



FTB

A FUND MANAGEMENT PLATFORM TO EQUALIZE THE
INVESTMENT INDUSTRY



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Introduction

Over the last few decades, we've witnessed countless "new waves"¹, "shift"² and discoveries of new "Blue Oceans"³. But inside FTB⁴ we are convinced that the current implications of Blockchain are just the tip of the iceberg in regards to the true potential of this technology.

We are going through the 4th industrial revolution⁵ and we know that this time it will be different from all the previous one. In FTB we want to be part of this revolution by embracing and sharing the values that Blockchain has to offer.

For these reasons, we have decided to build a decentralised, fast and transparent company.

Knowing the benefits of working remotely, we are building a decentralised company in the true sense of the term, allowing flexibility, substantial savings on fixed costs and on some occasions even in terms of productivity⁶.

In this light, FTB will be based on/built on e-residency⁷. This way, FTB will be able to grow/move in decentralised as well as lean ways.

Using the Rogers model, we believe that from a macro point of view, we are in the so-called 'chasm' — where technology is not yet entirely mature and it's predominantly used by early adopters at a time of strong uncertainty/volatility in a short/medium period.

In order to cope with such uncertainty and volatility inside FTB, we are adopting metrics and lean⁸ tools related to the startup world, with the goal of being one of the "bridges to cross the chasm"⁹ and bringing the benefits of crypto-economy to the mainstream market.

Processes adopted inside FTB are mainly based on two methodologies: Design Thinking and Lean Startup.

¹ https://en.m.wikipedia.org/wiki/Kondratiev_wave

² Technology Vs. Human - Gerd Leonhard 2016.

³ Blue Ocean Strategy. W. Chan Kim and Renée Mauborgne. INSEAD 2004

⁴ FTB is founded by FinTech Bank Project. The Fincoin Pre-Ico project (FTB) to start creating the company

⁵ The Fourth Industrial Revolution, by Klaus Schwab. World Economic Forum

⁶ <http://stanford.io/2suyW1g>

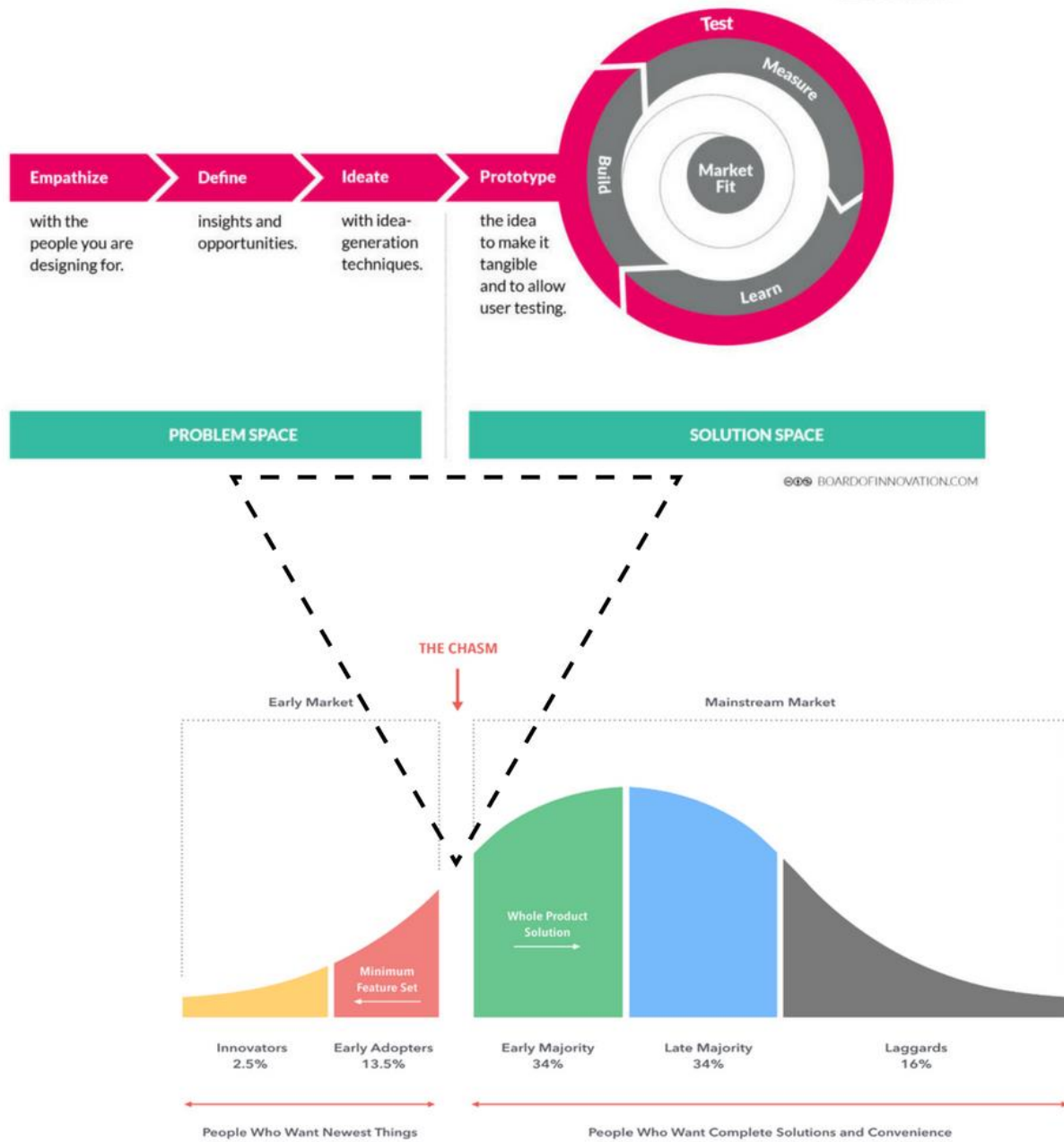
⁷ <https://e-resident.gov.ee/start-a-company/>

⁸ Why lean start-up changes everything - Harvard business review. May 2013

⁹ Crossing the Chasm - Geoffrey Moore

How do Design Thinking and Lean Startup relate?

