$10 million of capital, individual investors have little chance of making near risk-free returns on their trading capital;
2. by aggregating individual users' capital, CRYPTALGO's ALGOTRADER collaborative pool could offer these users returns that are typically available only to the ultra-rich;
3. CRYPTALGO will allow individual user to utilize an allocation capacity of up to 5x their initial token purchase price; and
4. by adapting the platform's pooled funds to market conditions through occasionally increasing the token's initial ALGOTRADER Funding Limit based on market indicators, CRYPTALGO can maintain a considerable competitive advantage and growth opportunity for its users over time.

The majority of companies focusing on trading or algo-trading in cryptocurrencies offer software robots or data tools that individual investors can utilize on their own. While these are indeed nice to have and represent a significant step forward for individual investors who do not currently have such tools at their disposal, they do not alter the fundamentals of industrial-strength near risk-free trading outlined above, and which are still beyond the reach of individuals. Among these companies are GunBot, CryptoTrader and Enigma, to name a few.

Another company, Rialto, has assembled a strong team for the purpose of developing an algo-trading pool. They have issued \$10 million worth of tokens in their Token

Sale and will utilize this amount to develop their system, as well as use the remainder to seek near risk-free trading opportunities.

CRYPTALGO represents the next evolution of this model, separating the Token Sale funds from investment funds to enable its token holders to dynamically utilize significantly higher investment capital. CRYPTALGO's token holders have the option- but not the obligation- to allocate as much as 5x their original token purchase size in the pool and withdraw their allocation (and accumulated returns) at any time, entering and exiting the ALGOTRADER as they please.

The ALGOTRADER pool size starts at up to 5x the proceeds of the ALGO Token Sale, so even at the minimum raised amount of \$12 million, the pool size can reach as high as \$60 million. If the CRYPTALGO Token Sale generates \$50 million, the ALGOTRADER pool size could reach \$250 million. Since trading in parallel with 50 exchanges requires lines of credit and dedicated per-exchange working capital (with \$1 million locked in each exchange), \$50 million would be required just as working capital for the ALGOTRADER. With such diversification, CRYPTALGO's ALGOTRADER will be better positioned to tap opportunities as they appear across the cryptocurrency global market and is expected to generate superior returns compared to any other algo-trading competitor with \$10 million in capital or less, such as Rialto.

CRYPTALGO Token Sale participants will be able to inherently receive significantly higher returns on their token costs than they would with Rialto¹³, even when assuming both systems generate the same returns on capital. Under Rialto's model, 75% of Token Sale funds are used for trading, and these funds represent 75% of the total tokens issued (Rialto keeps 25% of the tokens). Therefore, only 56% of Rialto's Token Sale funds are used for trading to generate returns. In contrast, the individual CRYPTALGO ALGO access token holder can allocate up to 500% of their token cost for trading, at the current capacity and before potential expansions. Potentially, this could offer CRYPTALGO's ALGOTRADER users a return that is 9 times higher than that of Rialto, even if both algorithmic trading systems perform identically.

¹³ <https://rialto.ai/trade-dashboard/>

As an example, a 6 BTC investment in Rialto tokens will effectively mean 3.4 BTC (56% as explained above) generating profit. Taking the same 6 BTC and strategically using them to buy only 1 BTC worth of ALGO tokens, will leave 5 BTC available for trading using CRYPTALGO's ALGOTRADER (returned to the user at a profitable contract end). This means 49% more funds generating profit, but at only 17% of the cost in the Token Sale!

The table below demonstrates clearly the marked differences between the models of CRYPTALGO and Rialto in a simple scenario where both systems generated an 80% algo-trading yield in a single year, and the token buyer had 5 BTC to use in each system.

	Total Tokens purchase cost	Yearly Algo-trading Investment Yield	Actual Funds Generating Returns	Profit	Return on Token Purchase Price
Rialto	6.00 BTC	80%	3.36 BTC	2.69 BTC	44.8%
CRYPTALGO	1.00 BTC	80%	5.00 BTC	3.39 BTC	338.8%

Note: Listed profits are after all fees, including a 30% ALGO Token fee discount

Trading Platforms

Numerous trading platforms are available in the crypto market; some are old and familiar, others very new and more blockchain-oriented, such as decentralized exchanges.

However, none are specifically designed to serve the demanding needs of institutional investors, who expect a superior level of service, technology, security, and most importantly, sophistication of trading tools and financial products.

CRYPTALGO functions as a type of global super-exchange. It is connected to most other exchanges in the world and has a total view of the entire global crypto market,

in real time. As noted, advantages of this kind have typically been available only to institutional investors.

Some projects plan to create their own systems for providing clients with high standards of liquidity and transparency, such as OmegaOne. CRYPTALGO's specialized trading layers will maintain a significant competitive advantage through total-market view and execution speed.

