



## WHITE PAPER

by Incremint.io Ltd.

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Version 2.1

### 1. INTRODUCTION

*“In a recent survey by the World Economic Forum (WEF), a majority of experts and executives in the information and communications technology sector expected at least ten per cent of global GDP to be stored on blockchain platforms by 2025.” – Deloitte<sup>1</sup>*

This white paper is a long document. If you have questions and don't feel like reading the whole thing, just contact us at [support@incremint.io](mailto:support@incremint.io). Just kidding... But seriously, if you have questions, please contact us.

The growing role of blockchain in the world economy is resulting in an increasing number of transactions involving digital currencies. Lack of trust between the parties is a key problem for commercial transactions. To use a sale transaction as an example, the buyer wants to be sure that he receives the goods and the seller wants to be sure that he receives the payment. It is easier when the exchange can happen simultaneously, and the parties can confirm they are receiving what they bargained for. Time delays (e.g. goods need to be produced first) create risks for parties.

For delayed exchanges of promises, escrow has been used for centuries. A trusted third party (an individual or an organization) holds the consideration until the obligations are fulfilled (delivery of goods, performance of services, repayment of mortgage, etc.).

*Incremint is using multisignature wallets and smart contracts to decentralize escrow.*

Incremint is a fintech startup that will provide businesses and consumers with<sup>2</sup>:

- escrow solutions for token sales (both for funds and tokens) with voting release/refund mechanisms;
- increased demand for token sales and market intelligence for optimized token strategies and sales processes owing to the merits of Mint tokens;

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<sup>1</sup> <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/Innovation/deloitte-uk-blockchain-full-report.pdf>

<sup>2</sup> Subject to obtaining all necessary licenses and regulatory approvals.



- escrow for commercial transactions involving digital assets with a quick internal dispute resolution mechanism;
- facilitation of independent expert opinions from third-parties;
- limited project due diligence; and
- custody and administrative services for blockchain projects.

*Our goal is to make Incremint a trusted seal of approval and standard for best practices within the blockchain community.*

## **2. PROBLEM**

*Promises are like babies: easy to make, hard to deliver.*

Lack of trust and accountability between parties is a general concern for commercial transactions. Digital assets, with more anonymity, less oversight, and limited options for recourse, create even more risks for transacting parties (this is not to take away from an array of their positive features).

### **2.1 Initial coin offerings**

*Many ICOs shift all of the business risks on the token buyers.*

The idea of creating the Incremint platform emerged from our experience as advisors on initial coin offerings. Often enough, a team creates a website and publishes a white paper for a project that is just a concept. Token buyers have negligible ability to perform due diligence on an ICO, which often has no underlying product to assess. Token buyers have no say in the governance of a project's execution after the ICO. They must accept not only the risks associated with the viability of the project, but also the risks associated with the integrity and competence of the issuers in delivering the project. Existing multiple signature escrow mechanisms rely on the discretion and performance of a person, the impartiality of whom is not always certain.

### **2.2 General commercial transactions**

*A great contract is not worth much if it is hard to enforce.*

When parties enter into a transaction, they expect each other to perform in accordance to the agreed terms. Typically, one party has to transfer funds, and the other party has to deliver goods or perform a service. It is easy enough when the goods or services are delivered or performed simultaneously with the payment. If they are not, the buyer could worry that he might not receive the goods, and the seller might worry that he will not receive the payment. Sometimes the parties just accept this risk (based on the magnitude of the transaction, reputation of the counterparty, etc.). For significant transactions, the common approach is to find a trusted third party who can hold the funds until the pre-agreed conditions are met.

*Traditional escrow solutions are limited in their nature and cannot fully address the growing digital economy.*



However, traditional escrow mechanisms are problematic in the context of digital assets due to the unwillingness and/or inability of the existing providers to deal with digital currencies and assets. Most financial institutions will simply refuse to consider a transaction involving digital currencies.

### 3. SOLUTION

#### 3.1 Initial coin offerings

*Incremint is a hybrid escrow product combining the reliability and trustworthiness of a traditional escrow mechanism with digital wallets and decentralized smart-contract voting. Incremint enables issuers to customize parameters and escrow a portion of funds raised in their ICO, subject to release when designated milestones have been met and approved by token holders.*

Using Incremint, only a pre-agreed amount or percentage of ICO proceeds passes through immediately to issuers at token sale closing. The remainder is escrowed in a multisignature wallet. At agreed dates, token holders vote to confirm whether milestones have been achieved, which, when confirmed, automatically causes the release of escrowed funds to the issuers. If an issuer is unable to achieve a milestone, escrowed funds can ultimately be returned to token holders following requisite voting procedures. Voting procedures are structured to prevent manipulation and unfair outcomes for issuers, while affording sufficient and reasonable protections to token holders.

Incremint supports transparency and fairness after an ICO closes. It incentivizes communication and disclosure from issuers and rewards their achievements. It protects backers and engages them in a project's success.

To illustrate how Incremint can accommodate an ICO project, please see **Annex A** for the walkthrough of a hypothetical scenario.