DESIGN THINKING
LEAN STARTUP



To pursue this mission, initially FTB will focus on Three Solutions:

- 1) **Connect World Funds (CWF)**

Through the creation of cryptocurrencies that will act as assets, the best traditional investment funds will be "connected" on a global scale.

The CWFs will be hybrids that will bring with themselves the stability of traditional funds and the benefits of a crypto-asset (24/7 handling, almost instantaneous and the almost total cancellation of fees of entry, switching, and outputs, as required by the intermediaries).

2) **Investment crypto-funds**

Based on portfolios of crypto-currencies supervised 24/7. With the ability to choose the type of investment up to 3 levels of risk, and the portfolio type (it's completely automatic done by a clear UX / UI)

Each fund will be represented by an interchangeable asset in Waves Platform, so to be able to immediately move from one type of fund to another (including traditional funds).

3) **Cloud Funds:**

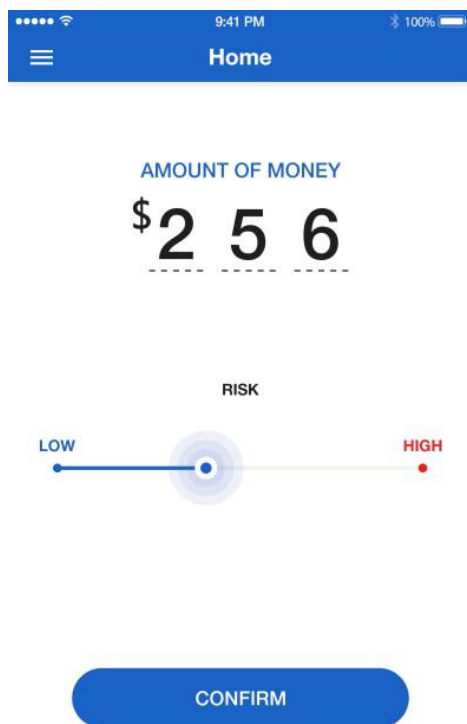
FTB wants to introduce Cloud Funds: investment funds managed directly by users, where each decision is made by the majority of participants. These funds, too, will be represented by interchangeable assets in the Waves Platform, so that the user can choose to move from one Cloud Fund to another or to change type of funds instantly.

Thanks to the coins that represent all our services, the user will have the opportunity to change, expand, decrease, exchange, or terminate any of our services offered immediately, using the Waves platform.

1.1 CONNECT WORLD FUNDS

For the "crypto" users or early adopters used to the Exchange world, each of our funds will be represented by a coin exchangeable with any crypto-currency, Euro, Dollar and Yuan in Waves. (eg. FTB_\$, FTB_JPMORGAN).

For the mainstream market this will happen through our exemplary graphic interface that will handle this process in a completely automatic way.



Thanks to the CWFs it will be possible to go from a fund managed by a bank such as J.P. Morgan to a fund managed by a bank like Goldman Sachs, by simply exchanging FTBcoin_J.P.Morgan, guaranteed by FTB, with a FTBcoin_Goldman Sachs.

FTB will invest in the best traditional funds, and will create several coins representing the shares invested in the funds. By buying a certain coin, one buys a part of the investment made by FTB, which will be the guarantor and will guarantee the collection of their own stake.

The application of CWFs is not limited to just traditional funds; it will be expanded to crypto funds managed by the FTB itself and managed by third parties (such as by the emerging Iconomi's or funds specialising in crypto-currencies managed by "traditional" companies).

Once all the different funds are identified, the FTB will invest for you, paying all commissions, various management fees, and will create crypto-currencies whose value will depend on the trend of (traditional and crypto) third party funds.