Regulatory Compliance

As a business that will have to withstand the most rigorous compliance standards required by institutional investors, CRYPTALGO has been working closely with legal counsel specializing in financial regulation, as well as with other specialized regulatory advisors, ensuring that there is a solid regulatory and compliance program in place. We look forward to working together with regulators in various jurisdictions around the globe as cryptocurrency financial regulation is developed and defined.

All of CRYPTALGO's product and service offerings will strictly be offered only under proper licensing and regulatory requirements where needed. CRYPTALGO will not provide any services or products in any jurisdiction or territory prior to obtaining all required licenses or without first being compliant with regulatory requirements of such jurisdictions or territories. Usage of CRYPTALGO's products and services by individuals from jurisdictions or territories that require specific qualifications will be offered only to qualifying individuals, regardless if they own ALGO tokens.

Risk Factors and Legal Terms

You should carefully consider the risks described below, as well as the other information included in this whitepaper, before deciding to use CRYPTALGO's products and/or services and/or purchase ALGO tokens. The risks and uncertainties described below are not the only risks associated with CRYPTALGO's products and services and participating in CRYPTALGO's Token Sale may entail additional risks and

uncertainties that are not known to us at this time, or currently deemed immaterial. The risks described below, and any such additional risks, could potentially have an adverse impact on CRYPTALGO's business or condition. In such an event, you may lose all or part of your contribution in connection with your participation in the activity described in this whitepaper.

You should be aware that purchasing and using cryptographic access tokens such as ALGO involve significant risks. Some of these are described below:

Currently, very few jurisdictions have regulatory regimes that directly and exclusively address digital currencies; to-date, most regulatory requirements are related to standard anti-money laundering and tax regulations. Because of the international trading potential of digital currencies, and their inherent anonymity, we expect regulators throughout the world to adopt and implement regulations that apply specifically to digital currencies, and we intend to fully comply with the changing regulatory environment.

Future legislation that may be drafted and introduced could impact the cryptocurrency industry and significantly change the statutory provisions governing the clearance or approval and marketing of our services and products, including the ALGO access token. In addition, regulations and guidelines may often be revised or reinterpreted by the regulatory authorities in ways that may significantly affect our business and our products. It is impossible to predict whether legislative or interpretive changes will occur or be enacted, and what impact such changes may have, if any.

You should be aware that your ALGO access token purchase, or any cryptocurrency investment into CRYPTALGO after the launch of the commercial system, may generate returns and entail tax implications, such as value added tax or capital gains tax. You must consider any tax liabilities applicable in your country when using cryptocurrencies.

In theory, the price of cryptocurrencies might deteriorate, and the interest in them could wane. The overall effects of world economies could become so severe as to affect the value of digital currencies, even with safeguards in place, extreme factors could have an impact. In such a scenario, the volume of the overall trading and services business of CRYPTALGO might be significantly diminished.

Purchases of ALGO access tokens should be undertaken only by persons with significant experience and understanding of the usage and intricacies of such access tokens. Purchasers should have a functional understanding of storage and transmission mechanisms associated with access tokens. CRYPTALGO will not be responsible for losses resulting from actions taken or omitted by purchasers. If you do not have such expertise, you should not purchase ALGO tokens or participate in the CRYPTALGO ecosystem.

You should be aware that the value of the ALGO access token is not guaranteed; it may increase or decrease, and you may not get back the purchase price if or when you decide to sell the ALGO access token.

The value of the ALGO access token may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on currency repatriation, currency fluctuations and other developments in applicable laws, regulations and financial circumstances.

We are dependent on the performance of members of our team and other key personnel. Our future success depends in part on our ability to retain our team, management and technological talent, and to identify, hire and retain additional qualified personnel with expertise in cryptocurrencies, software and finance. We may be unable to replace key persons if they leave or to fill new positions requiring key persons with appropriate experience. The loss of key persons, the failure of any key person to perform, or our inability to attract and retain skilled employees as needed, or an inability to effectively plan for and implement a succession plan for key persons could harm our business.

We make forward-looking statements in this whitepaper that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial conditions, results of operations, liquidity, plans and objectives. In some cases, these forward-looking statements are framed by terms such as “believe,” “may,” “continue”, “plan,” “expect,” “predict,” “potential,” or the negative of these terms or other similar expressions. Forward-looking statements are based on the information available to us at the time of writing these statements, and our management makes these statements in good faith and with the understanding that future events, risks and uncertainties could cause actual performance or results to differ considerably from those expressed in these forward-looking statements or suggested by them.

You should review carefully the risks and uncertainties that relate to our business as described in this whitepaper. Any forward-looking statements contained in this whitepaper are expressly qualified in their entirety by this cautionary statement.

How to Participate in the CRYPTALGO Token Sale

Please visit our website www.cryptalgo.com for the most up-to-date information on the Token Sale dates and mechanics.