#### 3.2 General commercial transactions

*Incremint serves as a decentralized escrow provider with a built in quick dispute resolution mechanism.*

Using Incremint, the parties to a transaction that involves a transfer of digital funds (or assets) can put such funds into a multisignature wallet. Incremint helps the parties set up an escrow agreement that outlines the main terms for release of funds and dispute resolution.

Each of the parties has a key. If the transaction goes smoothly, the sum of their key is sufficient to "open" the wallet and move the funds as initially agreed.

However, what if there is a dispute and one of the parties refuses to open the wallet. There is an extra key which is effectively a blockchain based voting contract. The votes are cast by a pool of experts (verified by Incremint). At the start of the transaction, the parties decide how



many experts they want to involve in case of a dispute. The experts are compensated by a pre-agreed percentage of the escrowed funds. The parties to the transaction will have a window to provide supporting evidence to the experts. The experts quickly review the information, and the funds go where the majority of the experts think they should.

#### 4. INCREMINT FEATURES

Incremint escrow solution will offer the following core features<sup>3</sup>:

- multisignature wallets for holding cryptocurrencies in escrow;
- increased demand for token sales and market intelligence for optimized token strategies and sales processes owing to the merits of Mint tokens;
- arrangements with escrow agents to hold fiat currencies in escrow in regular bank accounts;
- blockchain based smart voting capabilities (with flexibility to deal with unexpected circumstances by calling for extraordinary voting);
- real-time status updates of voting and fund disbursement status for both issuers and token holders;
- communication channels between parties to escrow arrangement (token issuer and token buyers, service provider and client, etc.);
- blockchain based dispute resolution mechanisms;
- facilitation of independent expert opinions from third-parties;
- basic project due diligence on team and legal entity;
- automated fund release mechanism based voting results;
- dedicated account representatives;
- currency volatility risk management capabilities; and
- contract templates for various transactions/

#### 5. INCREMINT SERVICES<sup>4</sup>

Escrow services  
for token sale  
(ICO) projects

The funds (digital currencies) collected in a token sale are stored in a multisignature wallet. The funds are released to the token issuer in tranches as the team completes the pre-agreed milestones (i.e. follows the project roadmap). The token holders vote to confirm milestone completion. Their voting serves as one of the keys to the wallet. In the worst-case scenario (i.e. project abandonment), the token holders can vote to get a refund.

***Incremint has developed an MVP that covers the ICO escrow functionality.***

Ultimately, the solution will allow the conversion of a pre-agreed portion of the collected digital currencies into fiat funds to be kept in escrow and also released in tranches in accordance with the voting of the token holders.

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<sup>3</sup> Subject to obtaining all necessary licenses and regulatory approvals and sufficient funding.

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Conceptually this is virtually identical to escrow methods used in venture capital financing whereby investors agree to a funding schedule to be disbursed as management deliver on project milestones. Only Incremint leverages the decentralized potential of blockchain and avoids inserting a middleman in between project sponsors and project backers.

Escrow services for commercial transactions

The parties to any commercial transaction want to be sure that they receive what they bargained for. Where the exchange of value is delayed by conditions (e.g. delivery of goods is delayed by the shipping time, or contingent upon performance by management), there is a risk that one of the parties will not get what it wants. This is why escrow was created centuries ago. A trusted third party that ensures that the value is exchanged only if all the conditions are met, and guarantees the value will indeed be exchanged when conditions are met.

With the rise of digital currency and decentralized technology, Incremint offers to modernize the escrow mechanism as well, decentralize it for any transaction that involves an exchange of digital assets.

Considering the ICO scenario, the digital assets are deposited into an multisignature wallet. Each of the parties have a key. If the transaction goes smoothly, the sum of their keys is sufficient to open the wallet. However, if there is a dispute, the final key comes in play – the voting contract. Only this time the voting is done by a select group of pre-verified experts. The experts must quickly reach a conclusion based on the evidence provided by the parties, and the assets will go where the majority of experts believe they should.

ICO token lock-up

It is common practice to lock-up the tokens of the issuer team and advisors (and sometimes major token buyers such as strategic partners) for a period of time after the token sale is completed. This is done to reduce the risk of a massive token sale immediately following the listing of the tokens on an exchange. The lock-up is usually contractual only.

Incremint offers to actually hold these tokens under an escrow agreement to make sure that the lock-up arrangement is not breached.

Settlement with ICO providers

ICO projects that compensate their advisors and service providers with a portion of token sale can use Incremint to give these third parties confidence that they will receive the funds. Incremint can organize disbursement after the token sale completion.

Limited ICO project due diligence

For projects that would be interested in further bolstering their credibility, Incremint would be able to conduct a limited due diligence and disclose those results to be public. The focus of this due diligence will be primarily on confirmation of team members, advisors, legal entities, bank accounts, etc. Commercial risks will not be opined upon by Incremint.