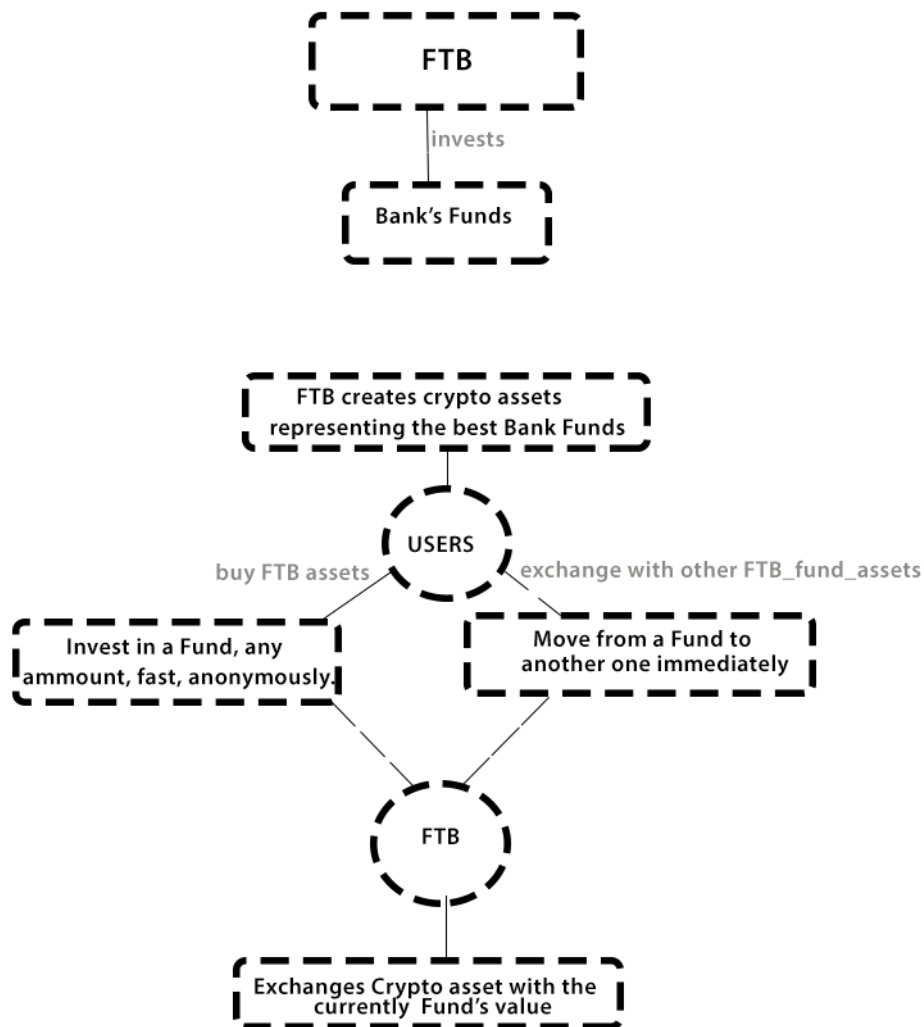
To withdraw your funds, you will simply have to swap your own coin (eg FTB_JPM, FTB_GoldmanSachs) with any crypto-currency (such as BTC, ETH, WAVES) or EUR, USD, CHY, so you can withdraw your funds immediately; alternatively, by sending the coin to FTB, it will proceed to liquidation.

Thanks to Blockchain, we will be able to overcome any boundary and every economic, political, religious, and social barrier: any user will have the option of switching from a US bank to a Chinese or Japanese bank instantaneously, regardless of the currency or the various barriers that the traditional markets have, with almost nil commissions.

COMPARISON TABLE: Switching from one fund to another, a traditional system comparison with FTB.

	Current systems	CWF
Waiting time	Up to a month. Warning! Possible barriers/exclusions due to political, social, religious and economic reasons.	Instantaneous and decentralised
Operation cost	Entry Fees (from 1.5% to 3%): they depend on the customer's contractual strength. Fixed rates from 12 to 15 Euro that can never be refunded (in Europe), but that's how it usually is in the Western world. Exit commissions (from 1.5 to 3%): they depend greatly on the customer's contractual strength.	0.003 Waves, which are worth less than \$0.01. Source: coinmarketcap.com
Possibility to give the service	Bureaucratic barriers, privacy, documentation, political, economic and social barriers.	Decentralised system, anyone can always run it without any kind of barrier.
Minimum amount required	In the larger funds it can be over \$5000	NONE: you can invest with one satoshi or 1 million dollars.
Foreign currency	Problems with currency exchange: commissions and waiting times	0.003 Waves and exchange from one fund to another regardless of the currency or the country where the fund or user resides.

FTB can save billions of commissions required by intermediaries for the placement of funds. Thanks to such potential, it will also be able to open investment funds to markets that until now were unable to use them



There will no longer be a minimum amount, coins will be divisible to give anyone the chance to invest any figure they want. There will be no more waiting times, as sending, exchanging, and receiving coins created in Waves is almost instantaneous, and can be done at any time of the day, any given day.

Switching from one operator to another will be as instantaneous as exchanging an Exchange Bitcoin for Ether (BTC / ETH).

Traditional banks, despite the great technological developments of recent years in the investment industry have not yet managed to eliminate the following inefficiencies:

- Requested minimum amount
- Entry fees
- Exit fees
- Switching fees
- Bureaucratic and informative expenses
- Long execution times and orders
- Documentary expenditures

