



RusCoin

White Paper

ruscoin.io

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Investment Disclaimer

*Investment in crypto assets is associated with the following risks:

- ✓ Risks relating with engaging in business activities in particular jurisdictions,
- ✓ Risks relating with economic conditions,
- ✓ Risks relating with competitive environment,
- ✓ Risks relating with fast-pace technological and market changes,
- ✓ As well as with other factors that may result in significant deviations from the anticipated financial performance.

*RusCoin does not accept investment from US citizens in United States Dollars and other fiat money; however, US citizens may invest cryptocurrencies (Bitcoin, Ethereum, etc.) in RusCoin *at their discretion* and *entirely at their own risk*, as the blockchain technology does not stipulate for the identification of nationality.

*RusCoin disclaims any responsibility for any illegal actions by US citizens or citizens of any other countries, since by virtue of using blockchain technologies RusCoin has no way of knowing about any such actions.

*The abovementioned factors suggest that actual performance may significantly vary from any assumptions or forward-looking representations as contained in this document.

1. Abstract

Thanks to the revolutionary invention of Professor Yuji Ijiri in 1989 - Triple-Entry Bookkeeping¹ - and the blockchain based on that invention there are a growing number of new exciting opportunities for the financial sector and real economy.

RusCoin is a Fintech project aimed at investing assets raised through ICO in various business projects in the Russian Federation and worldwide as promoted by Russian founders with an Internal Rate of Return >35%.

We use Waves, a decentralized blockchain platform, in order to attract investors in our projects via ICO² mechanism ('Initial Coin Offering').

Buyers of RusCoin tokens thus become co-owners of real and existing businesses and/or readily obtainable assets, while the blockchain technology provides for complete transparency and traceability of all our transactions and investment projects by RusCoin token owners. A mechanism known as Smart contract³ is one of the tools to ensure such transparency.

2. Problem

The Russian financial market is substantially undercapitalized.

By comparison, the capitalization of Apple Inc. reached USD 1 trillion on August 2, 2018. That is 1.6 times higher than capitalization of the entire Russian securities market! At the same time, the potential for growth of the national stock market is uncapped, with many Russian companies remaining hugely undervalued.

Sectoral economic sanctions introduced by the United States and a number of Western countries against Russia put restrictions on funding of entities related with this country.

3. Solution

The mechanism of ICO allows for legitimate circumvention of these restrictions, i.e. ICO helps raise crypto assets in order to fund business projects linked to Russia. At the first stage of RusCoin project, most of the funds raised will be used to buy up a blocking stake (25% + 1 share) of PJSC Moscow Exchange (MOEX, moex.com/en). This will enable the RusCoin project to introduce blockchain products and companies on Moscow Exchange.

Product

Why Buy Shares of PJSC Moscow Exchange?

- High Level of Free Float: ~57%
- High Dividend Yield: ~10% p.a.
- Enormous Growth Potential: ~5-10 times the current price
- Moscow Exchange earns its transaction fees, regardless of whether markets grow or shrink
- Buying up the blocking stake (25% + 1 share) allows to introduce Blockchain-related products and companies on Moscow Exchange
- In case of a targeted buy up of shares of Moscow Exchange the MOEX share price will grow from approximately RUB 110 (\$1.7) per share to RUB 1,000 (\$15.8) per share, and RusCoin price will then grow approximately 9 times to US\$680 taking into account all the relevant expenses

Again, Why Moscow Exchange?