Verification of third party providers

Finding the right service providers is a common pain for any ICO project. Incremint will be compiling a list of providers (lawyers, marketers,

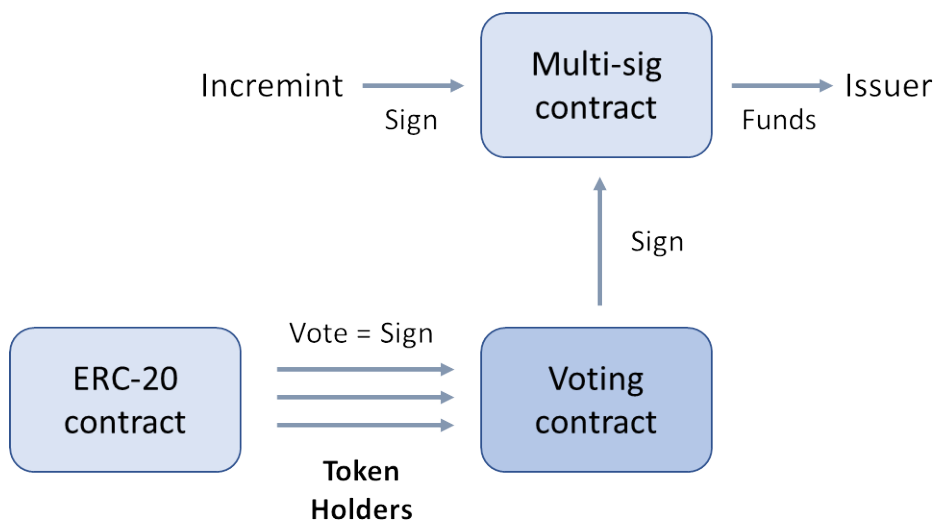


developers, auditors, etc.) based on verified experience and client references.

## 6. INCREMINT MVP

*With the help of Applied Blockchain, our MVP is ready. The audit report (by SmartDec) and a recording of the demo walkthrough will be available shortly.*

Here is the architecture of the MVP:



The technical solution of the MVP is comprised of a number of components:

- A. Multi-signature Contract. Funds raised during an ICO are held in a standard multi-signature contract. This contract will be deployed and configured to release funds only on receipt of signatures from both Incrementint and the Voting Contract.
- B. Voting Contract. When a voting event for an ICO client of Incrementint opens, the owners of that ICO's tokens (ERC-20 token standard) will be recorded and granted access to vote. When a vote transaction is received from an account owning those ERC-20 tokens, the current ERC-20 account balance will be checked to confirm current eligibility (i.e. that tokens are still owned since start of voting window). The number of votes allowed will be proportionate to the number of ERC-20 tokens in the ICO project. Each vote will be recorded in the voting contract such that double voting will not be possible. All voting activity is recorded in the Voting Smart Contract, and is therefore auditable in the public blockchain using a standard blockchain explorer. Once the voting window is closed, no more votes will be accepted by the voting contract.
- C. ERC-20 Contract. A standard ERC-20 (or 223) contract is assumed for the project.
- D. Incrementint Voting Application. This is designed as a standard full-stack web application compatible with a range of browsers. The Voting Application does not hold any



cryptographic keys, nor does it send any transactions to the public blockchain contracts. The underlying data will be stored in a secure privacy and GDPR-compliant database solution.

- E. Voting Wallets. In order to associate a ERC-20 wallet with an Incremint voting account, owners will be required to send a transaction from the wallet by following instructions in the Incremint Voting Application. The transaction will not transfer any Ether or tokens, but will incur gas costs. It should be noted that tokens held in exchanges, or offline storage will not be eligible for voting. Only tokens held in wallets that can be used to send transactions with data can be used for voting.

## **7. INCREMINT BUSINESS MODEL**

Incremint will charge an issuer 1% of its ICO proceeds with a minimum fee of US\$50,000. No upfront payments will be required. The first \$50,000 of ICO proceeds will go to Incremint to ensure minimum payment. The escrow fees will be withheld from the ICO proceeds.

General escrow (and other) services provided by Incremint will be charged in accordance with task complexity and then applicable economic feasibility.

## **8. INCREMINT DEVELOPMENT TEAM**



Incremint has formed a strategic partnership with Applied Blockchain based in London and recognized as a Global Top-20 blockchain development firm by Gartner Inc. Applied Blockchain and its team have been involved in a number of complex and successful projects including within the Fintech space.



Financial institution building core banking infrastructure and full-stack banking application on a private blockchain using smart contracts



Full-stack employment and experience verification based on blockchain and smart contracts



Blockchain platform for the permissioned sharing and management of authorized signatory lists



Invoice factoring and securitization built on private blockchain network



Consumer blockchain application giving users a single biometric tool for login, payment and identity verification



Distributed drone registry for leading air transport communications and IT specialist

## 9. MINT TOKENS

The core purpose of Mint tokens is to establish an ecosystem of demand for issuers using Incremint's escrow platform, and to incentivize engagement critical to the optimal functioning of the ecosystem. For this to succeed, compelling tokenomics must exist for Mint token buyers.