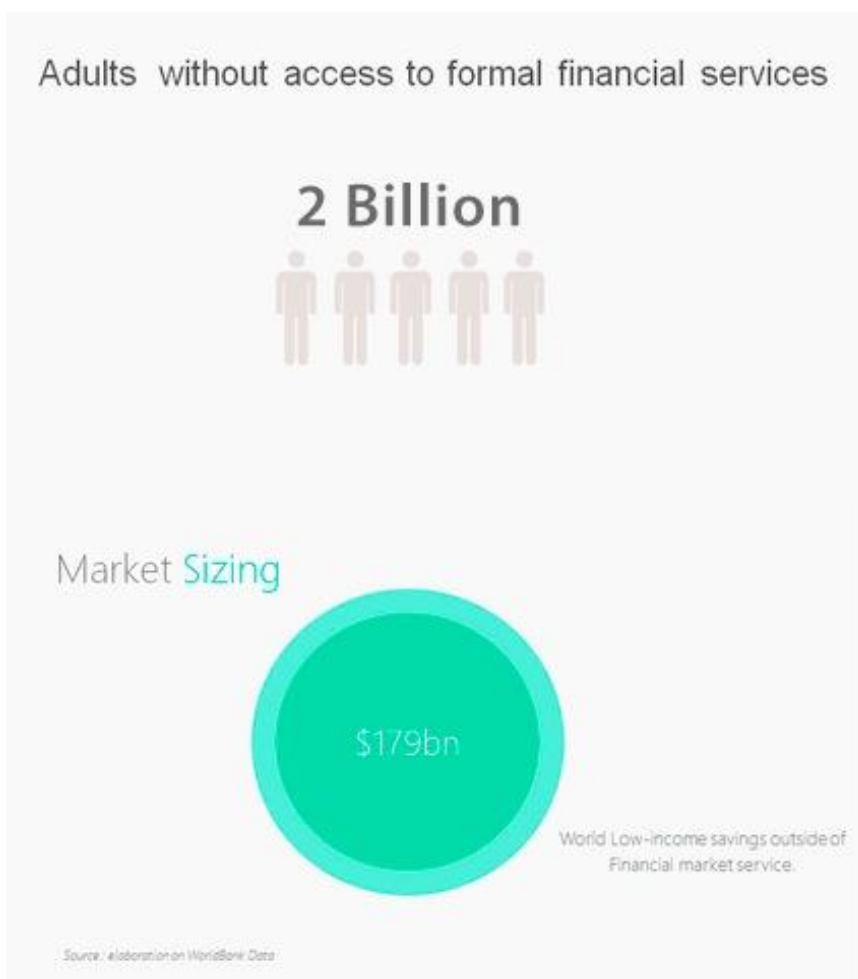
Thanks to Blockchain FTB deletes all these consumers' pains. Being assets created in Waves Platform, their management will be simple.

The customer will be able to exchange or diversify their investments: they can invest in funds of crypto-currencies that they think best move from one type of fund to another at any time, or in traditional funds in order to have less volatility. In any case, they will still benefit from the best fund with almost nil fees.

With FTB, an investor will be able to move his \$ 10 million (or even \$ 1) investment, on Sunday, at midnight, from an American bank to a Japanese or a Chinese, instantly, in Waves Platform or via FTB, paying 0.003 Waves (currently \$ 0.01).

CWF AS AN ETHIC FINANCE

In agreement with the World Bank¹⁰, there are 2 billion adults excluded from financial services in the world.