Source: Moscow Exchange Official Website, <http://www.moex.com/s1414>

A Global Industry Leader

- A leading exchange for trading a wide range of assets including equities, bonds, derivatives, FX, commodities and money market instruments
- Resilient business model that performs well throughout the economic cycle
- Robust centralized post-trade infrastructure that enables provision of clearing, settlement and depository services
- Leadership in a global context:
 - No. 2 in terms of trading volumes of bonds among world's exchanges in 2016, according to the World Federation of Exchanges;
 - No. 4 in terms of the number of derivative contracts traded in 2016, as per the Futures Industry Association;
 - FX, index, and commodity derivatives traded on Moscow Exchange are among the most liquid derivative contracts globally based on the data collected by the Futures Industry Association

High Growth Potential

- Undemanding valuations of the Russian equity market imply there is potential for growth
- The Russian financial market has ample room for further development as reflected by the low market capitalization to GDP and debt to GDP ratios

Strong Financial Performance

- One of the highest EBITDA margins among global exchanges (77.1% in 2016)
- Impressive growth history:
- CAGR of net income of 32.0% in 2012-2016

Attractive Dividend Policy

- The dividend policy establishes a payout ratio of no less than 55% of consolidated net profit under IFRS
- The actual payout ratios exceeded the level specified in the dividend policy for 2012-2016:
 - 35.4% vs. minimum 30% for 2012
 - 46.8% vs. minimum 40% for 2013
 - 55.1% vs. minimum 50% for 2014
 - 58.2% vs. minimum 55% for 2015
 - 69.4% vs. minimum 55% for 2016
- The Supervisory Board approved interim dividend payout for H1 2017

Successful results of infrastructure and regulatory reforms

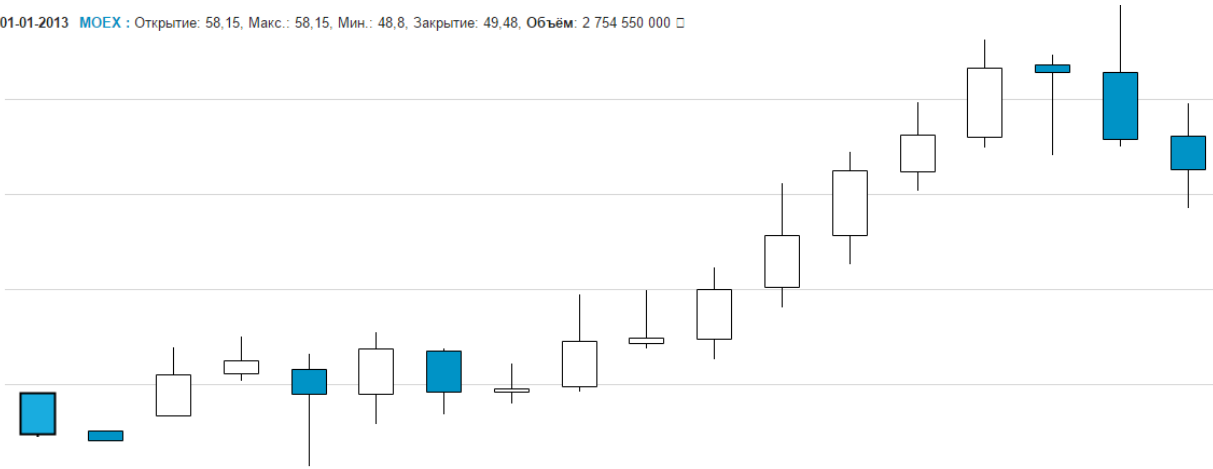
- Transition from T0 to T+2 for equities and to T+1 for government bonds
- Establishment of a fully functioning CSD and an integrated CCP
- Introduction of access to Euroclear and Clearstream, international securities depositories
- New Russian corporate governance code and MOEX Listing Rules aligned with international best practices
- New incentives for retail investors and Russian pensions funds to invest in securities
- New laws on insider trading and market manipulation adopted
- Amendments in the legal- and tax regulation of retail investors and private pension funds

High level of transparency and adherence to stringent standards of corporate governance

- No controlling shareholder; 57.5% of shares are part of Free Float (as of July 2017)
- 6 out of 12 of the Supervisory Board members are independent
- The Company's corporate governance code aligned with best international practices
- Alignment of management and shareholder interests through a long-term share-based incentive program
- Transparent and timely financial and operational disclosure