*Mints give their holders discounted participation in the ICOs of Incremint's clients and discounts on all services provided by Incremint.*

Discounts on the tokens of future ICO clients of Incremint

Each one Mint token will entitle its bearer to a 10% discount on a token purchase of up to 0.01 ETH value in an ICO using Incremint. This controls for scale and proportionality in the application of Mints – 100 Mints entitle the bearer to a 10% discount on 1 ETH value purchase.

The basis for calculating the amount of the discount and controlling the scale of the discount will be .01 ETH per Mint token. Incremint has used the nomenclature "discount factor" for this scalable basis. Mints are being sold in this ICO at a fraction of that basis, creating a compelling economic opportunity for buyers. Please reference the shared Google Sheet "Incremint Token Model" where an illustration of the Tokenomics is provided. Mints will not expire, and may be used on subsequent ICOs using





Incremint, in perpetuity, at the discretion of the token holder.

Incremint will only create one batch of Mints at the time of its ICO. Mints will be sold to buyers and an allocation of up to 25% will go to founders and advisors (subject to a one-year lockup period to prevent cashing out early and to incentive long-term project fulfillment). A pool of Mints will be retained by Incremint to be distributed to the ecosystem for the purpose of incentivizing Mint usage and voting as needed for the optimal functioning of Incremint's escrow platform. The size of this pool of Mints will be proportionate to the ICO and determined by a gross up methodology. No additional Mint tokens will be created after the ICO. Incremint does not plan to burn tokens afterwards as a means of artificially supporting the price level of Mints, because this would be contrary to the intention of our ecosystem which is to have a large pool of Mints outstanding to support demand for client ICOs using the escrow platform.

Incentive pool to encourage token holder voting on completion of milestones

Voter apathy is a critical issue for any crowd project and incentives are necessary for a credible quorum. An ICO project will need to create an incentive pool which will be distributed among the actively voting token holders. Voters will be rewarded for their engagement by receiving additional Mint tokens.

Incentive pool to encourage token usage in participation of client ICOs

Holders of Mint tokens will be rewarded for participating in future client ICOs by receiving additional Mint tokens. A pool of Mints will be created at the close of the ICO, and these tokens will be disbursed to Mint token holders proportionate to their usage and participation in client ICOs. This will help stimulate a vibrant ecosystem in the beginning, and it will also allocate more Mints to holders who actually use them and participate in the ecosystem.

Incentive pool to encourage expert opinions on completion of milestones

In some complex projects, many token holders will not have the ability to properly assess the technical progress of a project and achievement of a milestone, a problem that can be solved by verified experts who are independent of the ICO team. An ICO project can create an incentive pool to compensate verified experts for opining on completion of milestones and project's progress.

Discounts on Incremint services

Mint tokens can be used to pay for the variety of services to be provided by Incremint. Whatever the price of Incremint's services is in USD or another currency, you can pay for those services with a 10% - 25% discount using Mints (by applying then current market value of Mint tokens).



Discount on legal services of affiliated law firms      The team behind Incrementint has longstanding connections with a number of law firms. Incrementint will negotiate a discount for Mint users who need legal support for token sales or general commercial transactions.

Discounts on the services of verified affiliated service providers      Incrementint will negotiate a discount for Mint users with a verified pool of service providers from the crypto space.

There are several motivations for launching the project, including to provide ICO investors with compelling economics both in terms of participation in future ICO issuances as well as underlying token value appreciation. The success for all stakeholders is interdependent and cannot be achieved at the expense of one versus the other. For full transparency, one purpose of Incrementint's ICO is to raise proceeds which will be invested in the development of Incrementint. This is part of the reason why Incrementint is selling the tokens and not giving them away in a mass airdrop campaign. Several million dollars can be spent developing and administrating Incrementint, and this is how ICO proceeds will be spent.

## 10. TOKEN SALE

Token standard	ERC-20
Token name	MNTS
Total token supply	500,000,000
Tentative hard cap	USD 15,000,000
Duration	1 June 2018 – 31 August 2018
Token price	1 June 2018 – 1 July 2018: 5,000 MNTS for 1 ETH 1 July 2018 – 1 August: 4,000 MNTS for 1 ETH 1 August 2018 – 1 September 2018 – 3,000 MNTS for 1 ETH

These terms may be changed before the start on the token sale.

## 11. USE OF PROCEEDS

Funding from the ICO will be used to invest in the development of Incrementint. The hard-cap has been established at a level sufficient to allow robust investment in growth and development.

Robust demand is anticipated for Mints. The proceeds of the token sale will be deployed in appropriate proportions to the following budget categories:

- technical development of platform and hosting;
- cyber security and auditing;
- marketing and sales;
- general and administrative expenses;
- advisors; and
- repayment of short-term financing.