<http://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=XM>

<http://data.worldbank.org/indicator/NY.GNS.ICTR.ZS?locations=XM>

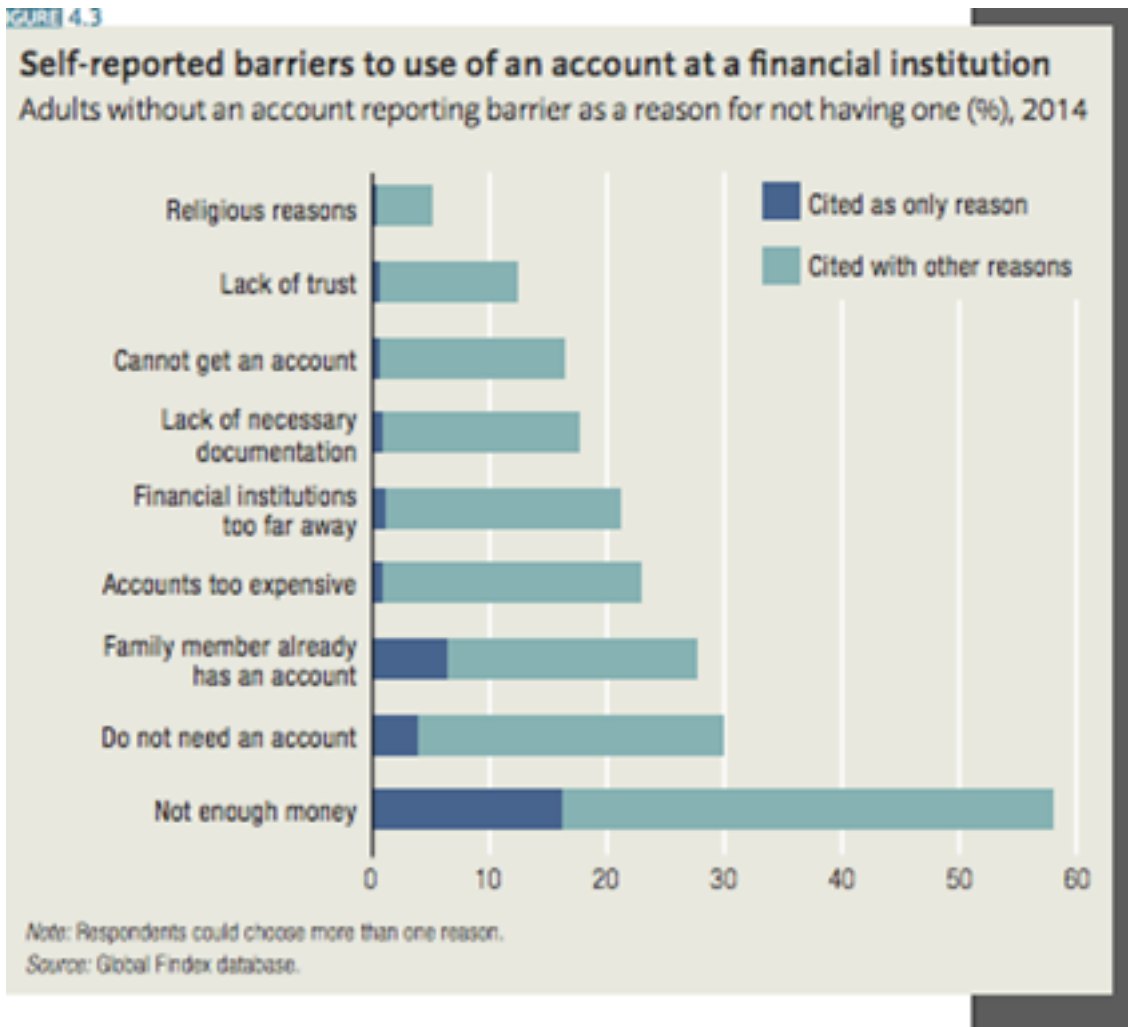
World Low income GDP per capita: 615\$

World Low income % GDP Savings: 14,564%

World Low income GDP per capita * World Low income % GDP Savings: 89,56\$

¹⁰ World Bank: <http://www.worldbank.org/en/news/video/2016/03/10/2-billion-number-of-adults-worldwide-without-access-to-formal-financial-services>

People, at this moment, unable to invest in any kind of fund or financial product/service to secure greater future assets. Economic causes are identified on the political and social barriers that in many parts of the world don't protect investments.



Source: World Bank, 2014¹¹

FTB can break the barriers that hamper the access of small and medium-sized savers to the world of finance, and in particular, to the investment industry.

Considering the income of these people as the average income of the "World Low Income" band, it's possible to make an estimate of their savings.

According to the World Bank, in 2014 the average per capita income of the subjects that make up this band was about \$615, while the percentage of savings in GDP, according to the World Bank, is 14,564%.

Considering more than 2 billion adults don't have access to financial services, it adds up to more than 179 billion annual savings!

¹¹ <http://documents.worldbank.org/curated/en/187761468179367706/pdf/WPS7255.pdf#page=3>

FTB wants to use Blockchain's potential to give these tiny savers the opportunity to invest and thus have greater future assets, by creating a channel to bring some of these savings into the investment world.

In the current system, only those who belong to a socially advantaged band are able to invest. This leads to a progressive shift of wealth to the detriment of the low-end band.

The CWFs, on the other hand, give opportunity to all social bands to invest/buy financial products by eliminating the hassles of the traditional banking system and creating balance.

As the quotes are represented by crypto-currencies, it will be possible to enter a fund by just investing a few cents.

These peculiarities enable anyone to create a personal savings or investment plan, regardless of their economic, political, religious and social situation.

As Bitcoin tries to decentralise traditional monetary systems, FTB seeks to decentralise the possession of one or more shares of a fund.

Anyone can buy a share of a fund not only through FTB (this channel will initially be used mainly for less experienced clients, who will still have almost no commissions comparable to other intermediaries) but on their own on Waves, a decentralised exchange, and on other exchanges that will accept these crypto-currencies. You will be able to sell them, buy them, swap them, without any intermediary control, but with the transparency and security of Blockchain!

1.2 FUNDS FOCUSED ON CRYPTOCURRENCIES

The crypto-currency market has offered and still offers great opportunities in terms of performance, but it hides great risks.

Over the years, many people have entered the market as they seek for returns that cannot be found in any other market. But investors who have earned large figures are joined by investors who have lost almost all their investments.

More and more often, people who do not know the functioning of Blockchain are venturing into the world of crypto-currencies looking for high returns, but ending up in scam-coins, scams, or with misplaced investments.

But this market is not just scams and a waste of money; just analyze the following table representing Bitcoin's performance, the most important crypto-currency among the more than 700 existing at this

time, to understand the great opportunities that a fund focused on crypto-currencies managed by experts can bring to their users:

Day	Price in dollars	Variation %
17.08.2010 31.12.2010	0.0769 0.299999	+290%
01.01.2011 31.12.2011	0.299999 4.995	+1565%
01.01.2012 31.12.2012	5.2 13.59	+161%
01.01.2013 31.12.2013	13.561 731.00	+5290%
01.01.2014 31.12.2014	746.9 316.1	-58%
01.01.2015 31.12.2015	315.5 430.9	+37%
01.01.2016 31.12.2016	433.85 963.74	+122%
01.01.2017 31.07.2017	974.94 2866.61	+194%

If you consider the first exchange that took place on a Exchange on August 17, 2010 on Mt. Gox, the price of a bitcoin is \$ 0.0769¹². In less than 7 years, Bitcoin has seen a growth never before seen in any other market: its registered performance is of 3,727.611%.

We are facing the most amazing performance of all time. Not even the most famous speculative bubbles, such as that of the Tulips in 1600, that with the title Poseidon in 1970, of the Nikkei index in 1989, and that of the title Amazon in 1999 reached such percentage variations.

For a more general view, the Market Cap trend of the entire crypto-currency market is here reported:

¹² It should be noted that on 5 October 2009 it was possible buy a bitcoin at \$ 0,0008
Source: <https://web.archive.org/web/20091229132610/http://newlibertystandard.wetpaint.com/page/Exchange+Rate>



Source: coinmarketcap.com

Not long ago, the market has gone over \$100billion, to then have a strong downturn. At present, many people driven by the high performance of the crypto-currencies have entered without knowing the potential technical and financial risks, and suffered substantial losses.