PJSC Moscow Exchange Share Price Movement From January 1, 2013 Until July 1, 2017*

01-01-2013 MOEX : Открытие: 58,15, Макс.: 58,15, Мин.: 48,8, Закрытие: 49,48, Объем: 2 754 550 000 □

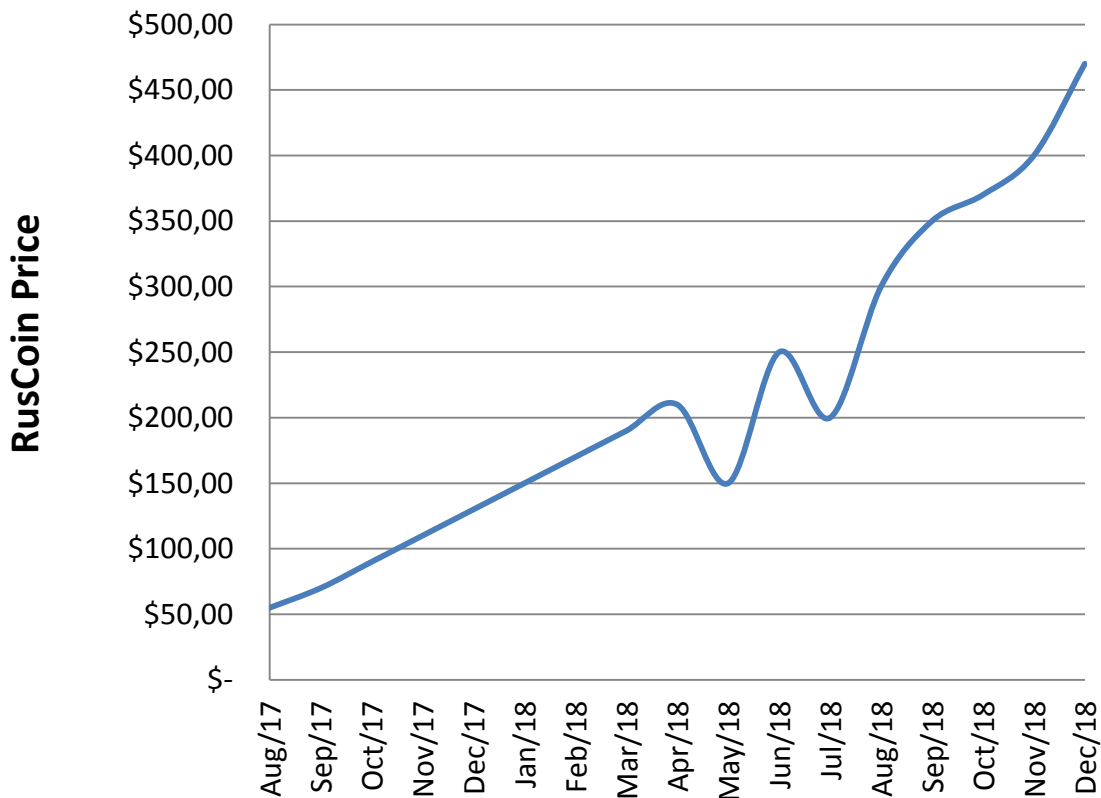


*Source: Moscow Exchange Official Website

The RusCoin Appeal

- The hype around cryptocurrencies helps raise funds from retail and corporate investors from around the world;
- High rate of return thanks to existing profitable businesses and transparent investments;
- Cryptocurrencies and blockchain technology are recognized by a growing number of countries, for example, at 2017 St. Petersburg International Economic Forum it was announced that a 'crypto Ruble' would be introduced by 2019;
- Clear investment model using the funds raised;
- Highly experienced and professional project team;
- Reputable ICO agent;
- RusCoin can be used for international payments without intermediate banks (p2p model);
- In addition to the MOEX share buy up project RusCoin will partake in other profitable international projects

Forecast of RusCoin Price Chart, US\$



Business Model

The RusCoin emission center invests funds raised via ICO by way of acquiring shares and/or establishing new companies together with Russian founders.