Incremint will be operating in a dynamic environment where regulatory and security risks are paramount concerns, and where the competitive landscape will be continuously and rapidly evolving. In preparation to proactively manage these risks, establish Incremint as the preeminent blockchain escrow solution, and secure itself as a going concern for the long-term, ICO proceeds in excess of the near-term budget will be allocated as follows:

- up to 10% will be set aside in treasury as a reserve for legal, PR and lobbying expenses should adverse regulatory challenges arise;
- up to 10% to initial venture financing;
- up to 10% to advisors and strategic partnerships; and
- the remainder will be allocated for additional investment in security, legal, technical and marketing services, general and administrative expenses, project and corporate development including strategic investments, and management compensation.

Immediately following the close of the Incremint ICO the total amount of Mints sold will be grossed up to permit an additional allocation of Mints as follows:

- up to 15% to advisors and backers, a portion of which will be subject to a 12 month lock-up period, with restrictions on monetization thereafter;
- 7% to the four Incremint co-founders, all of which will be subject to a 12 month lock-up period, with restrictions on monetization thereafter; and
- 3% to the pool of tokens reserved for Incremint's bounty program as published on the Incremint website, none of which will be subject to a lock-up period.

## **12. ESCROW**

As the first adopter of its own technology, Incremint will escrow the proceeds of its token sale and the funds will be released as follows:

- 45% of funds distributed at the end of the token sale;
- 35% of funds distributed when the first ICO client starts accepting;
- 15% of funds when escrow arrangement for fiat funds becomes available; and
- 15% of funds when escrow solution for general commercial transactions becomes available.

## **13. UPDATES**

**INREMINT.IO LTD RESERVES THE RIGHT TO UPDATE THIS WHITE PAPER FROM TIME TO TIME. PURCHASERS OF MINTS SHOULD REFER TO THE VERSION OF THE WHITE PAPER AVAILABLE ON THE WEBSITE AS OF THE DATE OF ANY SUCH PURCHASE.**

**THIS WHITE PAPER SHOULD BE READ IN CONJUNCTION WITH THE TERMS AND CONDITIONS THAT ARE AVAILABLE AT [WWW.INCREMINT.IO](http://WWW.INCREMINT.IO).**



## **ANNEX A INCREMINT'S ICO SOLUTION**

To illustrate how Incremint can accommodate an ICO project, consider the following example. An Issuer wants to conduct an ICO and raise US\$10 million in Ethereum ("ETH") in exchange for its tokens to develop its decentralized application ("DAPP"). To enhance the credibility of its ICO, increase demand from ICO token buyers, and tap into incremental demand from Mint Token holders, the Issuer engages Incremint.

### **A. PRE-ICO**

The Issuer and Incremint agree on the parameters tailored to the Issuer's needs for collecting, escrowing and releasing ICO proceeds to the Issuer. In this case, it is agreed that the ICO proceeds will be released to the Issuer in the following tranches, as per the respective milestones:

- 25% are immediately made available to the Issuer;
- 25% are released when the Issuer completes the MVP version of the DAPP;
- 25% are released when the DAPP infrastructure integration is complete; and
- 25% are released when the DAPP goes live in beta.

Each milestone has a deadline or pre-agreed completion mechanism.

### **B. ICO**

The terms of the collective escrow arrangement are detailed in the Issuer's white paper. The ICO is successful, and the Issuer sells coins for ETH worth US\$10 million. After ICO is closed, ETH worth \$2.5 million goes to the Issuer. ETH worth US\$7.5 million is escrowed and held in a virtual multisignature wallet.

### **C. POST-ICO**

The Issuer communicates the development of DAPP to its community of token holders, providing compelling evidence that the MVP version of DAPP is ready. Incremint initiates smart contract voting in regards to the respective milestone being achieved.

If a majority of the voting token holders (over 50%) vote in favor of releasing the next tranche, the next portion of 25% of ICO proceeds is released to the Issuer.

If a majority of the token holders is not satisfied that the milestone has been achieved and vote against the release of additional funds, no release would be initiated. Token holders can petition for Incremint to initiate a refund vote. If a pre-agreed supermajority percentage of the token holders vote for a refund, the deposited amounts would be released back to the token holders.

### **D. THE FORCE MAJEURE FEATURE**

Incremint would have the right to initiate voting in pre-agreed extraordinary circumstances.



For example, if the Issuer requests to Incremint that the pre-agreed release schedule needs to be amended, Incremint may initiate voting outside of the pre- agreed schedule. Or if unanticipated circumstances require an increase of tranche number two, Incremint may initiate a vote with new parameters, and the token holders will then vote.

Alternatively, if Incremint, with reasonable evidence, believes that a sponsor is no longer pursuing their project in good faith, if no issuer disclosures have been made to token holders in the previous six months, if no issuer responses to chat room inquiries are provided in the previous three months, if no evidence is submitted in support of designated milestone, or if an Issuer repudiates a project, or if fraud is suspected, Incremint may initiate voting to return the remaining funds to the token holders without further delay.