This is where the creation of funds focused on crypto-currencies is needed. FTB aims at creating more funds (differentiated by degree of risk), managed by expert managers and traders in the world of crypto-economy.

The funds will be represented by crypto-assets, whose value will change according to their performance (FTB will be the guarantor, as explained in section 1.1). In this way, depending on their needs, investors will be able to move from one type of fund to another, or change their risk composition. They will also be able to sell, exchange, or buy their shares in Waves. Even in this case their management will be very simple, convenient, immediate, and above all, decentralised!

For the management of funds, two different solutions will be created to meet the needs of different types of users.

1. Crypto-users.

Funds will be represented by crypto-currencies, whose value will change according to their performance (FTB will be the guarantor). In this way, depending on their needs, investors will be able to move from one type of fund to another, or change their risk composition in Waves (or other exchange).

2. Early majority

More attention will be paid to them with the implementation of ad-hoc UX / UI.

Crypto-Funds: 3 categories of risk

1. **Less volatile funds:** funds represented mainly by BTC, ETH, and USD to make them less volatile, depending on market conditions and the most important crypto-currencies.
2. **Medium Risk Funds:** the aim will be to have a smaller percentage of BTC, ETH and USD, which will decrease/increase depending on market conditions; the other crypto-currencies will thus have a more significant share.
3. **High Performance Funds:** the investment will focus on the new crypto-currencies that will present themselves in the market and that will lead to exponential returns (ICOs and new coins).

There will be no entry fee or minimum amount in FTB funds. Only a win-win fee will be applied on the profits.

As these are also created by crypto-currencies, the user will be able to navigate through all the FTB offers or those of competitors (FTB will also create cryptographic accounts representing other crypto-funds), immediately and without commissions.


1.3 CLOUD FUNDS

Thanks to Cloud Funds, every person can actively participate in the management of a fund through a voting mechanism.

The voting mechanism can be chosen by the users, some are reported, but obviously others can be added, each user can have directional power based on:

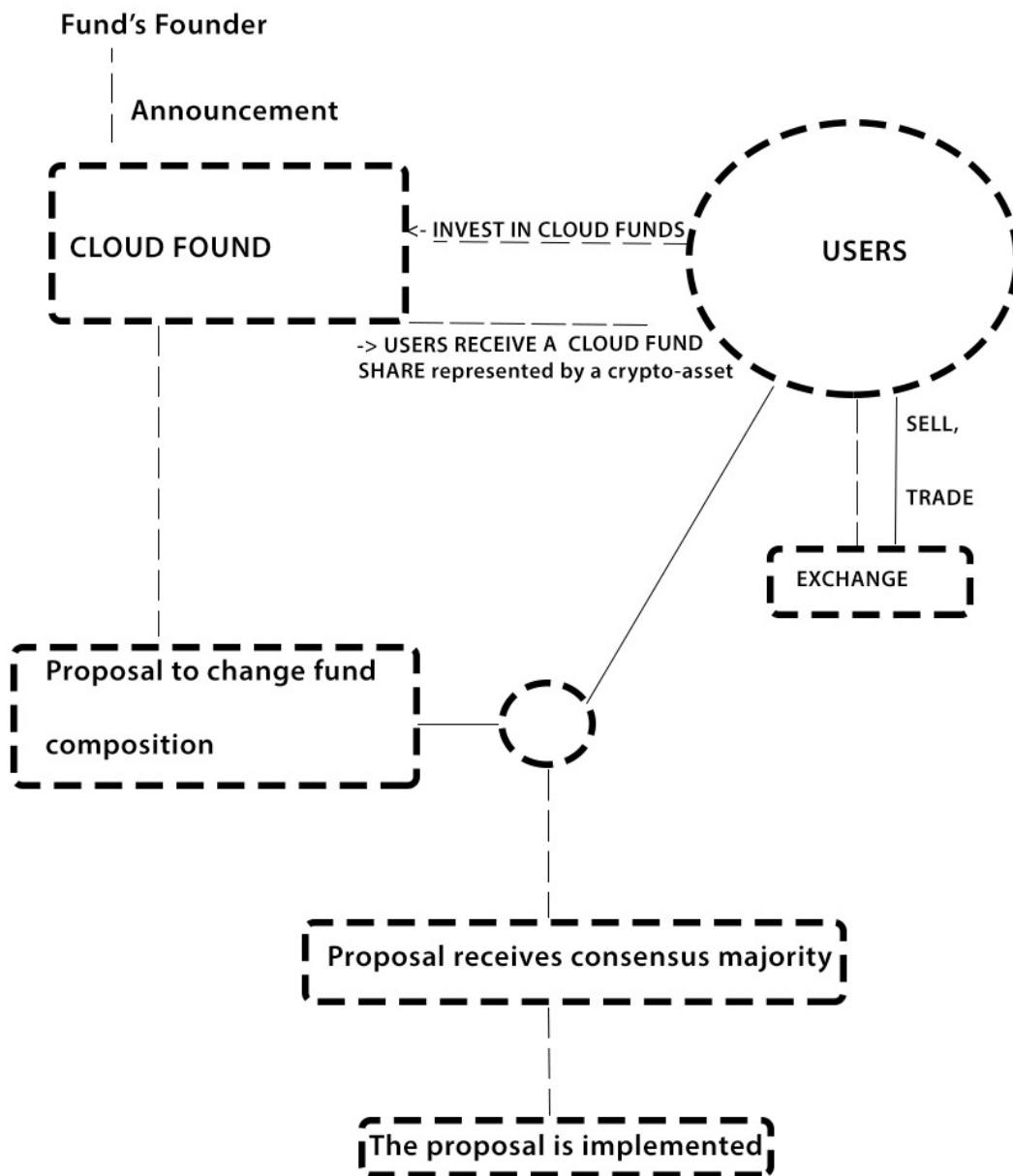
- The shares of the fund held;
- The level assigned by the platform created by FTB: the rating will be assigned to the user depending on the results achieved in the Cloud Funds in which they participated or created, as well as on a user's trustworthiness;
- The fund announcer manages with other users or shares with them the decision-making power.
- One head, one vote: every user will have the same decision-making power (just like a direct democracy).;
- Other mechanisms that will be able to be chosen by users.