The management company RusCoin Asset Management is engaged in the selection of eligible investment assets and projects, as well as subsequent management of these assets and projects.

Employees of RusCoin Asset Management are seasoned investment professionals who possess in-depth knowledge of Russian financial market.

The management company RusCoin Asset Management is paid 2% Management Fee per annum based on the Assets Under Management (AUM) and 20% Success Fee on a quarterly basis from profits generated by the investment activity.

Any and all current information about companies in the investment portfolio of RusCoin Asset Management, operational data, etc., will be available on the website <https://ruscoin.io>.

Investment Criteria

The primary investment criteria of RusCoin Asset Management include investment in existing businesses in Russia and worldwide that feature:

- Internal Rate of Return of 35%+ p.a.;
- Experienced Project Team;
- Clear Idea and Entry/Exit Strategy;
- Business Plan with a 3-Year Financial Model;
- Market Size of at Least US\$100 Million.

4. Roadmap

Current Status

- We put together a highly professional team of managers, financial analysts, investment bankers, lawyers, coders, and PR experts;
- 21 Million RusCoin Tokens are registered on Waves platform;
- Legal grounds of the project have been elaborated. The underlying documents include the White Paper, Terms & Conditions, Privacy Policy, Formal Offer, and Investment Raising Mechanism;
- RusCoin website <https://ruscoin.io> is operational;
- Preliminary talks conducted with the leading cryptocurrency exchanges with regards to RusCoin placement;
- RusCoin tokens are now traded on the internal exchange of Waves DEX platform <https://waveswallet.io/>. The token identifier is:
EMdiF8uaySswfCdMxc114rSfzUsAKCtK9d8eSx6ruKP4

Go To Market Strategy

Milestones

Phase One

- ICO launch (Start date: August 1, 2017; end date: May 1, 2019)
- Formation of RusCoin Emission Center - before November 21, 2018
- Formation of the management company RusCoin Asset Management - before November 21, 2018
- Formation of the operator company (Russian Federation) - before November 21, 2018
- Listing on the world's leading cryptocurrency exchanges - before December 20, 2018
- Buy up of a blocking stake (25% + 1 share) of PJSC Moscow Exchange - after November 22, 2018
- Promotion and marketing (Start date: August 1, 2017 - indefinite)

Phase Two

- Search for projects that meet the RusCoin investment criteria; Start date - August 1, 2017 - indefinite
- Investing in newly selected projects; Start date: August 1, 2017 - indefinite

Phase Three

- Introduction of blockchain-related products and companies on Moscow Exchange - after May 1, 2019

5. Token Model

ICO Parameters

Promoter:	RusCoin (RSC)
Platform:	Waves
GitHub:	https://github.com/wavesplatform/Waves
Total Emitted Volume:	21,000,000 RusCoin
Offer Price:	US\$75 per RusCoin
Soft Cap:	US\$1,050,000,000
ICO Start Date:	August 1, 2017
ICO End Date:	May 1, 2019

Use Cases

- RusCoin tokens are used exclusively for funding business projects selected and undertaken by the management company RusCoin Asset Management
- Store of value

Incentives for Investors

Major cryptocurrencies (BTC, ETH, Waves) are used as payment for RusCoin tokens, taking into account the Investment Disclaimer.

RusCoin token investors become co-owners of real business entities with a consistent operating surplus.

Considering RusCoin's high liquidity its owners may choose to sell their RusCoin on decentralized exchanges (DEX) at any point.