## E. THE SUPER VOTE FEATURE

To further protect token holders in an extraordinary circumstance where Incremint's standard functionality is not adequately safeguarding their interests, Incremint will allow for a super vote whereby token holders petition for a refund and Incremint considers this petition credible. Super votes are initiated by a petition of "no confidence" by token holders. Incremint will initiate voting to return the remaining funds to the token holders pursuant to which a pre-disclosed super majority will be required for such release. In such cases the Issuer would be given the opportunity to make a rebuttal disclosure in favor of why the funds should not be returned.

## F. ISSUER CUSTOMIZATION

As part of the onboarding process for each new Incremint client, issuers will have the right to customize their ICO parameters, including with respect to: a) designation of milestones, including target dates, b) percentage of voting required for each milestone, c) pre-agreed extraordinary voting that may be called at Issuer's discretion, and d) no-confidence parameters. All such selections will be published on the Incremint website for review by token buyers.

## G. SMART VOTE FOR TOKEN HOLDERS

1. The smart vote interface allows token holders to identify themselves by sending a transaction to the wallet holding the tokens (note: tokens held by an exchange will not be eligible for voting).
2. Next to each voting process, there is information provided by the Issuer that is relevant to the voting, including links to an Issuer's disclosures regarding the achievement of a milestone, ICO launch and close dates, ICO funds raised, status of ICO funds, descriptions of past votes and results, and a chat room specific to each ICO using Incremint.
3. The token holder casts a vote with each token representing one vote.



## ANNEX B RISK FACTORS

Prospective purchasers of Mints (as defined in the Terms and Conditions (the “Terms”) available on the Website) should carefully consider and evaluate all risks and uncertainties associated with Incremint.io Ltd. and its business and operations and those of its affiliates, Mints, the Incremint.io Ltd. token sale, all information set out in the White Paper and the terms prior to any purchase of Mints. If any of such risks and uncertainties develops into actual events, the business, financial condition, results of operations and prospects of Incremint.io Ltd. could be materially and adversely affected. In such cases, purchasers of Mints may lose all or part of the value of Mints.

By purchasing, owning, and using Mints, purchasers of Mints expressly acknowledge and assume the following risks:

### 1. Risk of Losing Access to Mints Due to Loss of Private Key(s), Custodial Error or Purchaser Error

A private key, or a combination of private keys, is necessary to control and dispose of Mints stored in purchaser’s digital wallet or vault. Accordingly, loss of requisite private key(s) associated with purchasers of Mints’ digital wallet or vault storing Mints will result in loss of such Mints. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet service purchasers of Mints use, may be able to misappropriate purchasers of Mints’ Mints. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault purchasers of Mints choose to receive and store Mints in, including purchaser’s own failure to properly maintain or use such digital wallet or vault, may also result in the loss of purchaser’s Mints. Additionally, purchaser’s failure to follow precisely the procedures set forth for buying and receiving Mints, including, for instance, if purchasers of Mints provide the wrong address for the receiving Mints, or provide an address that is not ERC-20 compatible, may result in the loss of purchaser’s Mints. Wallets that are ERC-20 compatible include MetaMask,

MyEtherWallet, Mist, Parity, imToken, Coinomi, Ledger Nano S, Trezor, and Eidoo. Wallets that cannot receive ERC-20 tokens and exchanges (Mints may not be issued to any exchange address) include, without limitation Exodus, Blockchain.info, Freewallet, Coinbase, Poloniex, Kraken, Bitstamp, Cex.io, Jaxx, and Bittrex.

### 2. Risks Associated with the Ethereum Protocol

Because Mints and Incremint escrow wallets are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the escrow wallets or Mints. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to Mints and the escrow wallets, including the utility of Mints for obtaining discounts, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

### 3. Risk of Mining Attacks

As with other decentralized cryptographic tokens based on the Ethereum protocol, Mints are susceptible to attacks by miners in the course of validating Mints transactions on the Ethereum blockchain, including, but not limited, to double-spend attacks, majority mining power attacks, and selfish-mining attacks. Any successful attacks present a risk to Incremint escrow wallets and Mints, including, but not limited to, accurate execution and recording of transactions involving Mints.

### 4. Risk of Hacking and Security Weaknesses

Hackers or other malicious groups or organizations may attempt to interfere with Incremint escrow wallets or Mints in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because Incremint is based on open-source software, there is a risk that a third party or a member of the



Increment Team (as defined in the Terms) may intentionally or unintentionally introduce weaknesses into the core infrastructure of Increment, which could negatively affect it and Mints, including the utility of Mints for obtaining discounts.

5. Risks Associated with Markets for Mints

If secondary trading of Mints is facilitated by third party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation. Furthermore, to the extent that third- parties do ascribe an external exchange value to Mints (e.g., as denominated in a digital or fiat currency), such value may be extremely volatile. There is no guarantee that a robust or liquid secondary market for Mints will develop.

6. Risks of ICO market

The market of initial coin offerings is new. There is a risk that the market of initial coin offerings will not sustain its current growth rate and will instead decrease in the future.