Alongside the Cloud Fund, it will be possible to match an asset that will represent the share of each participant, as already explained in section 1.1, anyone will be able to swap their share and move from a cloud fund to another, or from a cloud fund to another type of fund.



The creation of a Cloud-Fund is done with an ad, where the initial idea of the fund is explained by the founder. After receiving enough funds, the cloud fund is started. At any time, a participant can create a proposal, and when it receives the majority of consents, it is implemented.

Cloud Funds



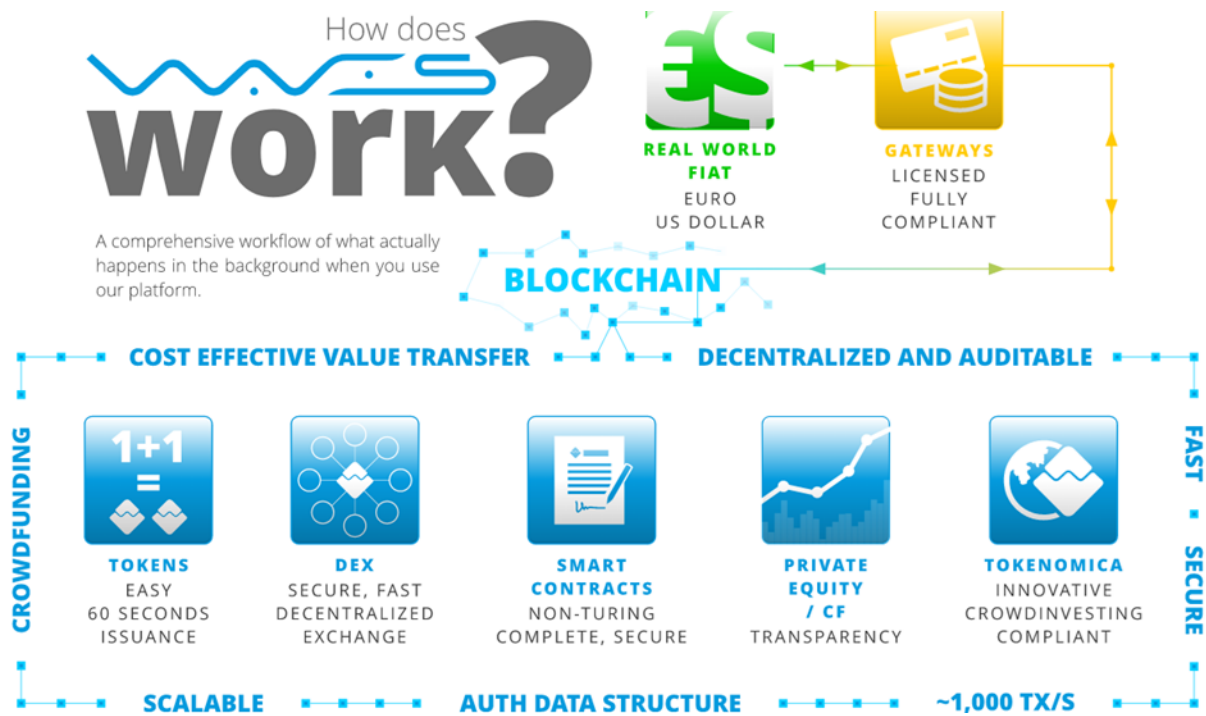
With Cloud Funds you can actively participate or not in fund management, comparing yourself with other members and collaborating to better manage your goals. The community will be the only owner of that fund, without any operational or managerial constraints.

Thanks to the Cloud Fund, fund management will be decentralised and not controlled by any intermediary. It will be the community to decide on the operations, without paying expensive management fees to anyone.

2. FTB COIN - Fincoin (FTB)¹³

FTB Fincoin is the representative coin of FTB.

The number of FTB Fincoin (FTB) in circulation is 10,000,000,000 (10 billion). No FTB Fincoins will be generated at this stage of the project. FTB is an asset created in Waves, and thanks to this, it has all the features of a currency created on the platform.



With Waves Platform, their management is simple: just download & install the client and the app to manage FTB Fincoin without any knowledge of programming.

Sending FTB coins, like any asset created on the platform, is instantaneous, and the commission to spend, for now, is almost nil (0.001 waves).

In fact, Waves also acts as a decentralised Exchange; FTB Fincoin is already currently exchangeable in Waves, Bitcoin, Ether dollars, euros, yuan, and any crypto-currency created in the Waves Platform.