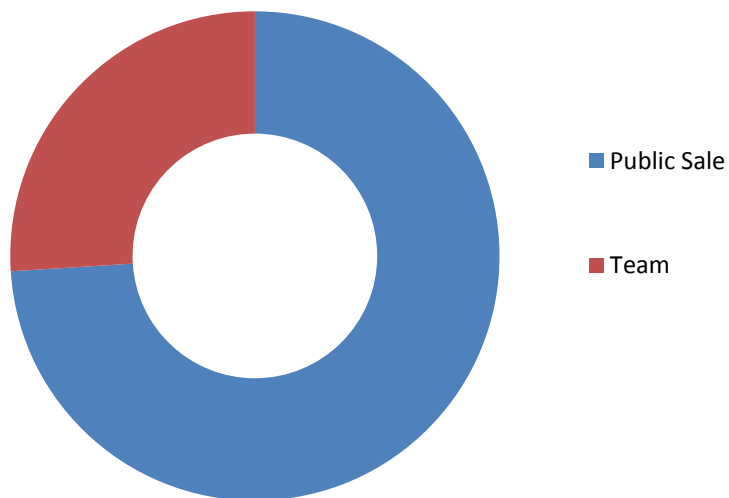
100% of the monetary assets will be used for buyback transactions after a six-month lockup period, i.e. effective May 1, 2019 all such assets will be used for buyback less the relevant transaction costs, Management Fees and Success Fees.

Restrictions for United States Citizens

RusCoin does not accept investment from United States citizens in US Dollars and other fiat money; however, US citizens may invest in RusCoin with major cryptocurrencies (BTC, ETH, etc.) *at their discretion and entirely at their own risk*, as the blockchain technology does not stipulate for identification of nationality.

Allocation of Tokens

RusCoin Tokens



Public Sale:	74%
Team:	26%

6. Team



Alexey Bykov
Project Lead

Alexey holds Ph.D. in Economics. Since 1994 he has been professionally engaged in equities market trading. In 2014, Alexey received Russia's Best Options Trader Award from Moscow Exchange. Mr. Bykov runs a private hedge fund.

<http://www.trade-advisors.com>

<http://www.alexeybykov.ru>

<http://www.alexeybykov.com>

[Facebook](#)



Konstantin Kuzin
Operations Lead

In 1998, Konstantin graduated from Novosibirsk State Academy of Economics and Management, and since 2000 he has held senior management positions in a number of Russian industrial and trading companies.

[Facebook](#)



Ilya Trifonov
BizDev Lead

With over 20 years' experience working for the leading Russian and multinational corporations in managerial roles, Ilya is a serial entrepreneur who co-founded Magtoapp, Inc., a developer of optical recognition technologies. He also consults aspiring startups developing disruptive technologies, such as blockchain, AI, and machine learning.

[Facebook](#)



Dmitry Lukyanov

Legal Advisor

Mr. Lukyanov is Manager Partner with Misolla Partners Group, Toronto, Canada. He is well versed in international company and contract law, securities and finance law. Dmitry is passionate about the burgeoning crypto space and is abreast of the latest developments in jurisdictions around the world regarding cryptocurrency and blockchain regulation.

[LinkedIn](#)



Michael Trifonov

Web Designer

He has over 16 years' experience in media design. Michael is proficient in Adobe After Effects, Photoshop, Illustrator, and Flash, among other software tools.

[VKontakte](#)



Valery Kuznetsov

IT Consultant

Valery is a successful investor, co-founder of several Russian business entities that operate at the junction of information technologies, catering, and food delivery. He founded a number of globally oriented startups focusing on eCommerce and IT Development.

[Facebook](#)



Vera Pronkina

Advisor

Vera received her MBA from Skolkovo Higher School of Management. She founded an IT company that specializes in the educational systems of Russia and CIS countries. She has extensive experience in international business and investment activities.

[Facebook](#)

7. References

- [1] Momentum Accounting & Triple-Entry Bookkeeping, Yuji Ijiri, 1989
- [2] https://en.wikipedia.org/wiki/Initial_coin_offering
- [3] https://en.wikipedia.org/wiki/Smart_contract
- [4] <http://riarating.ru/infografika/20170131/630054676-print.html>



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