7. Risks of ICO market using Ethereum

Mints are valid in respect of ICOs using Ethereum. To the extent the ICO market migrates away from Ethereum as the predominant ICO platform, Mints, and the discounts associated therewith, will have fewer applications. Although Mints do not expire, if ICOs cease to use Ethereum altogether Mints will nevertheless become ineffective.

8. Risk Associated with Increment Market Share

Mints are valid in respect of ICOs using the Increment escrow platform. To the extent the issuers in ICOs choose not to use Increment's escrow platform, Mints, and the discounts associated therewith, will have no application. As such, if fewer ICO issuers choose to use the Increment ICO platform, Mints will have fewer applications. Although Mints do not expire, if ICO issuers cease to use Increment altogether Mints will become ineffective. Increment may lose market share due to, among other things, competition, poor management, ineffective marketing,

and/or in the event the Increment escrow platform does not appeal to issuers, suffers security breaches, or is defective.

9. Risk of Uninsured Losses

Mints are uninsured unless purchasers of Mints specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by the Company, to offer recourse to purchasers of Mints.

10. Risks Associated with Uncertain Regulations and Enforcement Actions

The regulatory status of Mints, distributed ledger technology and initial coin offerings is unclear or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulation with respect to such technology and its applications, including Increment escrow platform and Mints. It is likewise difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and regulation affecting distributed ledger technology and its applications, including Increment escrow platform and Mints. Regulatory actions could negatively impact Increment escrow platform and Mints in various ways, including, for purposes of illustration only, through a determination that the purchase, sale and delivery of Mints constitutes unlawful activity or that Mints are a regulated instrument that require registration or licensing of those instruments or some or all of the parties involved in the purchase, sale and delivery thereof. The Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approvals) to operate in such jurisdiction.

11. Risks Arising from Taxation

The tax characterization of Mints is uncertain. Purchasers of Mints must seek their own tax advice in connection with purchasing Mints, which may result in adverse tax consequences to purchasers of Mints, including withholding taxes, income taxes and tax reporting requirements.



12. Risk of Competing platforms

It is possible that alternative platforms could be established that utilize the same open source code and protocol underlying the platform and attempt to facilitate services that are materially similar to the services provided by Incremint. This could materially affect the market share of Incremint's escrow platform, which, in turn, limits the utility of Mints.

13. Risks Arising from Lack of Control

Because Mints confer no control or governance rights of any kind with respect to the Incremint escrow platform or the Company, all decisions involving the Company's products or services will be made by the Company at its sole discretion. These decisions could adversely affect the Incremint escrow platform and the utility of Mints, including their utility for obtaining discounts.

14. Risk Associated with KYC

Incremint reserves the right to conduct a "know your client" assessment (KYC) on all purchasers of Mints. Such KYC may be conducted following the receipt of funds from purchasers of Mints. In the event KYC is not satisfied (as determined by the Company, in its sole discretion), the Company may return any such funds and refuse to issue Mints. In such cases purchasers of Mints will not be compensated for any loss of use of such funds during the period beginning with such payment until so returned.

15. Risk Associated with Incremint Deployment Delays

It is possible that the Incremint escrow platform will be deployed later than anticipated due to various factors. Until the Incremint escrow platform has been deployed and has clients Mints will not have a utility or be effective.

16. Risk Associated with the Mint Discount Process

Due to limitations associated with various ICO token issuance platforms, holders of Mints may not receive associated discounts immediately upon purchase of tokens issued in ICOs using the Incremint escrow platform. In such cases, the Company may, in its sole discretion, choose to provide alternatives to

discounts. Such alternatives may include, without limitation, 10% rebates and/or the issuance of an additional 10% token bonus. In such cases purchasers of tokens may be required to pay the applicable price for tokens, notwithstanding their ownership of Mints, following which the applicable discount alternative shall be applied. In certain cases such discount alternatives may be applied as late as the period following ICO close.

17. Risk Associated with the Quantity of Mints

Depending on the number of Mints issued in the Incremint.io Ltd. ICO and the number of tokens subsequently issued by an issuer using the Incremint escrow platform, there may be more holders of Mints wishing to purchase such subsequently issued tokens than are available for purchase. In such cases the discounts available to Mint holders will be available on a first-come, first-serve basis, and not all holders of Mints wishing to purchase tokens from such issuers will receive the discounts associated with Mints

18. Unanticipated Risks

Cryptographic tokens such as Mints are a new and untested technology. In addition to the risks included in this list of Risk Factors, there are other risks associated with purchase, possession and use of Mints, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed in this list of Incremint Risk Factors.

DISCLAIMER OF LIABILITY

To the maximum extent permitted by the applicable laws, regulations and rules, neither Incremint.io Ltd. nor its respective past, present and future employees, officers, directors, contractors, consultants, equity holders, suppliers, vendors,

service providers, parent companies, subsidiaries, affiliates, agents, representatives, predecessors, successors and assigns (the "Incremint Team") shall be liable for any indirect, special, incidental, consequential or other losses of any kind, in





tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of, or reliance on, the White Paper or any part thereof by purchasers of Mints.