2.1 FTB and community — Shareholders

FTB Fincoins have four functions:

- Representation of the FTB share.
- Tool for management participation.

¹³ Asset id in Waves: E8jdQECM6i9j28bpH81zZWYAwtaZwJMtzPWz4jCCmot3

- Coin accepted as payment by the company representing FTB (you will be able to pay all the offered services, at a cheaper price compared to the other fiat or crypto-currencies required).
- Project Share Representation: An FTB represents a company's share. Holding an FTB_coin represents the right to collect a portion of the dividends.

Dividends will be paid in FTB, Waves, Bitcoin or Ether.

After the approval of the financial statements, dividends will be divided by the number of FTB (10 billion), each Fincoiner will receive a stake for each ftb in its portfolio.

How can dividends be distributed?

With the dividend distribution announcement, a day and an hour will be declared: for instance, June 19, 2018 at 00:00 GMT + 0.

Whoever will have Fincoins at that exact time, will be entitled to receive dividends in their portfolio.

Normal actions and FTB Fincoins

Treasury Stocks¹⁴: The FTB fincoin held by the company will have the same functionality, plus they will be available to be used to pay dividends.

Issuance of new shares¹⁵: Fincoins are re-issuable, and it's possible to replicate the traditional right of option: who owns FTB at the time of re-issue has the right to buy it before they are sold on Market (exactly as an option right¹⁶).

Preferred Stocks¹⁷ (those with the right to multiple dividends without decision-making power) and ordinary shares: the mechanism will be explained explicitly in the next paragraph. There will be no different crypto-currencies that will represent these two types of participations, but it will be the user to decide how and when to operate.

Those who will want to participate in the decision-making system will have to spend FTB, so give up part of their participation (the stake will be decided by the user himself, since he can decide how many fincoins to send). In this way, the fincoiner, for every decision to be made, will have a junction in front of himself: to exercise his decision-making power, but have less fincoins, meaning less useful futures, so receive less dividends, or to not exercise his power, leaving the others to decide, and receive, in this case, higher dividends.

Management participation tool:

Every fincoiner will have decision-making power in the company on FTB. There will be two types of referendum:

- Company-led referendum (through its own members)

¹⁴ <http://www.investopedia.com/terms/t/treasurystock.asp>

¹⁵ <http://www.investopedia.com/terms/n/newissue.asp>

¹⁶ https://en.wikipedia.org/wiki/Pre-emption_right

¹⁷ <http://www.investopedia.com/terms/p/preferredstock.asp>

- Referendums required by FTB holders

This way, every fincoiner will have a decision-making power, represented solely by the extent of their willingness to "sacrifice" themselves in order to have their thought executed. Thanks to this you have the certainty of a perfect rationality. No one is obliged to spend one's share, it is only done because there's actually belief in a cause that will give themselves and others more gains.

The first FTB referendum will be about the name of the company, which will be chosen by Fincoiners.

Let's take this as an example to explain how fincoiners will have decision-making power.

Starting from the end of the ICO, for three weeks anyone will be able to propose the name of the company. FTB will choose the best 3 proposals and present them to the fincoiners as alternatives.

WHO WINS THIS CONTEST WILL RECEIVE \$1500 IN FTB AS COMPENSATION

The alternatives will specified as such:

Each name and brand will be represented by a Waves portfolio, at the end of the time, whoever will have received greater FTBs will win, so the decision it represents will be applied.

We explicitly state what will be asked in the first referendum:

What do you want the name of the company born from FTB to be?:

NAME A	NAME B	NAME C
Send FTB to:	Send FTB to:	Send FTB to:
3PGr8AuFtTfi73TBvLSsHjHX iFDSj2DB1WE	3PFDLEXK1Fu8BFaZcghfYh AaiceC2u4YvH9	3P2HNUd9VUPLMQkJmctTP EeeHumiPN2GkTM

At the end of the contest, the portfolio with the most FTB wins.

Each portfolio can be consulted by the Waves' Block Explorer¹⁸. So everything will be transparent and public. And the will of the fincoiners will win.

The same way of operating can be replicated in any case.

Each Fincoiner may issue, in an appropriate form, a motion regarding the management or structure of the company, and, once this motion has received sufficient consent, a referendum will be induced to fincoiners.

In order for a motion to be induced, it will need to get enough approval (in FTB): the consensus will have to be equal to 0.3% of the amount of fincoin in circulation, calculated as the total of Fincoin

¹⁸ <http://www.wavesgo.com/index.html>

(FTB) created (now 10 billion), minus the fincoins owned by the company. All the received fincoins will be held as personal shares, so part of their possession will be for each fincoiner.

Once reached 0.3%, the referendum is induced, represented by the alternative requests. For instance, let's think of this simple proposition:

We want to increase the FTB_coin in circulation by 10%, so from 10 billion to 11, the portfolio representing the idea reaches the target percentage and the following referendum is induced:

Do you want to increase FTB Fincoin total supply by 10%?:

Yes	No
Send the FTB to the following address	Send the FTB to the following address
3PGh8AkFtTfi73WNvLSsHjHXiFDSj2DB1WE	3P2JUNd9VUPLMQkJmctTPEeeHumiPN2PIKN

At the end of the referendum, the portfolio representing the idea with more FTB Fincoin wins.

This way, the management by the administrators will only be focused on the will of the Fincoiners, it will not be possible to act against their will, because it will not be possible to go against their decision-making power.



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