#### NO INCREMINT REPRESENTATIONS AND WARRANTIES

Incremint.io Ltd. does not make nor 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 White Paper.

#### CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in the White Paper, statements made in press releases or in any place accessible by the public and oral statements that may be made by Incremint.io Ltd. or any of Incremint Team on behalf of Incremint.io Ltd., that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding Incremint.io Ltd.’s financial position, business strategies, plans and prospects and the future prospects of the industry which Incremint.io Ltd. is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to Incremint.io Ltd.’s revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in the White Paper regarding Incremint.io Ltd. are matters that are not historical facts, but only predictions.

These forward-looking statements involve known and unknown risks, uncertainties and

other factors that may cause the actual future results, performance or achievements of the Incremint escrow platform, Mints, or Incremint.io Ltd. and its affiliates to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, amongst others:

- (a) changes in political, social, economic and/or cryptocurrency market conditions, and the regulatory environment in the countries in which any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates conducts its respective businesses and operations;
- (b) the risk that any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates may be unable or execute or implement their respective business strategies and future plans;
- (c) changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;
- (d) changes in the anticipated growth strategies and expected internal growth of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates;
- (e) changes in the availability and fees payable to any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates in connection with their respective businesses and operations;
- (f) changes in the availability and salaries of employees who are required by any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates to operate their respective businesses and operations;
- (g) changes in preferences of customers of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates;
- (h) changes in competitive conditions under which any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates operate, and the ability of any of the Incremint



escrow platform, Incremint.io Ltd., and/or its affiliates to compete under such conditions;

(i) changes in the future capital needs of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates and the availability of financing and capital to fund such needs;

(j) war or acts of international or domestic terrorism;

(k) occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates; and

(l) other factors beyond the control of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates.

All forward-looking statements made by or attributable to Incremint.io Ltd. and/or Incremint Team or other persons acting on behalf of the Incremint Team are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of any of the Incremint escrow platform, Incremint.io Ltd., and/or its affiliates to be materially different from that expected, expressed or implied by the forward-looking statements in the White Paper, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the date of the White Paper.

Neither Incremint.io Ltd. nor any other person represents, warrants and/or undertakes that the actual future results, performance or achievements of Incremint.io Ltd. will be as discussed in those forward-looking statements. The actual results, performance or achievements of Incremint.io Ltd. may differ materially from those anticipated in these forward-looking statements.

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Incremint.io Ltd.

Further, Incremint.io Ltd. disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

#### MARKET AND INDUSTRY INFORMATION AND NO CONSENT OF OTHER PERSONS

The White Paper includes market and industry information and forecasts that may have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for Incremint.io Ltd. and Incremint Team, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper or Website, and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

Neither Incremint.io Ltd. nor any member of Incremint Team has conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Incremint.io Ltd. nor any of member of Incremint Team makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.



## TERMS USED

To facilitate a better understanding of Mints being offered for purchase by Incremint.io Ltd., and the businesses and operations of Incremint.io Ltd., certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

## NO ADVICE

No information in the White Paper should be considered to be business, legal, financial or tax advice regarding Incremint.io Ltd., Mints, and/or the Incremint.io Ltd. token sale. Purchasers of Mints should consult their own legal, financial, tax or other professional adviser regarding Incremint.io Ltd. and its business and operations, Mints, Incremint.io Ltd. token sale. Purchasers of Mints should be aware that they may be required to bear the financial risk of any purchase of Mints for an indefinite period of time.

## NO FURTHER INFORMATION OR UPDATE

No person has been or is authorized to give any information or representation not contained in the White Paper in connection with Incremint.io Ltd. and its business and operations, Mints, the Incremint.io Ltd. token sale, and, if given, such information or representation must not be relied upon. The Incremint.io Ltd. token sale (as referred to in the White Paper) shall not, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change, or development reasonably likely to involve a material change in the affairs, conditions and

prospects of Incremint.io Ltd. or in any statement of fact or information contained in the White Paper since the date hereof.

## RESTRICTIONS ON DISTRIBUTION AND DISSEMINATION

The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of certain jurisdictions. In the case where any restriction applies, purchasers of Mints are to inform themselves about, and to observe, any restrictions which are applicable to them, possession of the White Paper or such part thereof (as the case may be) at their own expense and without liability to Incremint.io Ltd. or any member of the Incremint Team.

Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur, if doing any of the above would be prohibited by applicable legislation.

## NO OFFER OF SECURITIES OR REGISTRATION

The White Paper is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. Any agreement in relation to any sale and purchase of Mints is to be governed by only the Terms and no other document. In the event of any inconsistencies between the Terms and the White Paper, the Terms shall prevail.

No regulatory authority has examined or approved of any of the information set out in the White Paper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction.

In the event Incremint.io Ltd. chooses to comply with securities laws and/or an applicable exemption from securities



registration or other obligations, such compliance shall be without prejudice to any position of, or assertion by, Incremint.io Ltd. that Mints are not securities.